

## Groundnut Outlook – March 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 accounting 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**

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
<b>All India</b>	<b>4.82</b>	<b>11.91</b>	<b>100.00</b>	<b>4.76</b>	<b>11.76</b>	<b>100.00</b>

Source: [www.agricoop.gov.in](http://www.agricoop.gov.in)

According to the all India rabi crop coverage report, Government of India, as on 29<sup>th</sup> 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**

State	Prices February, 2021	Prices January, 2021	Prices February, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	5554.21	4961.65	4664.24	11.94	19.08
Chhattisgarh	3974.51	3924.89	5034.21	1.26	-21.05
Gujarat	5443.53	5218.95	5004.29	4.3	8.78
Karnataka	5755.04	5012.36	5205.77	14.82	10.55
Madhya Pradesh	5110.61	5031.94	4220.59	1.56	21.09
Maharashtra	4986.07	4842.64	4534.7	2.96	9.95
Rajasthan	5073.18	5001.48	4465.34	1.43	13.61
Tamil Nadu	7944.05	7313.01	6300.58	8.63	26.08
Telangana		6643.42	5290.69	—	—
Uttar Pradesh	5248.82	4700.12	4670.9	11.67	12.37
West Bengal	6048.63	5828.16	6346.64	3.78	-4.7
<b>Average</b>	<b>5521.7</b>	<b>5298.22</b>	<b>5378.14</b>		

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

Table 3: District wise area under groundnut in Telangana State

District	2019-20			2020-21		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Nagarkurnool	50359.97	124442	44.87	53913.92	133224	48.86
Wanaparthy	17578.76	43438	15.66	13172.94	32551	11.94
Gadwal	6621.88	16363	5.90	8822.57	21801	8.00
Nalgonda	5235.83	12938	4.67	6918.52	17096	6.27
Vikarabad	5211.95	12879	4.64	3333.81	8238	3.02
Others	27220.41	67263	24.25	24174.34	59736	21.91
<b>Total</b>	<b>112228.81</b>	<b>277323</b>	<b>100.00</b>	<b>110336.09</b>	<b>272646</b>	<b>100.00</b>

Source: [www.agritelangana.gov.in](http://www.agritelangana.gov.in)

In Telangana, groundnut has been sown in around 2,72,646 acres as on 3<sup>rd</sup> March 2021. Among the districts, Nagarkurnool stood first in groundnut sown area with 1,33,224 acres followed by Wanaparthy (32,551 acres), Gadwal (21,801 acres), Nalgonda (17,096 acres) and Vikarabad (8,238 acres).

Table 4: Arrivals and Prices of Groundnut at Mahabubnagar Market in the Month of February 2021

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	2,305	3,510	6,916	6,572
2	2,221	3,379	6,896	6,450
3	1,907	2,489	6,667	5,870
4	2,230	2,189	6,716	6,309
5	2,235	3,139	6,619	5,453
6	1,713	2,039	6,716	5,889
12	3,271	2,389	6,719	6,169
13	1,970	3,006	6,670	6,209
15	2,017	3,209	6,851	5,690
16	2,286	2,286	6,861	6,057
17	1,217	3,600	6,590	6,526
18	1,905	3,400	6,759	6,559
19	2,373	3,000	7,046	6,619
20	1,963	2,516	6,870	6,712
22	3,021	2,516	6,869	6,700
23	2,874	2,311	6,929	6,709
24	1,867	2,189	7,189	6,689
25	2,108	3,000	7,245	6,809
26	2,042	3,667	7,160	7,090

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

### **Groundnut Price Outlook**

The total exports of peanut oil to China has crossed 0.11 million tons till the end of December as against a total export of 0.04 million tons in the previous financial year and it is expected to reach 0.2 million tons this year.

Oil crushers have started purchasing peanut from Rajasthan since the peanut prices are 10-12% lower compared to buying from Saurashtra regions. Oil millers are ready to buy peanut from anywhere they get cheaper material to meet demand. On an average, millers crush 1 million tons of peanut to extract 0.3 million tons of oil.

The demand and price for peanut oil in the domestic market rose sharply. Because of increasing transportation cost, lower stock levels, an upcoming new crop and a confused Chinese demand, Indian peanut industry is set to discover new limits in the market.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 6250 – 6550** per quintal during the month of March 2021.