

Groundnut Outlook – March 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 1st advance estimates, groundnut production estimate (kharif) was 82.54 lakh tonnes for 2021-22 as against 85.56 million tonnes in 2020-21 (kharif).

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 February, 2022

State	Prices February, 2022	Prices January, 2022	Prices February, 2021	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	5299.26	5315.58	5560.54	-0.31	-4.7
Chhattisgarh	5100	5302.61	3974.51	-3.82	28.32
Gujarat	5359.63	5480.64	5470.76	-2.21	-2.03
Karnataka	5835.49	5988.72	5799.98	-2.56	0.61
Madhya Pradesh	4615.1	4656.54	5104.55	-0.89	-9.59
Maharashtra	5447.76	5634.96	4977.96	-3.32	9.44
Rajasthan	5186.44	5142.12	5076.39	0.86	2.17
Tamil Nadu	8093.58	8084.48	7971.03	0.11	1.54
Telangana	6027.92	6279.85		-4.01	—
Uttar Pradesh	5099.63	5206.84	5254.11	-2.06	-2.94
West Bengal	7935.89	7980.58	6072.07	-0.56	30.69
Average	5775.34	5699.51	5532.9		

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	50186.76	124014	47.78	58751.95	145179	42.56
Wanaparthy	12767.45	31549	12.16	13272.90	32798	9.61
Nalgonda	6619.05	16356	6.30	12881.57	31831	9.33
Mahabubnagar	3747.39	9260	3.57	9099.78	22486	6.59
Vikarabad	3273.51	8089	3.12	8060.54	19918	5.84
Others	28432.04	70257	27.07	35979.85	88908	26.06
Total	105026.20	259525	100.00	138046.58	341120	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 3,41,120 acres as on 23rd February 2022. Among the districts, Nagarkurnool stood first in groundnut sown area with 1,45,179 acres followed by Wanaparthy (32,798 acres), Nalgonda (31,831 acres), Mahabubnagar (22,486 acres) and Vikarabad (19,918 acres).

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

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
3	1,316	3,269	6,410	5,880
4	894	4,889	6,400	5,809
5	982	4,900	6,376	5,241
7	1,024	4,970	6,420	5,812
8	735	4,800	6,332	5,632
9	680	4,909	6,742	5,680
10	975	4,960	6,700	5,851
11	880	4,920	6,609	5,370
12	964	4,849	6,590	5,461
14	1,612	4,840	6,390	5,587
15	995	4,690	6,112	5,500
16	612	4,870	6,412	5,811
19	1,992	4,792	6,311	5,310
21	1,472	4,857	6,440	5,461
23	1,101	4,869	6,689	5,400
24	1,188	4,699	6,466	5,461
25	1,338	4,699	6,581	5,577

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

Groundnut Price Outlook

In February month, the average monthly price of Groundnut bold at Rajkot went up by 7.98% to Rs. 5,571 a quintal, compared to Rs.5,159/qtl previous month. The market made a low of Rs. 5,085 and high of Rs. 6,155 during the month. Groundnut bold seed Arrivals in Rajkot were 10.6% low compared to previous month. However, low demand from China continued this month too.

According to Solvent Extraction Association of India, export of Groundnut during April-Dec 2021 is reported down by 78% at 1,484 metric tonnes compared to 6,880 metric tonnes during the April-Dec 2020.

As per trade sources, India's groundnut export for the month of December 2021 stood at 88,755 tonnes at an average FOB of \$1278/ MT compared to 74,495 MT in November 2021.

However, the exports were lower compared to same month last year by 12%. Of the total exported quantity in Dec'21, around 54% (47,973 tonnes) were exported to Indonesia, 13.32% (11,819 tonnes) exported to Vietnam, 7.16% (6,352 tonnes) exported to Malaysia and 6.96 % (6,179 tonnes) exported to Philippines.

In upcoming months too Groundnut export demand from south East Asian countries may remain weak and price is likely to range bound with weak bias.

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 March 2022.