

Groundnut Outlook – August 2020

Groundnut (*Arachis hypogaea* L.) is an important oilseed crop in India which occupies first position in terms of area and second position in terms of production. China ranks first in groundnut production with 17.39 million tonnes followed by India 6.70 million tonnes, Nigeria 2.89 lakh tonnes, Sudan 2.88 million tonnes and Myanmar 1.60 million tonnes accounting for 37, 14, 6, 2 and 1 percent of total world production of 46.01 million tonnes during 2018-19.

Table 1: State wise area under groundnut in India

| State | 2019-20 | | | 2020-21 | | |
|----------------|----------------|-------------------|-----------------|----------------|-------------------|-----------------|
| | Area (lakh ha) | Area (lakh Acres) | % to total area | Area (lakh ha) | Area (lakh Acres) | % to total area |
| Gujarat | 13.87 | 34.27 | 45.43 | 20.37 | 50.34 | 44.83 |
| Rajasthan | 5.25 | 12.97 | 17.20 | 7.06 | 17.45 | 15.54 |
| Andhra Pradesh | 2.43 | 6.00 | 7.96 | 6.77 | 16.73 | 14.90 |
| Karnataka | 2.28 | 5.63 | 7.47 | 3.05 | 7.54 | 6.71 |
| Madhya Pradesh | 1.92 | 4.74 | 6.29 | 2.63 | 6.50 | 5.79 |
| Others | 4.78 | 11.81 | 15.66 | 5.56 | 13.74 | 12.24 |
| All India | 30.53 | 75.44 | 100.00 | 45.44 | 112.28 | 100.00 |

Source: www.agricoop.com

According to the all India kharif crop coverage report, Government of India, as on 31st July 2020, groundnut was sown in around 45.44 lakh hectares as compared to last year (30.53 lakh ha). Among the states, Gujarat stood first in area coverage with 20.37 lakh ha followed by Rajasthan (7.06 lakh ha), Andhra Pradesh (6.77 lakh ha), Karnataka (3.05 lakh ha) and Madhya Pradesh (2.63 lakh ha).

Table 2: State wise Wholesale Prices Monthly Analysis for Groundnut July, 2020

| State | Prices July, 2020 | Prices June, 2020 | Prices July, 2019 | % Change (Over Previous Month) | % Change (Over Previous Year) |
|----------------|-------------------|-------------------|-------------------|--------------------------------|-------------------------------|
| Andhra Pradesh | 4925.11 | 4996.74 | 5758.74 | -1.43 | -14.48 |
| Chattisgarh | 4759.49 | 4022.44 | 4388.51 | 18.32 | 8.45 |
| Gujarat | 5526.01 | 5659.94 | 5326.68 | -2.37 | 3.74 |
| Karnataka | 5504.76 | 5203.15 | 5081.77 | 5.8 | 8.32 |
| Madhya Pradesh | | 4636.4 | 4524.64 | — | — |
| Maharashtra | 5488.89 | 4617.34 | 5390.96 | 18.88 | 1.82 |
| Odisha | 2724 | 5078.12 | 4942.86 | -46.36 | -44.89 |
| Rajasthan | 3874.07 | 4348.77 | 4638.73 | -10.92 | -16.48 |
| Tamil Nadu | 7467.21 | 7131.69 | 7292.83 | 4.7 | 2.39 |
| Telangana | 4209.93 | 4517.45 | 4299.72 | -6.81 | -2.09 |
| Uttar Pradesh | 4742.64 | 4837.61 | 4838.77 | -1.96 | -1.99 |
| West Bengal | 7255.33 | 6656.09 | 5522.76 | 9 | 31.37 |
| Average | 5134.31 | 5178.83 | 5507.89 | | |

Source: https://agmarknet.gov.in/PriceTrends/SA_Pri_MonthRep.aspx

Table 3: District wise area under groundnut in Telangana State

| District | 2019-20 | | | 2020-21 | | |
|------------------|----------------|--------------|-----------------|-----------------|--------------|-----------------|
| | Area (ha) | Area (Acres) | % to total area | Area (ha) | Area (Acres) | % to total area |
| Gadwal | 2339.90 | 5782 | 37.78 | 5186.46 | 12816 | 44.00 |
| Warangal (Rural) | 1872.08 | 4626 | 30.23 | 2488.82 | 6150 | 21.11 |
| Nagarkurnool | 12.14 | 30 | 0.20 | 939.28 | 2321 | 7.97 |
| Wanaparthy | 312.82 | 773 | 5.05 | 853.48 | 2109 | 7.24 |
| Suryapet | 517.19 | 1278 | 8.35 | 547.95 | 1354 | 4.65 |
| Others | 1139.60 | 2816 | 18.40 | 1772.53 | 4380 | 15.04 |
| Total | 6193.72 | 15305 | 100.00 | 11788.51 | 29130 | 100.00 |

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 29,130 acres as on 5th August 2020. Among the districts, Gadwal stood first in groundnut sown area with 12,816 acres followed by Warangal (Rural) (6150 acres), Nagarkurnool (2321 acres), Wanaparthy (2109 acres) and Suryapet (1354 acres).

Table 4: Arrivals and Prices of Groundnut at Suryapet Market in the Month of July 2020

| Date | Arrivals (Quintals) | Minimum Price (Rs/quintal) | Maximum Price (Rs/quintal) | Modal Price (Rs/quintal) |
|------|---------------------|----------------------------|----------------------------|--------------------------|
| 2 | 2 | 5,205 | 5,205 | 5,205 |
| 3 | 10 | 4,166 | 4,750 | 4,750 |
| 8 | 3 | 5,125 | 5,125 | 5,125 |
| 13 | 1 | 3,556 | 3,556 | 3,556 |
| 22 | 1 | 3,356 | 3,356 | 3,356 |
| 24 | 2 | 4,625 | 4,625 | 4,625 |

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

In Suryapet market about 19 quintals of groundnut was traded in price range of Rs. 3,356 – 5,205 per quintal during July 2020.

Groundnut Price Outlook

The Gujarat state's groundnut exports surged to 4.7 lakh metric tonnes (MT) in fiscal year 2020 from 3 lakh MT in the previous year. The exports in volume terms rose to a 3-year high. The same in value terms reached a record high level with groundnut worth Rs. 3,600 crore being shipped in fiscal year 2020. As against this, the exports had been at Rs. 2,098 crore in the financial year 2019.

The maximum quantity of groundnut was exported to Vietnam, Indonesia, Philippines and China. Sharp increase in exports from Gujarat, the largest producer of the oilseed in India, pushed up overall groundnut exports from the country to 6.6 lakh MT (Rs 5,096 crore) in 2019-20 as compared to 4.9 lakh MT (Rs 3,298 crore) in the previous fiscal year.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 4900 –5100** per quintal during the month of August 2020.