

Groundnut Outlook – November 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, 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 October, 2021

State	Prices October, 2021	Prices September, 2021	Prices October, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	5218.51	5314.85	4017.29	-1.81	29.9
Gujarat	5465.29	5698.56	4889.65	-4.09	11.77
Karnataka	5302.23	5256.43	3978.21	0.87	33.28
Madhya Pradesh	5177.62	5100	4222.13	1.52	22.63
Maharashtra	5506.04	5286.08	5925.44	4.16	-7.08
Odisha	7200	5825	4923.08	23.61	46.25
Rajasthan	5565.2	5652.28	4823.25	-1.54	15.38
Tamil Nadu	8328.77	8173.61	5732.8	1.9	45.28
Telangana	5258.04	4775.37	3747.45	10.11	40.31
Average	5686.26	5521.47	4646.9		

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 October, 2021

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	45	4,257	5,360	5,340
4	358	4,217	5,386	4,946
5	266	4,199	5,670	5,269
7	216	4,469	6,320	5,152
8	143	4,409	6,620	5,130
9	131	4,520	6,696	5,180
11	263	4,477	6,600	5,410
12	224	4,547	6,750	5,360
18	856	4,470	6,111	5,560
20	252	4,400	6,180	5,276
21	113	4,532	6,472	5,500
22	261	4,370	6,260	5,400
23	116	4,359	6,130	5,669
25	224	4,570	6,312	5,512
26	189	4,499	5,878	5,532
27	260	4,440	6,978	5,599
28	229	4,577	6,700	5,599

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

Groundnut Price Outlook

According to the Indian Oilseeds & Produce Export Promotion Council (IOPEPC) groundnut kharif crop production is estimated at 82.03 lakh tons with an average yield of 1669 kg/ha. While Government's first advance estimate of groundnut Kharif crop production is at 82.54 lakh tons. More than 80% of oil mills still remain shut across Gujarat due to peanut shortage.

USA crop progress report shows 76% of the U.S. crop rated good to excellent. Argentine peanut shipment volume started to shrink due to higher freight rates. Brazil has a little left over for shipments; shippers are focused on fulfilling long-term contracts. China market could be flooded with peanuts in the coming days as the rainfall recedes. Local demand in the Nigerian market is consistent; the product is selling at higher rates than y-o-y.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 5200 – 5500** per quintal during the month of November 2021.