

Groundnut Outlook – May 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 April, 2022

State	Prices April, 2022	Prices March, 2022	Prices April, 2021	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	5296.74	5436.45	5065.63	-2.57	4.56
Chhattisgarh	4766.67	4080	5100	16.83	-6.54
Gujarat	6198.95	5999.72	5852.74	3.32	5.92
Karnataka	5686.59	5986.46	5242.43	-5.01	8.47
Madhya Pradesh	4833.35	4916.03	5500	-1.68	-12.12
Maharashtra	5340.92	5581.4	4682.39	-4.31	14.06
Odisha	7500	3800	5200	97.37	44.23
Rajasthan	5810.33	5640.58	6108.73	3.01	-4.88
Tamil Nadu	8103.02	8768.59	7886.71	-7.59	2.74
Telangana	5490.03	6011.54	5560.77	-8.68	-1.27
Uttar Pradesh	5251.77	5257.89	5325.94	-0.12	-1.39
West Bengal	8189.98	8236.46		-0.56	—
Average	5995.57	5714.46	5593.21		

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).

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

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
4	1,662	4,516	6,750	5,609
6	2,695	4,606	6,464	5,690
7	1,876	4,760	6,750	5,309
8	2,426	4,541	6,016	5,341
9	2,426	4,541	6,016	5,341
11	2,430	3,578	6,312	5,320
12	1,696	4,688	6,389	5,520
13	1,940	4,560	6,340	5,756
16	2,919	4,620	6,370	5,740
18	1,624	4,520	6,500	5,676
19	1,204	4,712	6,812	5,320
20	866	4,660	6,589	5,521
21	738	4,630	6,622	5,411
23	936	4,490	6,270	5,326
25	1,398	4,640	6,301	5,631
26	814	4,529	6,080	5,240
27	828	4,580	6,089	5,240
28	956	4,699	6,241	5,626

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

Groundnut Price Outlook

Groundnut bold seed prices went up as compared to previous month on decrease in arrivals and tight edible oil supply in the country due to Russia Ukraine conflict.

This month, the average monthly price of Groundnut bold at Rajkot went up by 5% to Rs. 5,852 a quintal, compared to Rs.5,571/qtl previous month. The market made a low of Rs. 5,625 and high of Rs. 5,925 during the month. However, low demand from China continued this month too.

NAFED had procured 2.86 lakh metric tons groundnut pod in MY 2020-21 as compared to the previous year's 7.21 lakh metric tons. The MSP for groundnut seed has been raised to Rs. 5,550 per quintal for 2021-22, up from Rs 5,275 per quintal in 2020-21.

In 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.

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 May 2022.