

Groundnut Outlook – August 2019

Groundnut (*Arachishypogaea L.*) is an important oilseed crop in India which occupies first in terms of area and second position in terms of production. China is the largest producer as well as consumer of groundnut in the world with 166.24 lakh tonnes followed by India (68.57 lakh tonnes), Nigeria (30.28 lakh tonnes) and United States (25.78 lakh tonnes). In India, lower sowing area reported in few states compared to the previous year due to delayed monsoon and shortage of quality seeds for sowing, supporting the groundnut prices to rise.

Table 1: State wise area under groundnut in India

State	2018-19		2019-20	
	Area (lakh ha)	% to total area	Area (lakh ha)	% to total area
Gujarat	14.14	42.18	13.87	45.91
Rajasthan	5.81	17.33	5.25	17.38
Andhra Pradesh	3.83	11.43	2.43	8.04
Karnataka	2.6	7.76	1.93	6.39
Madhya Pradesh	2.09	6.24	1.92	6.36
Others	5.05	15.07	4.81	15.92
All India	33.52	100.00	30.21	100.00

Source: www.agricoop.com

According to the all India kharif crop coverage report, Government of India, as on 2nd August 2019, groundnut was sown in around 30.21 lakh hectares as compared to last year (33.52 lakh ha). Among the states, Gujarat stood first in area coverage with 13.87 lakh ha followed by Rajasthan (5.25 lakh hectares), Andhra Pradesh (2.43 lakh ha), Karnataka (1.93 lakh ha) and Madhya Pradesh (1.92 lakh ha).

Table 2: District wise area under groundnut in Telangana State

District	2018-19		2019-20	
	Area (ha)	% to total area	Area (ha)	% to total area
Gadwal(Jogulamba)	6058	52.66	2340	37.01
Warangal (Rural)	2713	23.58	1872	29.61
Suryapet	908	7.89	517	8.18
Mahabubabad	140	1.22	379	5.99
Wanaparthy	369	3.21	313	4.95
Others	1317	11.45	901	14.25
All India	11505	100.00	6322	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 6,322 hectares as on 7th August 2019. Among the districts, Gadwal (Jogulamba) stood first in groundnut sown area with 2,340 hectares followed by Warangal (Rural) (1,872 ha), Suryapet (517 ha), Mahabubabad (379 ha) and Wanaparthy (313 ha).

Table 3: Arrivals and Prices of Groundnut at Gadwal Market in the Month of July 2019

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	136	3,870	5,270	5,220
3	55	3,839	5,870	4,170
4	89	3,838	5,340	4,880
5	91	3,891	6,627	5,100
6	176	2,150	5,700	4,700
8	200	4,030	6,200	4,670
10	186	3,347	6,186	4,611
11	202	3,420	6,452	5,042
13	384	3,157	6,452	5,557
15	391	2,918	6,780	4,161
17	263	3,207	6,732	3,207
18	359	2,670	6,850	3,670
19	369	2,135	5,069	3,669
20	257	2,730	5,830	4,070
22	373	2,530	6,560	4,557
23	294	2,369	6,572	3,912
25	231	2,600	6,370	3,657
30	619	2,500	6,267	4,972

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

About 4,675 quintals of groundnut was traded in price range of Rs.3207 – 5557 per quintal at Gadwal major market during July 2019. The central government has increased the minimum support price of groundnut for the year 2019-20 by Rs.200 from Rs.4890 to Rs.5090 per quintal.

Groundnut Price Outlook

NAFED procured total 130.76 MT at MSP price Rs. 4890 per quintal from 55 farmers during Rabi 2018-19. On 15th June 2019, it has procured 5.81 MT of Groundnut in the district of Malkangiri of Odisha state.

As on 3rd August, 2019 NAFED sold total 939 MT of K-17 and 1740 MT of K-18 holdings respectively. It disposed total 10.44 lakh tonnes of groundnut K-17 and 4.07 lakh tonnes of groundnut K-18; and holds remaining balance at 0.26 lakh tonnes and 3.09 lakh tonnes respectively.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs.4400 – 4700** per quintal during the month of August, 2019.