

## VANAKALAM (KHARIF) 2022-23 PRE-SOWING PRICE FORECAST OF GROUNDNUT

### **Groundnut Price per Quintal will be around Rs. 5400-5800 at the Time of Harvesting (October to December 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 18.05 million tonnes followed by India 9.95 million tonnes, Nigeria 4.49 lakh tonnes, United States of America 2.78 million tonnes and Sudan 2.77 million tonnes accounting for 34, 19, 8, 5 and 5 percent of total world production of 53.69 million tonnes in 2020-21. According to the 3<sup>rd</sup> 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.

NAFED had procured 2.86 lakh metric tonnes groundnut pod in MY 2020-21 as compared to the previous year's 7.21 lakh metric tons.

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 crores.

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.

In India, during kharif 2021-22 groundnut was sown in around 49.14 lakh hectares which was 3.59 per cent less than the corresponding period of last year 50.97 lakh ha. In major producing state Gujarat, it was sown in 19.09 lakh hectares followed by Rajasthan 7.76 lakh ha, Andhra Pradesh 6.27 lakh ha, Karnataka 4.75 lakh ha and Madhya Pradesh 3.82 lakh ha.

In Telangana, groundnut is a major oilseed crop in yasangi (rabi) season although little area is cultivated in vanakalam (kharif) season for seed purpose. In Telangana, groundnut has been sown in around 28,909 acres during Vanakalam 2021. Among the districts, Gadwal stood first in groundnut sown area with 10,784 acres followed by Warangal (R) (5501 acres), Kothagudem (3241 acres), Wanaparthy (2782 acres), and Nagarkurnool (1730 acres). According to the 2<sup>nd</sup> 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.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2022-23 vanakalam (kharif) pre-sowing price forecast of groundnut. Under expected normal rainfall and crop area coverage, it is predicted that the groundnut price per quintal will be around **Rs. 5400-5800** at the time of harvesting (October to December 2022). This price forecast is based on the monthly modal price of groundnut obtained for 20 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH and GARCH and also the market survey. Gadwal and Wanaparty are the two major groundnut markets in Telangana.

*Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.*