

Groundnut Outlook – June 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 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 10.08 million tonnes for 2021-22 as against 10.24 million tonnes in 2020-21.

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
Telangana	0.48	1.19	22.33	1.14	2.82	42.22
Karnataka	1.01	2.50	46.98	1.01	2.50	37.41
Andhra Pradesh	0.22	0.54	10.23	0.23	0.57	8.52
Odisha	0.14	0.34	6.37	0.16	0.39	5.81
Tamil Nadu	0.27	0.67	12.60	0.15	0.37	5.59
Others	0.03	0.08	1.49	0.01	0.03	0.44
All India	2.15	5.31	100.00	2.70	6.67	100.00

Source: www.agricoop.gov.in

According to the all India rabi crop coverage report, Government of India, as on 3rd December 2021, groundnut was sown in around 2.70 lakh hectares as compared to last year (2.15 lakh ha). Among the states, Telangana stood first in area coverage with 1.14 lakh ha followed by Karnataka (1.01 lakh ha), Andhra Pradesh (0.23 lakh ha), Odisha (0.16 lakh ha) and Tamil Nadu (0.15 lakh ha).

Table 2: State wise Wholesale Prices Monthly Analysis for Groundnut May, 2022

State	Prices May, 2022	Prices April, 2022	Prices May, 2021	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	5386.4	5290.24	4902.8	1.82	9.86
Gujarat	6176.63	6203.25	5683.61	-0.43	8.67
Karnataka	5556.48	5689.96	5057.36	-2.35	9.87
Madhya Pradesh	4733.7	4818.93	4729.4	-1.77	0.09
Maharashtra	5226.54	5309.12	4888.28	-1.56	6.92
Rajasthan	5677.03	5827.6	6094.9	-2.58	-6.86
Tamil Nadu	7082.54	8099.17	8102.55	-12.55	-12.59
Telangana	5560.57	5493.55	5488.05	1.22	1.32
Uttar Pradesh	5269.38	5296.04	5583.5	-0.5	-5.63
West Bengal	7972.58	8175.86		-2.49	---
Average	5610.41	5995.72	5563.04		

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
Nagarkurnool	54886.79	135628	49.00	59650.76	147400	41.26
Nalgonda	6965.86	17213	6.22	14865.34	36733	10.28
Wanaparthy	13417.78	33156	11.98	13272.90	32798	9.18
Mahabubnagar	3840.07	9489	3.43	9099.78	22486	6.29
Vikarabad	3345.54	8267	2.99	8060.54	19918	5.58
Others	29553.02	73027	26.38	39609.07	97876	27.40
Total	112009.06	276780	100.00	144558.39	357211	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 3,57,211 acres as on 16th March 2022. Among the districts, Nagarkurnool stood first in groundnut sown area with 1,47,400 acres followed by Nalgonda (36,733 acres), Wanaparthy (32,798 acres), Mahabubnagar (22,486 acres) and Vikarabad (19,918 acres). According to the 2nd advance estimates, Telangana groundnut production estimate was 3.42 lakh tonnes (kharif 0.24 lakh tonnes and rabi 3.18 lakh tonnes) for 2021-22 as against 2.90 lakh tonnes (kharif 0.24 lakh tonnes and rabi 2.66 lakh tonnes) in 2020-21.

Table 4: Arrivals and Prices of Groundnut at Gadwal Market in the Month of May, 2022

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
5	1,556	4,509	6,341	5,492
6	690	4,416	6,210	5,276
12	135	4,399	5,790	5,356
13	166	4,429	5,870	5,249
16	566	4,581	6,536	5,310
17	436	4,239	6,120	5,039
19	436	4,472	6,330	5,360
20	124	4,250	6,039	5,241
21	125	4,211	6,012	5,250
23	270	4,422	6,210	5,280
25	294	4,580	6,352	5,290
26	214	4,419	6,400	5,141
27	186	4,619	6,433	5,370
28	188	6,502	4,419	5,486

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

Groundnut Price Outlook

This month, the average monthly price of Groundnut bold at Rajkot went up by 2.1% to Rs. 5,976 a quintal, compared to Rs.5,852/qlt previous month. The market made a low of Rs. 5,800 and high of Rs. 6,187 during the month. Groundnut Rajkot bold monthly average prices remained firm amid edible oil supply crunch in the country coupled with good crush demand.

During Oct'21-Feb'22, India's Groundnut export went down by 28% to 2.82 lakh tonnes as compared to 3.90 lakh tonnes same period last year. Low demand from China attributed to the lower exports, while there is good demand from South East Asian countries like Indonesia, Malaysia and Philippines.

During 2020-21, India exported 6.38 lakh tonnes worth Rs. 5381 crores compared to 6.64 lakh tonnes in 2019-20 worth Rs. 5096 cores. Similarly, during the same period India's Groundnut oil export also went down by 95% to 8,825 tonnes as compared to 1.77 lakh tonnes previous year same period. In Groundnut oil too, the lower exports can be attributed to low demand from China. Last year China imported groundnut oil heavily from India on account of local crop damage. During Oct-May'22 India's expected Groundnut oil export is at 12000-15000 tonnes.

The MSP of groundnut for the year 2022-23 is fixed at Rs. 5850 per quintal registering Rs. 300 hike from previous season's MSP.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 5500 – 6500** per quintal during the month of June 2022.