

## Groundnut Outlook – November 2020

Groundnut (*Arachis hypogaea* 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](http://www.agricoop.gov.in)

According to the all India kharif crop coverage report, Government of India, as on 18<sup>th</sup> 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 October, 2020**

State	Prices October, 2020	Prices September, 2020	Prices October, 2019	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	3927.45	4067.33	5593.65	-3.44	-29.79
Gujarat	4793.45	4220.42	4853.68	13.58	-1.24
Karnataka	3962.79	3988.7	5260.77	-0.65	-24.67
Madhya Pradesh	4233.1	2500	4013.65	69.32	5.47
Maharashtra	4944.51	4265.18	5578.25	15.93	-11.36
Odisha	4923.08	5412.26	4562.5	-9.04	7.9
Rajasthan	4820.29	4405.34	4696.13	9.42	2.64
Tamil Nadu	5731.12	6204.14	7208.88	-7.62	-20.5
Telangana	4176.41	3763.56	5024.58	10.97	-16.88
Average	4591.53	4383.24	5456.23		

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
<b>Total</b>	<b>12556.61</b>	<b>31028</b>	<b>100.00</b>	<b>15004.15</b>	<b>37076</b>	<b>100.00</b>

Source: [www.agritelangana.gov.in](http://www.agritelangana.gov.in)

In Telangana, groundnut has been sown in around 37,076 acres as on 30<sup>th</sup> 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 October 2020**

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	1	2,496	2,496	2,496
3	8	2,005	4,819	4,158
5	8	3,309	3,855	3,855
6	6	3,009	5,136	3,009
7	1	1,329	1,329	1,329
8	8	2,876	3,919	3,919
9	13	4,559	4,559	4,559
12	7	2,356	3,259	2,509
14	2	3,069	3,069	3,069
19	19	2,089	4,209	2,686
20	10	2,156	5,511	4,119
22	11	2,309	5,331	4,009
27	2	3,256	4,459	3,256

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

### Groundnut Price Outlook

According to the first advance estimates, groundnut production is estimated at 95.35 lakh tonnes, higher by 11.68 lakh tonnes than that during 2019-20, 83.67 lakh tonnes. Gujarat State government in its first advance estimate has projected groundnut crop at an all-time high 54.65 lakh tonnes for kharif 2020.

SEA urged Government not to reduce import tax on edible oils. India fulfills more than 70% of its edible oil requirement through imports. India's current import duty on crude and refined palm oil is 37.5% and 45% respectively. Imports of crude soybean oil, crude sunflower oil and rapeseed oil attract import duty of 35%.

Price of edible oil has increased by Rs 90-100 per 15-litre can over the past few days. Traders and wholesalers claimed that the price escalation was due to shortage of imported edible oil in the market.

India exported 34,535 tonnes of groundnut in August'20, as against 19,225 tonnes a year ago. In the April-August period, groundnut exports were 13% higher year-on-year to 174,610.53 tonnes, valued at Rs 1,571.61 crore.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 4400 – 4600** per quintal during the month of November 2020.