

Groundnut Outlook – March 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 second advance estimates 2022-23, Government of India groundnut production is estimated at 85.82 lakh tonnes as compared to 84.34 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	26.39	1.65	4.08	29.10
Odisha	0.77	1.90	14.72	1.10	2.72	19.40
Tamil Nadu	0.81	2.00	15.49	0.94	2.32	16.58
Telangana	1.28	3.16	24.47	0.93	2.30	16.40
Andhra Pradesh	0.83	2.05	15.87	0.81	2.00	14.29
Others	0.16	0.40	3.06	0.24	0.59	4.23
All India	5.23	12.92	100.00	5.67	14.01	100.00

Source: www.agricoop.gov.in

According to the all India rabi crop coverage report, Government of India, as on 22nd February 2023, groundnut was sown in around 5.67 lakh hectares as compared to last year (5.23 lakh ha). Among the states, Karnataka stood first in area coverage with 1.65 lakh ha followed by Odisha (1.10 lakh ha), Tamil Nadu (0.94 lakh ha), Telangana (0.93 lakh ha) and Andhra Pradesh (0.81 lakh ha).

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

State	Prices February, 2023	Prices January, 2023	Prices February, 2022	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	6762.2	6517.72	5255.93	3.75	28.66
Chhattisgarh	6000	4740.26	4132.26	26.58	45.2
Gujarat	6684.77	6604.64	5370.59	1.21	24.47
Haryana	5800.46		4156.55	—	39.55
Karnataka	6797.61	6747.62	5782.27	0.74	17.56
Madhya Pradesh	6256.76	5790.31	4648.66	8.06	34.59
Telangana	7366.84	7300.51	6049.77	0.91	21.77
Uttar Pradesh	6224.68	5998.45	5099.03	3.77	22.08
West Bengal	8764.04	8500	7958.41	3.11	10.12
Average	6949.98	6831.74	5710.6		

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	58751.95	145179	41.72	48188.42	119076	49.10
Wanaparthy	13272.90	32798	9.43	9100.99	22489	9.27
Vikarabad	8060.54	19918	5.72	8745.27	21610	8.91
Nalgonda	14208.13	35109	10.09	8408.98	20779	8.57
Gadwal	8244.67	20373	5.85	7137.86	17638	7.27
Others	38279.68	94591	27.18	16558.95	40918	16.87
TELANGANA	140817.87	347968	100.00	98140.47	242510	100.00

Source: www.agri.telangana.gov.in

In Telangana, groundnut has been sown in around 2.42 lakh acres as on 1st March 2023. Among the districts, Nagarkurnool stood first in groundnut sown area with 1,19,076 acres followed by Wanaparthy (22,489 acres), Vikarabad (21,610 acres), Nalgonda (20,779 acres) and Gadwal (17,638 acres). According to the 2nd advance estimates, Telangana groundnut production estimate was 2.30 lakh tonnes (kharif 0.20 lakh tonnes and rabi 2.10 lakh tonnes) for 2022-23 as against 3.49 lakh tonnes (kharif 0.25 lakh tonnes and rabi 3.24 lakh tonnes) in 2021-22.

Table 4: Arrivals and Prices of Groundnut at Gadwal Market in the Month of February, 2023

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	372	4,190	8,211	6,669
2	477	4,402	7,700	6,580
3	630	3,100	7,600	7,489
4	818	3,319	8,030	6,410
6	976	3,606	7,900	5,670
8	1,092	4,059	7,706	5,260
9	537	4,060	8,006	6,520
10	675	4,329	8,066	7,000
13	965	4,229	7,956	7,110
14	820	4,269	7,812	7,219
15	869	3,370	7,712	7,189
16	816	4,770	7,641	6,390
17	980	3,850	7,660	7,016
21	1,730	4,016	7,692	7,189
22	1,231	3,416	7,652	6,590
24	2,121	2,640	7,690	5,670
25	1,439	3,399	7,932	5,880
27	1,848	3,669	7,572	5,600

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

Groundnut Price Outlook

Rajkot Groundnut weekly average bold prices went up by 3.90% to INR 6,885/q as compared to previous week at INR 6,627/q amid decline in arrivals and good demand from crushers. All India arrivals recorded down by 4% to 0.24 lakh tonnes as compared to 0.25 lakh tonnes previous week.

Exports in December stood at 17,444.69 tonnes compared to the export of 24,914.43 tonnes in previous month. China's export demand made 97.21% of the total exports at 16,957.125 tonnes. Groundnut oil exports in December declined as China's demand dampened due to resurgence in Covid cases. However, on Y-o-Y comparison exports are up by 271%.

The prices of groundnut oil in Rajkot have recently experienced a sudden increase, and trading at all-time high of INR 1,725 for 10 kg, which is the highest it has been in last nine days. This spike in prices is due to a shortage of supply and an increase in demand.

Similarly, groundnut bold prices in Rajkot have also been trading with a strong sentiment, reaching an average price of INR 6,975 per quintal, which is the highest it has been in ten days, in tandem with the groundnut oil prices. According to sources, large companies are purchasing groundnuts at higher prices, which has led to an increase in end-market prices.

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 March 2023.