

Groundnut Outlook – September 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 3rd advance estimates, groundnut production estimate (kharif and rabi) was 10.11 million tonnes for 2020-21 as against 9.95 million tonnes in 2019-20.

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	20.63	50.98	40.64	19.09	47.17	39.36
Rajasthan	7.30	18.04	14.38	7.76	19.18	16.00
Andhra Pradesh	7.49	18.51	14.76	6.14	15.17	12.66
Karnataka	5.33	13.17	10.50	4.63	11.44	9.55
Madhya Pradesh	2.80	6.92	5.52	3.82	9.44	7.88
Telangana	0.14	0.34	0.27	0.07	0.16	0.13
Others	7.07	17.48	13.93	7.00	17.28	14.42
All India	50.76	125.43	100.00	48.50	119.85	100.00

Source: www.agricoop.gov.in

According to the all India kharif crop coverage report, Government of India, as on 3rd September 2021, groundnut was sown in around 48.50 lakh hectares as compared to 50.76 lakh ha last year. Among the states, Gujarat stood first in area coverage with 19.09 lakh ha followed by Rajasthan (7.76 lakh ha), Andhra Pradesh (6.14 lakh ha), Karnataka (4.63 lakh ha) and Madhya Pradesh (3.82 lakh ha).

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

State	Prices July, 2021	Prices June, 2021	Prices July, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	4712.44	4626.21	4925.11	1.86	-4.32
Gujarat	5615.16	5466.15	5526.01	2.73	1.61
Karnataka	4890.42	4747.43	5496.53	3.01	-11.03
Madhya Pradesh	5113.32	4720.63		8.32	—
Maharashtra	5003.1	4603.01	5070.22	8.69	-1.32
Rajasthan	5343.29	5583.3	3874.07	-4.3	37.92
Tamil Nadu	7724.88	8120.93	7467.21	-4.88	3.45
Telangana	5077.49	5349.54	4209.93	-5.09	20.61
Uttar Pradesh	4609.19	4740.67	4742.64	-2.77	-2.81
Average	5218.17	5261.06	5095.5		

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	5672.89	14018	40.49	2659.60	6572	40.69
Warangal (R)	2943.69	7274	21.01	2169.93	5362	33.20
Nagarkurnool	1055.42	2608	7.53	474.70	1173	7.26
Suryapet	721.15	1782	5.15	379.60	938	5.81
Wanaparthy	1508.67	3728	10.77	207.20	512	3.17
Others	2107.20	5207	15.04	645.07	1594	9.87
Total	14009.02	34617	100.00	6536.09	16151	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 16,151 acres as on 8th September 2021. Among the districts, Gadwal stood first in groundnut sown area with 6,572 acres followed by Warangal (R) (5362 acres), Nagarkurnool (1173 acres), Suryapet (938 acres) and Wanaparthy (512 acres).

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

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	459	4,397	5,369	5,240
2	1,043	4,398	5,872	5,345
3	1,290	2,502	6,072	4,372
5	1,617	4,293	5,632	5,319
6	571	4,260	5,400	5,290
7	778	4,398	5,486	5,120
8	688	4,221	5,501	4,870
10	763	4,392	5,770	5,320
12	876	4,398	5,200	4,819
13	777	4,395	5,270	4,806
14	756	4,360	5,290	4,890
15	427	4,227	5,267	4,600
16	753	4,350	5,370	4,670
17	550	2,069	4,670	3,670
19	1,328	4,300	5,506	5,070
22	897	4,122	4,727	4,230
24	2,168	4,240	5,360	5,100
26	2,279	4,340	5,666	5,350
27	2,059	4,421	5,690	4,880
28	1,926	4,466	5,932	5,200
30	2,039	4,466	6,352	5,532

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

Groundnut Price Outlook

As per USDA, the United States is expected to produce 3.0 million tons of peanuts this year as against 2.8 million tons in previous crop.

Large-scale sowing has completed in China this year. It is estimated to harvest 18.2 million tons of peanuts against 17.9 million metric tons previous year. In Nigeria planting is in progress and is expected to produce 4.4 million metric tonnes as against 4.3 million metric tonnes last season.

China is expected to continue remaining a top market for groundnut seed and groundnut oil of Indian origin after their crop was damaged by 25-30%, which consequently lowered country's production by 40 lakh tonnes from the normal, this season and on strategic buying in near to medium-term.

Further, this week China witnessed severe flood in Henan province which contributes more than 30% of the total groundnut production in China. So, groundnut production in China is likely to decline and will import from India to fulfill its domestic groundnut oil demand. Chinese new crop peanut estimates the price to be more than 9000 Yuan/ton.

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 September 2021.