

Groundnut Outlook – June 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 2nd advance estimates, groundnut production estimate (kharif and rabi) was 10.14 million tonnes for 2020-21 as against 9.95 million tonnes in 2019-20.

Table 1: State wise area under groundnut in India

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 May, 2021

State	Prices May, 2021	Prices April, 2021	Prices May, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4895.32	5065.63	5169	-3.36	-5.29
Gujarat	5676.42	5852.74	5850.68	-3.01	-2.98
Karnataka	5042.64	5244.81	4888.92	-3.85	3.14
Madhya Pradesh	4729.40	5500.00	4817.59	-14.01	-1.83
Maharashtra	4918.64	4682.39	4400.54	5.05	11.77
Rajasthan	6127.13	6108.73	4600.19	0.3	33.19
Tamil Nadu	8085.99	7886.71	6922.59	2.53	16.81
Telangana	5477.60	5560.77	5307.29	-1.5	3.21
Average	5563.96	5593.43	5043.91		

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	45737.24	113019	50.42	55101.68	136159	48.95
Wanaparthy	17587.26	43459	19.39	13420.61	33163	11.92
Gadwal	5187.67	12819	5.72	8933.04	22074	7.94
Nalgonda	3283.62	8114	3.62	7055.30	17434	6.27
Vikarabad	2641.79	6528	2.91	3344.73	8265	2.97
Others	16279.31	40227	17.95	24702.86	61042	21.95
Total	90716.90	224166	100.00	112558.22	278137	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 2,78,137 acres as on 24th March 2021. Among the districts, Nagarkurnool stood first in groundnut sown area with 1,36,159 acres followed by Wanaparthy (33,163 acres), Gadwal (22,074 acres), Nalgonda (17,434 acres) and Vikarabad (8,265 acres).

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

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
3	2,585	4,266	6,182	5,691
4	1,307	4,017	5,812	5,569
6	1,846	4,212	6,132	5,466
8	1,975	4,011	6,172	5,498
12	2,551	2,520	6,012	5,369
17	2,483	4,240	6,182	5,680
19	1,317	3,670	6,152	5,290
21	1,421	4,290	6,299	5,460
24	928	4,310	6,709	5,640
26	666	4,270	6,111	5,470
28	824	4,210	6,130	5,546
31	1,458	4,376	6,200	5,560

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

Groundnut Price Outlook

Peanut market prices are still ruling above MSP i.e., Rs. 5275. India's export of groundnut has witnessed a continued upward journey hitting 19% growth in terms of volume followed by strong overseas demand. Currently, Indonesia, Vietnam, Malaysia, Philippines, Thailand and China are the top buyers of India's groundnut seed.

China continues to buy groundnut oil and seed from India to meet its demand gap after its groundnut production was hit by 25-30% against the normal output of around 17 million tonnes of the output, due to the floods.

According to the Saurashtra Oil Mills Association (SOMA) the groundnut oil exports is to exceed 2 lakh tonnes this year. NAFED has procured about 2.84 lakh metric tonnes of groundnut seed under PSS by February 2021.

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 June 2021.