

Groundnut Outlook – February 2021

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 account 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 during rabi 2020-21

State	2019-20			2020-21		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Karnataka	1.07	2.64	22.20	1.32	3.26	27.73
Telangana	1.15	2.84	23.86	0.87	2.15	18.28
Tamil Nadu	0.93	2.30	19.29	0.87	2.15	18.28
Odisha	0.78	1.93	16.18	0.72	1.78	15.13
Andhra Pradesh	0.66	1.63	13.69	0.67	1.66	14.08
Others	0.23	0.57	4.77	0.31	0.77	6.51
All India	4.82	11.91	100.00	4.76	11.76	100.00

Source: www.agricoop.gov.in

According to the all India rabi crop coverage report, Government of India, as on 29th January 2021, groundnut was sown in around 4.76 lakh hectares as compared to last year (4.82 lakh ha). Among the states, Karnataka stood first in area coverage with 1.32 lakh ha followed by Telangana (0.87 lakh ha), Tamil Nadu (0.87 lakh ha), Odisha (0.72 lakh ha), and Andhra Pradesh (0.67 lakh ha).

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

State	Prices January, 2021	Prices December, 2020	Prices January, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4857.92	4409.4	4259.31	10.17	14.05
Chhattisgarh	3737.31	4334.6	4918.63	-13.78	-24.02
Gujarat	5207.19	4947.05	4839.17	5.26	7.61
Karnataka	4935.16	4460.79	4421.62	10.63	11.61
Madhya Pradesh	5027.48	4543.56	4238.37	10.65	18.62
Maharashtra	4780.71	4792.3	4420.3	-0.24	8.15
Rajasthan	5007.48	4821.34	4540.34	3.86	10.29
Tamil Nadu	7298.95	6761.32	5914.76	7.95	23.4
Telangana	6248.04		4952.66	—	26.16
Uttar Pradesh	4652.38	4188.18	4474.81	11.08	3.97
Average	5207.09	5066.66	5072.67		

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

Table 3: District wise area under groundnut in Telangana State

Districts	2019-20			2020-21		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Nagarkurnool	50359.97	124442	43.27	34901.76	86244	45.26
Wanaparthy	20265.47	50077	17.41	10902.65	26941	14.14
Gadwal	6681.77	16511	5.74	6446.65	15930	8.36
Nalgonda	5235.83	12938	4.50	4123.35	10189	5.35
Vikarabad	5211.95	12879	4.48	2965.54	7328	3.85
Others	28618.60	70718	24.59	17775.84	43925	23.05
Total	116373.61	287565	100.00	77115.80	190557	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 1,90,557 acres as on 3rd February 2021. 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).

Table 4: Arrivals and Prices of Groundnut at Suryapet Market in the Month of January 2021

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
5	7	4,169	4,401	4,401
12	56	4,422	6,057	4,632
18	348	2,700	6,789	6,751
19	185	2,552	6,719	5,811
20	142	3,400	6,871	5,262
21	161	3,220	6,862	4,909
22	347	2,561	7,011	5,459
23	288	2,677	6,551	6,501
25	991	3,269	7,261	5,252
27	1,668	2,916	7,486	5,700
28	992	3,316	7,289	5,200
29	82	2,859	6,624	6,540

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

Groundnut Price Outlook

The total export of groundnut oil to China has crossed a massive 1.10 lakh tonnes till the end of December as against the total export of 40,000 tonnes in the entire previous financial year.

According to exporters, they already have confirmed orders of 70,000 tonnes for January and February and total export of the season is expected to cross 2 lakh tonnes.

China's total production of groundnut is around 1.5 million tonnes, but the floods last year ravaged nearly 35% of the standing crop. To fulfill the demand gap of 50 lakh tonnes, the country is importing the oil in huge quantities.

The oil deficit in China is so high that they want to import as much as possible of India's production. They are also importing peanuts of even inferior quality to extract oil.

Rajasthan's produce is available at Rs. 4,800 per quintal while Saurashtra's groundnut costs Rs 5,300 -Rs 5,400 per quintal.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 5450 – 5950** per quintal during the month of February 2021.