

## **YASANGI (RABI) 2021-22 PRE-SOWING PRICE FORECAST OF GROUNDNUT**

### **Groundnut Price per Quintal will be around Rs. 5400-5700 at the Time of Harvesting (January to March 2022)**

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 9.95 million tonnes, Nigeria 4.45 million tonnes, Sudan 2.83 million tonnes and United States of America 2.49 million tonnes accounting for 36.01, 20.38, 9.12, 5.80 and 5.11 percent of total world production of 48.80 million tonnes in 2019-20. Indian groundnuts are exported to China, Vietnam, Indonesia, Philippines, Malaysia, Russia, Ukraine and United Kingdom. According to the 1<sup>st</sup> advance estimates, groundnut production estimate (kharif) was 8.25 million tonnes for 2021-22 as against 8.55 million tonnes in 2020-21 (kharif).

According to IOPEPC data, exports of groundnut oil increased by 142% and stood at 2,13,448 tons in (Apr-Feb) 2021 against 35,629 tons a year before. Gujarat accounts for about 85% of the groundnut oil exported from the country. High demand from China on account of damage to its domestic crop due to flooding mainly resulted in higher exports of groundnut oil from India. Additionally, the total groundnut meal exports in Jan-Mar 2021 surged to 30,877 tonnes compared to mere 348 tonnes during the same period last year.

In India during rabi 2020-21 groundnut was sown in around 4.76 lakh hectares (11.76 lakh acres) as compared to last year 4.82 lakh ha (11.91 lakh acres). Among the states, Karnataka stood first in area coverage with 1.32 lakh ha (3.26 lakh acres) followed by Telangana 0.87 lakh ha (2.15 lakh acres), Tamil Nadu 0.87 lakh ha (2.15 lakh acres), Odisha 0.72 lakh ha (1.78 lakh acres) and Andhra Pradesh 0.67 lakh ha (1.66 lakh acres).

In Telangana during rabi 2020-21 groundnut was sown in around 1,90,557 acres as compared to last year (2,87,565 acres). Among the districts, Nagarkurnool stood first in groundnut sown area with 86,244 acres followed by Wanaparthy (26,941 acres), Gadwal (15,930 acres), Nalgonda (10,189 acres) and Vikarabad (7,328 acres). MSP for groundnut has been increased by Rs. 275 to Rs. 5550 per quintal for marketing season 2021-22 from Rs. 5275 per quintal in 2020-21. Groundnut grown in Telangana, especially in the erstwhile districts of Rangareddy and Mahabubnagar, is of superior quality and high in demand across the country because of free from aflatoxin. Hence, there is ample scope to extend area under this crop in the ensuing rabi (yasangi) 2021-22 in Telangana state.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2021-22 rabi pre-sowing price forecast of groundnut. Under expected normal weather conditions and crop area coverage, it is expected that the groundnut price per quintal will be around **Rs. 5400-5700** at the time of harvesting (January to March 2022). This price forecast is based on the monthly modal price of groundnut obtained for 19 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN and also the market survey. Gadwal and Wanaparty are the two major groundnut markets in Telangana.

*Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.*