

Peanut Blog

An ounce of information



Groundnut acreage up 9% as farmers in UP, MP expand area

Area in Gujarat, the largest producer, trails by over 3 per cent; widespread rains, favourable prices support area expansion

Groundnut acreage in the ongoing kharif season has risen nearly 9 per cent to 46.82 lakh hectares (lh) as of August 7, from 43.11 lh a year ago, with farmers in the Central and Northern States expanding cultivation on the back of widespread monsoon rain.

The higher acreage has been supported by last year's government procurement at the minimum support price (MSP) and the relatively steady prices ahead of the sowing season.

The expansion in States, such as Uttar Pradesh, Madhya Pradesh and Rajasthan, has more than offset the declines witnessed in Gujarat, the largest producer, and Karnataka, where rainfall deficits have curtailed sowing.

Groundnut acreage also marginally exceeded the normal level of 46.79 lh for this point in the season, according to the latest Agriculture Ministry data.

Gujarat, Karnataka lag

In Gujarat, groundnut acreage declined 3.1 per cent to 19.78 lh from 20.42 lh a year ago. Karnataka witnessed a sharper 44 per cent fall to 0.82 lh, compared with 1.48 lh last year.

Maharashtra recorded a 3.1 per cent increase to 1.35 lh (1.31 lh), while Rajasthan's acreage rose 11.9 per cent to 10.82 lh (9.67 lh). Andhra Pradesh's acreage remained almost unchanged at 1.13 lh. Madhya Pradesh posted a 40 per cent jump in acreage to 5.86 lh from 4.17 lh, while Uttar Pradesh registered the sharpest increase of nearly 78 per cent, with the area rising to 4.71 lh from 2.65 lh. In Chhattisgarh, acreage increased 42 per cent to 0.48 lh from 0.34 lh.

MSP support

"Groundnut acreage has increased across most States. Besides remunerative prices, the assurance of procurement at MSP in States such as Gujarat and Rajasthan has encouraged farmers to expand cultivation. The recovery in monsoon rainfall has also supported sowing. Rainfall during mid-August and September will now determine the crop size," said Rahul Chauhan of IGrain India.

The Centre has fixed the MSP for groundnut at ₹7,517 per quintal for the 2026-27 season. The all-India wholesale mandi prices have eased from ₹7,333 per quintal on July 15 to around ₹7,073 per quintal, reflecting improved crop prospects following the rise in acreage.

During the 2025-26 season, Nafed procured around 11.22 lakh tonnes of groundnut under the MSP-based Price Support Scheme, including 10.46 lakh tonnes from Gujarat, 0.39 lakh tonnes from Rajasthan and 0.36 lakh tonnes from Uttar Pradesh.

Source: <https://www.thehindubusinessline.com/economy/agri-business/groundnut-acreage-up-9-as-farmers-in-up-mp-expand-area/article71318004.ece>