

Kharif: Dry weather seen dragging down cotton, groundnut output

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New Delhi, September 10

PRODUCTION OF COTTON and groundnut in the current kharif season is set to drop as dry weather in the first three months of the June-September monsoon season has dragged down sowing of these crops in Gujarat, the largest producing state, while lower acreages in other states has dimmed the chances of an overall recovery.

However, it might not be as bad as in kharif 2018-19, when output of cotton and groundnut had declined 15% and 29%, respectively, on-year, analysts said.

Assuming the current pan-India groundnut sowing area at about 49 lakh hectare as final acreage and average yield of last season's 1.7 tonne/hectare, the production may be about 83.3

lakh tonne in this kharif, 3% down from previous season. Of 102.1 lakh tonne of groundnut produced in 2020-21 crop year (July-June), the kharif crop had about 84% share while the remaining harvest was from rabi season.

Cotton production may also fall by 9% to 322.5 lakh bales (one bale weighs 170 kg) on basis of 119.5 lakh hectare acreage and 2.7 bales/hectare yield. The target for this year is 370 lakh bales. The Union agriculture ministry is likely to release the first advance estimate of kharif crops output for 2021-22 in the third week of this month.

Apart from Gujarat, groundnut acreage in other major producers like Andhra Pradesh, Rajasthan and Karnataka has also dropped from last-year's area. Similarly, sowing area under cotton is also down (y-o-y)



in Maharashtra, Telangana, Andhra Pradesh, Rajasthan, Madhya Pradesh, Karnataka and Haryana.

The acreage of cotton in Gujarat has declined 1.3% to 22.5 lakh hectare and that of groundnut by 7.7% to 19.1 lakh hectare as on September 10 from their year-ago levels, official data of Gujarat show. Kharif sowing is almost over and there is little chance of improvement as per data received from all districts in the past few weeks, according to an official of the state government.

The rainfall deficit in Gujarat was 50% during June-August

and each month also had below normal precipitation. Some improvements were noticed in first week of September which had 98% above normal rains. The irrigated area under groundnut is only 12% and for cotton 59% in the state.

"The production will definitely be lower as yield may be affected due to poor rainfall continuously for three months. However, a possible larger damage has been contained with the recent rains," an agriculture scientist said, requesting anonymity as he did not want to be seen challenging the state government's production estimates.

Last month, Gujarat released its crop forecast for the state in which groundnut production was pegged marginally higher (0.2%) from previous year's 39.86 lakh tonne while cotton output seen at 11% higher from

previous year's 72.7 lakh bales (one bale weighs 170 kg). On the other hand, oilseeds traders estimate groundnut production to be about 3% lower in the state.

"The cottonseed prices are very high even as the crop is going to arrive in less than a month. This may be either due to a robust demand or expectation of a decline in crop," said Bavish Patel, a trader of Rajkot. There has been a shift from groundnut to soyabean after the latter's prices exponentially increased this year, Patel said.

Soyabean prices in many places in Madhya Pradesh and Maharashtra have crossed ₹10,000/quintal this year, which is a record. This compares with all India average of ₹3,904/quintal, marginally above minimum support price (MSP) of ₹3,880, during key harvesting period October-December 2020.