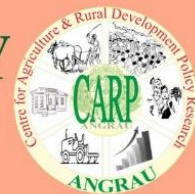




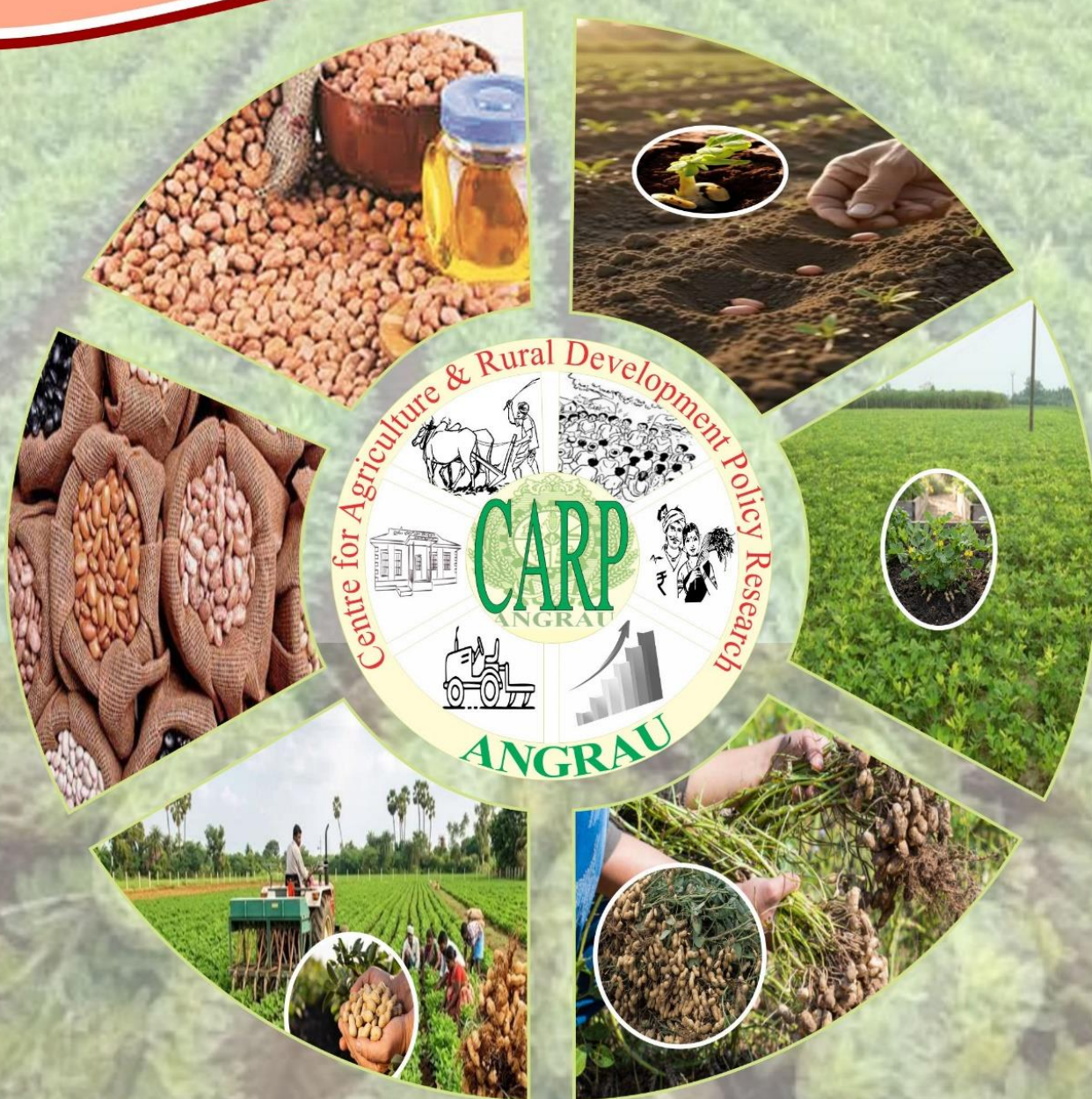
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Crop Outlook Reports of Andhra Pradesh

Groundnut- 2025-26



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In Nutshell.....

- Groundnut is the fourth most important source of edible oil and a third in vegetable protein in the world.
- Globally, during 2025-26, spread in 30.19 million hectares (Mha) and produce 51.20 million tonnes (Mt) with an average yield of 1.70 tons per hectare (t/ha).
- India ranks first in cultivated area with 5.87 Mha, whereas, the China is the leading producer with 18.40 Mt and Brazil recorded highest yield 4.29 (t/ha).
- In India, major growing states are Gujarat, Rajasthan, Uttara Pradesh, Madya Pradesh and Karnataka which accounted 80 per cent share in total area.
- During 2025-26, India exported 6.64 Lakh tons (Lt) valued at ₹ 6,092 crores. Major destinations were Indonesia (1.62 Lt), Vietnam (0.95 Lt) and Malaysia (0.81 Lt).
- In 2025-26, the balance sheet of groundnut shows total supply dropped to 50.99 Mt from 59.00 Mt due to lower opening stocks and reduced production.
- The market segmentation; Oil milling industry 45 per cent followed by Export market (28%), Food processing Industry (15%) and Seed industry (12%).
- In Andhra Pradesh, Ananthapuramu occupied the first position with area of 104.98 Tha, production of 143.30 Tt and yield of 13.65 q/ha followed by Sri Sathya Sai (76.77 Tha) and Kurnool (48.64 Tha).
- Categorization of districts based on cross tabulation of growth and instability of area shows that 96.8 per cent area is under *vulnerability zone*.
- Groundnut is more profitable in Rabi season (BCR=1.56) than kharif (BCR=0.85). Total Cost (₹/ha) in kharif was ₹1,26,047; the gross returns were ₹1,07,675. For rabi season, Total Cost was ₹ 1,12, 286; the gross returns were ₹1,75,968.
- Agricultural Market Intelligence Centre (AMIC), ANGRAU forecasts the price (₹/q) range of 4,730 – 5,160 for kharif 2026 marketing season.

Global Scenario

Groundnut (*Arachis hypogaea* L.) is a leguminous plant that is widely cultivated in the tropics and subtropics. It is valued for its high-oil content and edible seeds. It is the fourth most important source of edible oil and third most important source of vegetable protein in the world. During 2025-26 it was cultivated in 30.19 million hectares (Mha) and produce 51.20 million tonnes (Mt) with an average yield of 1.70 tons per hectare (t/ha) (Table 1). India ranks first in cultivated area with 5.87 Mha, whereas, the China is the leading producer with 18.40 Mt and Brazil recorded highest yield 4.29 (t/ha). India ranks 2nd in production (7.50 Mt) having 16th position in yield (1.28 t/ha), indicating significant scope for improving yield through technological and management interventions.

Table 1. Global statistics of area, production and yield of Groundnut for the 2025-26

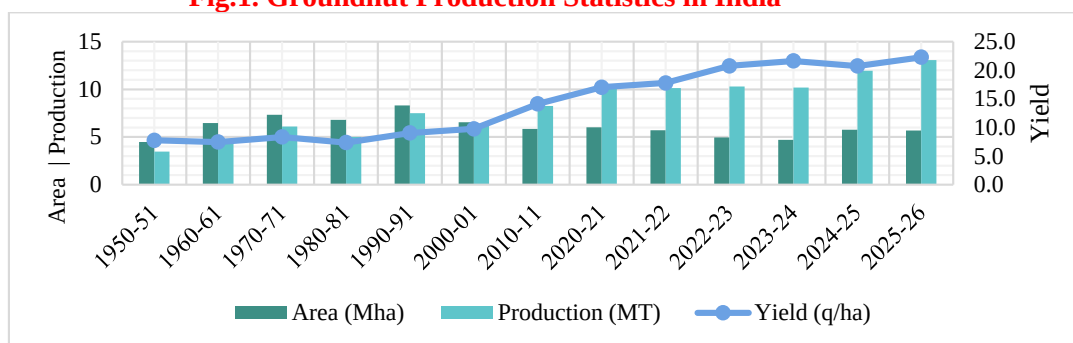
Area			Production			Yield		
Country	Mha	Rank	Country	Mt	Rank	Country	(t/ha)	Rank
India	5.87	1	China	18.40	1	Brazil	4.29	1
China	4.88	2	India	7.50	2	USA	4.22	2
Nigeria	4.39	3	Nigeria	5.24	3	China	3.77	3
Sudan	2.00	4	USA	3.26	4	Argentina	3.25	4
Burma	1.08	5	Burma	1.76	5	Vietnam	2.68	5
World	30.19		World	51.20	6	World	1.70	
						India	1.28	16

Source: USDA estimates

National Scenario:

In India, during 1950–51 to 2025–26, production increased (275%) from 3.48 Mt to 13.07 Mt, yield increased (187 %) from 7.75 q/ha to 22.28 q/ha, while, cultivated area increased (26%) from 4.49 Mha to 5.67 Mha (Fig.1). Thus, growth in production was led by yield's growth than area's expansion.

Fig.1. Groundnut Production Statistics in India



Source: MoA&FW, GOI

Table 2. Major Groundnut Producing States during 2025-26
(Area - Lha, Production - Lt, Yield - q/ha)

State	Area	Share (%) in India	Production	Share (%) in India	Yield
Gujarat	23.01	39.22	62.67	47.93	27.24
Rajasthan	12.86	21.92	30.93	23.66	24.05
Uttar Pradesh	4.52	7.70	4.62	3.53	10.22
Madhya Pradesh	4.41	7.52	8.26	6.32	18.72
Karnataka	3.09	5.27	2.79	2.13	9.03
Tamil Nadu	2.95	5.03	8.03	6.14	27.25
Andhra Pradesh	2.93	4.99	4.33	3.31	14.76
All India	58.67	100	130.74	100	22.28

Source: UPAG (3rd advance estimates)

Note: States have been arranged in descending order of percentage share of area

During 2025–26, among the states, Gujarat ranked first in area with 230.01 Lakh hectare (Lha) and production 62.67 Lakh tonnes(Lt), with a share of 39.22 per cent and 47.93 per cent respectively, with a yield of 27.24 t/ha (Table 2). Rajasthan ranked second, with 12.86 Lha (21.92%) and 30.93 Lt (23.66%) and a yield of 24.05 t/ha. Andhra Pradesh accounted for 4.99% of area and 3.31% of production, with a yield of 14.76 t/ha. Overall, Gujarat and Rajasthan together accounted for 61.14 percent area and 71.59 percent of production, indicates that they had significant contribution in the India's Groundnut economy. The wide interstate variation in yield indicates scope for improvement through improved technologies, efficient input management, irrigation and location-specific production practices, particularly in low yielding states. Enhancing yield in major Groundnut growing states results in substantial increase national average production without strain on area expansion.

Table 3. Indian Groundnut exports (Top 10 countries) during 2025-26.

Country	Quantity (000't)	Value (₹crore)
Indonesia	162.95	1,504
Vietnam	94.87	925
Malaysia	80.99	769
China	52.56	400
Philippines	41.43	389
UAE	43.27	383
Thailand	31.79	348
Bangladesh	33.59	225
Iran	16.75	137
Nepal	17.59	135
Total	664	6,092

Source: APEDA

During 2025-26, India exported 664 Thousand tons (Tt) of Groundnut valued at ₹6,092 crore (Table 3). The Indonesia is the major export destination both in quantity and value terms i.e. 162.95 Tt and ₹1,504 crores

respectively, followed by the Vietnam (94.87 Tt) and Malaysia (80.99 Tt). Southeast Asian countries continue to drive the majority of demand for Indian groundnut exports.

Table 4. Balance sheet of Groundnut for India

Particulars (Lt)	2024-25	2025-26*
Opening stocks	1.40	0.18
Production (Market arrivals)	57.60	50.81
Imports	0	0
Total supply	59	50.99
Export	7.9	6.9
Crush	32.4	28
Direct consumption	13	10.5
Retained for sowing	5.47	4.52
Total Demand	58.8	49.9
Ending Stock	0.18	1.07
Stock Use Ratio	0.3%	2.1%

*Source: Agriwatch.com, * estimates*

The balance sheet of groundnut shows total supply dropped to 50.99 Lt from 59.00 Lt due to lower opening stocks and reduced production of 6.8 Lt (Table 4). Imports remained at zero. Total demand contracted to 49.90 Lt from 58.80 Lt across key sectors like Crush 28.00 Lt down from 32.40 Lt, Direct Consumption 10.50 Lt down from 13.00 Lt, Exports: 6.90 Lt down from 7.90 Lt and retained sowing: 4.52 Lt down from 5.47 Lt. Ending stocks improved to 1.07 Lt from 0.18 Lt, raising the stock-use ratio from 0.3% to 2.1% due to a modest replenishment of buffer reserves despite reduced total production.

Table 5: Market Segmentation and Major Uses of Groundnut in India

Sector	Market share (%)	Major Uses
Oil milling industry	45%	Groundnut oil, oilcake/de-oiled cake, edible oil products
Export market	28%	Raw kernels, bold peanuts, confectionery peanuts and export-quality groundnuts
Food processing industry	15%	Peanut butter, chocolates, cookies, roasted peanuts, snacks and savouries
Seed industry	12%	Seed for subsequent cultivation and seed multiplication

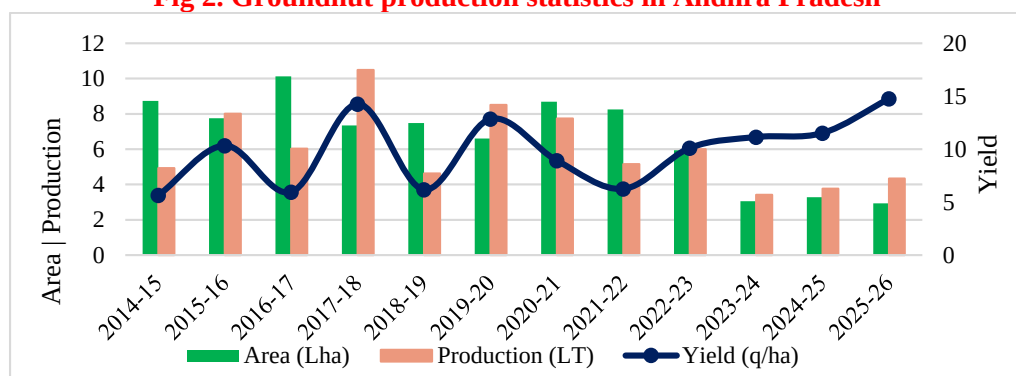
Source: ICRISAT, Groundnut Value Chain Study in India

Groundnut has multiple end uses and is utilized by the oil milling, food processing, export and seed sectors (Table 5). The oil milling industry accounts for the largest share (45%), where groundnut pods are used for oil extraction and related products. The export segment accounts for 28%, mainly involving raw and graded groundnut kernels. The food processing industry accounts for 15%, being used in products such as peanut butter, chocolates, cookies, snacks and savouries. The seed industry accounts for the remaining 12%, mainly for seed requirements for subsequent cultivation.

State Scenario:

In Andhra Pradesh, Groundnut is grown in both Kharif and Rabi seasons. It accounts for 47 per cent of the total oilseeds cropped area. During 2014-15 to 2025-26, the area, production and productivity of groundnut in Andhra Pradesh recorded CGR of -9.53, -5.03 and 4.98 per cent, respectively (Fig 2). The contrasting trends between area and yield indicate that future growth in groundnut production in would depend increasingly on improvements in yield rather than expansion of cultivated area. Hence, improving yield through the adoption of high-yielding varieties, efficient crop management and climate-resilient technologies will be crucial for sustaining groundnut production in Andhra Pradesh.

Fig 2. Groundnut production statistics in Andhra Pradesh



Source: DES.AP

During 2025–26, the area is 284 thousand hectares (Tha) producing 375 thousand tonnes (Tt) with an average yield of 13.21 q/ha (Table 6). Among the major producing districts Ananthapuramu occupied the first position with area of 104.98 Tha production of 143.30 Tt and yield of 13.65 q/ha. Sri Sathya Sai ranked second in terms of area, with 76.77 Tha, but recorded relatively lower production of 46.06 Tt and yield of 6.00 q/ha. Kurnool ranked third having 48.64 Tha and producing 58.42 Tt, with a yield of 12.01 t/ha. Annamayya and Nandyal accounted for 15.19 and 10.29 Tha, respectively. Collectively, these five districts accounted for 90 percent of area and 74 percent of production indicating their significant contribution to groundnut cultivation.

Table 6: Major Groundnut producing Districts during 2025-26
(Area – 000' ha, Production- 000' tons, Yield - q/ha)

S.No		Area @	Production*	Yield [#]
1	Ananthapuramu	104.98	143.30	13.65
2	Sri Satya Sai	76.77	46.06	6.00
3	Kurnool	48.64	58.42	12.01
4	Annamayya	15.19	20.73	13.65
5	Nandyal	10.29	10.84	10.53
	Andhra Pradesh	284	375.16	13.21

Source: DES, A.P. @3rd advance estimates up to (31/5/26); * Estimated by CARP; [#] yield averages TE 2024-25

Note: Districts have been arranged in descending order based on area.

During 2020–21 to 2025–26, Growth–Instability Matrix (GIM) (refer paddy Outlook Report- June to May 2025-26) analysis revealed that Srikakulam with 1.5 per cent area comes under *stagnation scenario* (Table 7). While, Krishna, Bapatla, S.P.S. Nellore, Kurnool, Nandyal, Ananthapuram, Sri Sathyasai, Y.S.R. Kadapa, Annamayya, Chittoor, Tirupati with 96.8 per cent area is under *vulnerable category*. Alluri Sitharama Raju, Eluru with 1.7 percent area under the *risky expansion zone*. The findings emphasize the need for differentiated, region-specific policy interventions rather than uniform developmental strategies across the state.

Table 7: Categorisation of districts based on growth and instability of area during 2020-21 to 2025-26

		CGR	
		< 4% (Low)	> 4% (High)
CV	< 20% (Low)	Srikakulam (1.5 %)	-
	> 20% (High)	Krishna, Bapatla, S.P.S. Nellore, Kurnool, Nandyal, Ananthapuram, Sri Sathyasai, Y.S.R. Kadapa, Annamayya, Chittoor, Tirupati. (96.8%)	Alluri Sitharama Raju, Eluru (1.7%)

Note: Values in parentheses represent percentage of in state total area, 2025-26

Primary data from farmers was collected for estimation of costs and returns (₹/ha) in Groundnut cultivation. During the Kharif season, the total cost of cultivation (Cost C2) was ₹1,26,047 (Table 8). This comprises a variable cost of ₹1,05,572 including ₹47,799 labour cost and ₹53,504 material cost along with fixed costs of ₹20,475. The obtained yield was 14.75 q/ha, with an average selling price of ₹7,300/q. This results in gross returns of ₹1,07,675 and net returns of ₹-18,372. Benefit-cost ratio was 1.01 on VC and 0.85 on TC. In the Rabi season, the total cost of

cultivation is comparatively lower at ₹1,12,286. Variable costs account for ₹91,004 comprising ₹42,337 for labour cost and ₹43,289 for material cost, while fixed costs amount to ₹21,282. Yield is higher during Rabi at 22.56 q/ha, with an average market price of ₹7,800/q gross returns were ₹1,75,968 generating significantly higher net returns of ₹63,682. Benefit-cost ratio was 1.93 on VC and 1.56 on TC. Overall, groundnut cultivation was more profitable enterprise in Rabi than Kharif.

Table 8: Cost-return structure of Groundnut in Andhra Pradesh 2025-26 (₹/ha)

S.No	Particulars	Value (₹)	
		Kharif	Rabi
1	Labour cost	47,799	42,337
2	Material cost	53,504	43,289
3	Variable cost (VC)	1,05,572	91,004
4	Fixed Costs (FC)	20,475	21,282
5	Total Cost (Cost C2)	1,26,047	1,12,286
6	Yield (q/ha)	14.75	22.56
7	Price (₹/q)	7,300	7,800
9	Gross Returns (GR)	1,07,675	1,75,968
10	Net Returns (NR)	-18,372	63,682
11	BCR on VC	1.01	1.93
12	BCR on TC	0.85	1.56

Source: Survey Data (2025-26)

Price outlook:

For the year 2025–26, seasonal index analysis indicates that groundnut arrivals exhibit pronounced seasonal fluctuations, with the highest seasonal index in March (370.09), followed by August (164.36). Arrivals remained considerably below the annual average during most other months (Table 9). This seasonality reflects the concentration of market arrivals during specific harvesting periods. Prices indices exhibited comparatively lower seasonal variation. The highest seasonal price index was recorded in February (133.28), while the lowest was observed in June (83.89). The seasonal movement of prices and arrivals not conform the conventional law of demand indicates the timely market intervention by governments.

Table 9: Seasonal Indices of Groundnut in Andhra Pradesh (2025-26)

Months	Arrivals		Price	
	Tons	Seasonal Index	₹/q	Seasonal Index
Jun-25	2,171	10.23	5,668	83.89
Jul-25	18,119	85.37	6,075	89.90
Aug-25	34,885	164.36	6,185	91.53
Sep-25	13,558	63.88	6,106	90.36
Oct-25	11,811	55.65	6,048	89.50
Nov-25	7,230	34.06	5,903	87.35
Dec-25	5,562	26.20	6,464	95.66
Jan-26	8,326	39.23	8,076	119.52
Feb-26	32,176	151.59	9,006	133.28
Mar-26	78,552	370.09	7,728	114.36
Apr-26	31,548	148.63	6,992	103.47
May-26	10,765	50.72	6,837	101.18
Yearly average	21,225	100.00	6,757	100.00

Source: Agmark net

As per the estimates given by Agricultural Market Intelligence Centre (AMIC), ANGRAU, for marketing season of Kharif '2026, the forecast prices (₹/q) are 4,730 to 5,610. While, Minimum Support Price (MSP) was ₹7,263/q.
