

Groundnut Outlook – December 2020

Groundnut (*Arachishypogaea L.*) is an important oilseed crop in India which occupies first position in terms of area and second position in terms of production. China ranks first in groundnut production with 17.39 million tonnes followed by India 6.70 million tonnes, Nigeria 2.89 lakh tonnes, Sudan 2.88 million tonnes and Myanmar 1.60 million tonnes accounting for 37, 14, 6, 2 and 1 percent of total world production of 46.01 million tonnes during 2018-19.

Table 1: State wise area under groundnut in India

State	2019-20			2020-21		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Gujarat	15.52	38.35	39.67	20.65	51.03	40.53
Andhra Pradesh	5.16	12.75	13.19	7.50	18.53	14.72
Rajasthan	5.73	14.16	14.65	7.28	17.99	14.29
Karnataka	3.82	9.44	9.76	5.37	13.27	10.54
Madhya Pradesh	2.22	5.49	5.67	2.80	6.92	5.50
Others	6.67	16.48	17.05	7.35	18.16	14.43
All India	39.12	96.67	100.00	50.95	125.90	100.00

Source: www.agricoop.gov.in

According to the all India kharif crop coverage report, Government of India, as on 18th September 2020, groundnut was sown in around 50.95 lakh hectares as compared to last year (39.12 lakh ha). Among the states, Gujarat stood first in area coverage with 20.65 lakh ha followed by Andhra Pradesh (7.50 lakh ha), Rajasthan (7.28 lakh ha), Karnataka (5.37 lakh ha), and Madhya Pradesh (2.80 lakh ha).

Table 2: State wise Wholesale Prices Monthly Analysis for Groundnut

State	Prices November, 2020	Prices October, 2020	Prices November, 2019	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4335.63	4017.29	4474.6	7.92	-3.11
Chhattisgarh	4817.14	3898.08	4716.58	23.58	2.13
Gujarat	4868.87	4889.65	4579.62	-0.42	6.32
Karnataka	4229.15	3978.25	4344.66	6.31	-2.66
Madhya Pradesh	4307.54	4222.13	3850.29	2.02	11.88
Maharashtra	4905.76	5925.44	4449.77	-17.21	10.25
Odisha	5666.36	4923.08	5072.5	15.1	11.71
Rajasthan	4800.72	4823.25	4391.97	-0.47	9.31
Tamil Nadu	6264.85	5732.8	5127.53	9.28	22.18
Telangana	5004.16	3747.45	4582.27	33.54	9.21
West Bengal	6671.79	6539.95	6124.68	2.02	8.93
Average	4985.48	4646.91	4806.27		

Source: <https://agmarknet.gov.in>

Table 3: District wise area under groundnut in Telangana State

District	2019-20			2020-21		
	Area (ha)	Area (Acres)	% to total area	Area (ha)	Area (Acres)	% to total area
Gadwal	6049.25	14948	48.18	6220.84	15372	41.46
Warangal (Rural)	2583.11	6383	20.57	2950.97	7292	19.67
Wanaparthy	1426.92	3526	11.36	1722.34	4256	11.48
Nagarkurnool	293.8	726	2.34	1145.67	2831	7.64
Suryapet	483.60	1195	3.85	747.86	1848	4.98
Others	1719.92	4250	13.70	2216.47	5477	14.77
Total	12556.61	31028	100.00	15004.15	37076	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 37,076 acres as on 30th September 2020. Among the districts, Gadwal stood first in groundnut sown area with 15,372 acres followed by Warangal (Rural) (7292 acres), Nagarkurnool (2831 acres), Wanaparthy (4256 acres) and Suryapet (1848 acres).

Table 4: Arrivals and Prices of Groundnut at Suryapet Market in the Month of November 2020

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
3	1	2,225	2,225	2,225
4	1	4,009	4,009	4,009
5	1	2,466	2,466	2,466
9	7	3,925	3,925	3,925
10	5	2,309	3,525	2,309
11	8	4,025	4,025	4,025
12	3	3,096	3,659	3,096
21	2	3,859	3,859	3,859
24	6	4,071	4,671	4,071

Source: <http://agrimarketing.telangana.gov.in/indexnew.jsp>

Groundnut Price Outlook

There has been a high demand for peanuts from exporters particularly oil mills and as a result of it, prices of good quality peanuts in the open markets hovered around Rs. 6000 per quintal, which is much higher than Minimum Support Price (MSP) of Rs. 5275 per quintal. Peanuts with high moisture content fetched price of Rs 5000-5200 per quintal.

Peanut demand has risen and exports are expected to rise by 10% in 2020-21, as exporters are getting good orders from China, Southeast Asia and Europe.

India exported 34,535 tons of peanut in August 2020, as against 19,225 tons same period last year. During April to August 2020, peanut exports were 13% higher year-on-year to 174,610 tons, valued at Rs 1,570 crore.

As per Indian Oilseed and Produce Export Promotion Council (IOPEPC) estimate, India's new crop peanut output is expected to reach 7.70 million tonnes.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 3900 – 4250** per quintal during the month of December 2020.