

Groundnut Outlook – December 2021

Groundnut is an important oilseed crop in India which occupies first position in terms of area and second position in terms of production after soyabean. China ranks first in groundnut production with 17.57 million tonnes followed by India 6.73 million tonnes, Nigeria 4.45 lakh tonnes, Sudan 2.83 million tonnes and United States of America 2.49 million tonnes accounting for 36.01, 13.79, 9.12, 5.80 and 5.11 percent of total world production of 48.80 million tonnes in 2019-20. According to the 1st advance estimates, all India groundnut production estimate (kharif) was 82.54 lakh tonnes for 2021-22 as against 85.56 million tonnes in 2020-21 (kharif).

Table 1: State wise area under groundnut in India

State	2020-21			2021-22		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Gujarat	20.65	51.03	40.51	19.09	47.17	38.85
Rajasthan	7.30	18.04	14.32	7.76	19.18	15.79
Andhra Pradesh	7.49	18.51	14.69	6.27	15.49	12.76
Karnataka	5.37	13.27	10.54	4.75	11.74	9.67
Madhya Pradesh	2.80	6.92	5.49	3.82	9.44	7.77
Telangana	0.14	0.35	0.28	0.11	0.28	0.22
Others	7.22	17.84	14.16	7.37	18.21	15.00
All India	50.97	125.95	100.00	49.14	121.43	100.00

Source: www.agricoop.gov.in

According to the all India kharif crop coverage report, Government of India, as on 17th September 2021, groundnut was sown in around 49.14 lakh hectares as compared to last year (50.97 lakh ha). Among the states, Gujarat stood first in area coverage with 19.09 lakh ha followed by Rajasthan (7.76 lakh ha), Andhra Pradesh (6.27 lakh ha), Karnataka (4.75 lakh ha) and Madhya Pradesh (3.82 lakh ha).

Table 2: State wise Wholesale Prices Monthly Analysis for Groundnut November, 2021

State	Prices November, 2021	Prices October, 2021	Prices November, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	5211.28	5239.07	4359.7	-0.53	19.53
Chhattisgarh	4616.18	4047.22	4798.37	14.06	-3.8
Gujarat	5642.99	5462.04	4883.58	3.31	15.55
Karnataka	5361.52	5321.79	4257.62	0.75	25.93
Madhya Pradesh	4918.98	5173.87	4370.85	-4.93	12.54
Maharashtra	5628.68	5650.76	4896.51	-0.39	14.95
Rajasthan	5401.83	5538.03	4807.14	-2.46	12.37
Tamil Nadu	7173.28	8311.14	6293.55	-13.69	13.98
Telangana	5747.85	5314.88	5003.48	8.15	14.88
Average	5609.96	5518.44	4997.05		

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

Table 3: District wise area under groundnut in Telangana State

Districts	2020-21			2021-22		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Gadwal	6177.94	15266	41.34	4364.14	10784	37.30
Warangal (R)	2950.57	7291	19.74	2226.18	5501	19.03
Kothagudem	288.14	712	1.93	1311.59	3241	11.21
Wanaparthy	1719.11	4248	11.50	1125.84	2782	9.62
Nagarkurnool	1145.67	2831	7.67	700.11	1730	5.98
Others	2662.03	6578	17.81	1971.23	4871	16.85
Total	14943.45	36926	100.00	11699.08	28909	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 28,909 acres as on 29th September 2021. Among the districts, Gadwal stood first in groundnut sown area with 10,784 acres followed by Warangal (R) (5501 acres), Kothagudem (3241 acres), Wanaparthy (2782 acres), and Nagarkurnool (1730 acres).

Table 4: Arrivals and Prices of Groundnut at Gadwal Market in the Month of November, 2021

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	739	4,557	6,420	5,712
2	371	2,112	6,800	5,800
5	633	4,599	6,842	5,652
6	441	4,656	6,642	5,800
8	816	4,676	7,052	5,689
9	441	2,010	7,567	6,800
10	456	3,319	7,330	4,590
11	363	3,520	7,501	4,809
12	405	4,616	7,561	6,486
13	353	4,670	7,232	5,840
15	444	4,520	7,092	6,640
16	316	4,629	7,772	6,230
17	168	4,619	7,742	6,570
18	111	4,189	6,660	5,360
20	185	4,452	5,600	4,689
22	253	4,673	7,500	5,640
24	568	4,580	6,160	5,800
25	611	4,610	7,099	6,420
26	588	4,710	7,470	6,112
27	757	4,699	7,301	6,299
29	884	4,529	7,072	5,689
30	219	4,617	6,396	5,470

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

Groundnut Price Outlook

Gujarat is harvesting a bumper crop with a record of 3.85 million tons for the Kharif season. It is about 8.74% higher when compared to 3.54 lakh tonnes produced in the previous year. The production is up mainly due to good rainfall and no significant damage; yields have jumped to 2020 kg per hectare compared to 1715 kg per hectare in the previous year.

Gujarat Government decided to buy peanut in- shell at a minimum support price (MSP) of Rs. 5550 per quintal for a maximum of 2.5 tons per farmer. USA freight rates are at a historical high, which could create a severe impact on E.U. exports. Argentinean crop had a good demand with E.U, 70% of the production is so far contracted.

Brazil new crop plantings were 30% completed, expecting more rain to complete the plantings. Chinese peanut price is stable amid weak demand, farmers are stubborn. Northern Nigeria new crop peanut is ready for export; it completed 90% of the harvest.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 5500 – 6000** per quintal during the month of December 2021.