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Groundnut exports fall 32% in 2015-16

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Higher prices in local market, followed by a ban by Vietnam, the largest importer, have resulted in a fall in groundnut exports by 32 per cent in 2015-16.

Due to lower production, prices have remained at the higher level during the year.

According to the Indian Oilseeds and Produce Export Promotion Council (IOPEPC), India has exported 536,929 tonnes groundnut in 2015-16, against 788,307 tonnes in 2014-15. "Vietnam had banned the groundnut import from April 2015 to January 2016 due to quality issues. It was the biggest drawback for the country

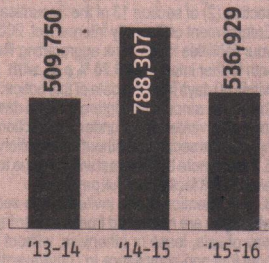
which has translated into lower export by 32 per cent," said Sanjiv Sawla, chairman of IOPEPC. Vietnam had imported 183,771 tonnes groundnut from India in 2014-15 but due to the ban the country's import reduced to 18,418 tonnes in 2015-16.

Sawla said, "Several importing countries have raised complaints about quality of Indian peanuts. Major importing countries like Vietnam and Indonesia have already tightened the rules and we have to focus on it to maintain our market." According to the IOPEPC data, export to Indonesia has also decreased to 173,966 tonnes as against 183,355 tonnes.

Production of groundnut has declined because of the

INDIA'S GROUNDNUT EXPORTS

(in tonnes)



Source: IOPEPC

poor monsoon last year. Trade estimates show groundnut production decreased to 3.2 million tonnes in kharif 2015 from 3.5 million tonnes for the corresponding period last year.

Lower output has increased groundnut prices in domestic market by 15 per cent. On an average groundnut is being traded between ₹80,000 per tonne and ₹95,000 per tonne in India during the year.

Mukund Shah, leading peanut producer said, "Most of the time prices of groundnut have remained on the upper side due to short supply. This has affected exports from India."

Since last couple of years, IOPEPC is trying to convince peanut manufacturers to upgrade their units.

"Because of the new rules by several importing countries, initially volume of exports may have declined but it will be in line in next two or three years," said Sawla.

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