

## Groundnut Outlook – February 2023

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 first advance estimates 2022-23, Government of India kharif groundnut is estimated at 83.69 lakh tonnes as compared to 83.75 lakh tonnes in 2021-22.

**Table 1: State wise area under groundnut in India**

State	2021-22			2022-23		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Karnataka	1.38	3.41	37.10	1.64	4.05	37.79
Telangana	1.24	3.06	33.33	0.79	1.95	18.20
Odisha	0.35	0.86	9.41	0.70	1.73	16.13
Andhra Pradesh	0.41	1.01	11.02	0.58	1.43	13.36
Tamil Nadu	0.28	0.69	7.53	0.50	1.24	11.52
Others	0.06	0.15	1.61	0.13	0.32	3.00
All India	3.72	9.19	100.00	4.34	10.72	100.00

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

According to the all India rabi crop coverage report, Government of India, as on 30<sup>th</sup> December 2022, groundnut was sown in around 4.34 lakh hectares as compared to last year (3.72 lakh ha). Among the states, Karnataka stood first in area coverage with 1.64 lakh ha followed by Telangana (0.79 lakh ha), Odisha (0.70 lakh ha), Andhra Pradesh (0.58 lakh ha) and Tamil Nadu (0.08 lakh ha).

**Table 2: State wise Wholesale Prices Monthly Analysis for Groundnut January, 2023**

State	Prices January, 2023	Prices December, 2022	Prices January, 2022	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	6517.72	6020.11	5315.58	8.27	22.62
Gujarat	6604.64	6244.06	5480.64	5.77	20.51
Karnataka	6747.62	6048.35	5917.2	11.56	14.03
Madhya Pradesh	5790.31	5314.44	4656.54	8.95	24.35
Maharashtra	6933.7	3298.92	5634.96	110.18	23.05
Pondicherry	8041.2	8717.58	4997.05	-7.76	60.92
Rajasthan	6658.02	6066.43	5142.12	9.75	29.48
Tamil Nadu	8148.47	8740.28	8084.48	-6.77	0.79
Telangana	7300.51	7388.47	6279.85	-1.19	16.25
Uttar Pradesh	5998.45	5540.2	5206.84	8.27	15.2
West Bengal	8500	8705.6	7980.58	-2.36	6.51
Average	6831.74	6231.07	5694.01		

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

**Table 3: District wise area under groundnut in Telangana State**

Districts	2021-22			2022-23		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Nagarkurnool	57327.45	141659	46.35	40287.73	99553	51.06
Wanaparthy	13272.90	32798	10.73	9000.22	22240	11.41
Vikarabad	8060.54	19918	6.52	8745.27	21610	11.08
Mahabubnagar	9099.78	22486	7.36	4328.12	10695	5.49
Gadwal	5653.06	13969	4.57	4188.10	10349	5.31
Others	30258.39	74770	24.47	12353.45	30526	15.66
TELANGANA	123672.12	305600	100.00	78902.90	194973	100.00

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

In Telangana, groundnut has been sown in around 1.94 lakh acres as on 28<sup>th</sup> December 2022. Among the districts, Nagarkurnool stood first in groundnut sown area with 99,553 acres followed by Wanaparthy (22,240 acres), Vikarabad (21,610 acres), Mahabubnagar (10,695 acres) and Gadwal (10,349 acres). According to the 4<sup>th</sup> advance estimates, Telangana groundnut production estimate was 3.73 lakh tonnes (kharif 0.25 lakh tonnes and rabi 3.48 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 January, 2023**

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
2	538	4,129	7,812	6,370
3	870	3,660	8,311	6,989
4	775	4,726	8,111	6,646
5	1,012	4,580	8,200	5,670
6	1,086	5,150	8,330	6,880
7	918	4,099	8,240	6,669
9	1,333	4,026	8,330	7,812
10	1,340	4,260	8,600	6,270
11	1,037	4,619	8,500	6,666
12	1,216	5,199	8,520	6,370
13	121	3,630	7,870	6,670
17	990	3,229	8,400	7,112
18	937	3,510	8,052	7,606
19	125	3,819	8,200	8,051
20	1,225	4,160	7,920	5,866
23	1,524	4,000	8,267	7,799
24	881	4,112	8,152	6,539
25	686	4,233	8,400	7,660
27	669	4,313	8,572	7,370
30	1,136	4,000	8,389	6,410
31	426	4,321	8,039	6,299

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

### **Groundnut Price Outlook**

During the week under review, Rajkot Groundnut bold weekly average prices remained bullish and went marginally up by 0.16% at INR 6,402/q amid shrink in arrivals and good export demand.

Groundnut exports in November stood at 24,914.43 Tonnes compared to the export of 3,952.90 Tonnes in previous month. China's export demand made 97.66% of the total exports at 24,331.69 tonnes. Oil millers and Groundnut seed processors have started buying the commodity in large quantities. However, demand from China is anticipated to get affected due to surge in covid cases.

The revival of export demand from China in November pushed Groundnut oil and seed prices significantly up. Groundnut seed daily average prices for December at the Rajkot market witnessed a jump in prices by 7% from the low of Rs. 5872/q to a high of Rs. 6935/q, which closed at Rs. 6300/q.

However, the surge in covid cases in China again pushed for covid restrictions which would impact the export demand from India as well. At present, India is exporting groundnut seed to Bangladesh and South East Asian countries. For the long term, groundnut oil and seed market is anticipated to be bullish as groundnut Kharif production is down due to low acreage and lower yield.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 6250 – 7000** per quintal during the month of February 2023.