

Monsoon and Sowing: Update

Government of India in Jun'22 had hiked the MSP of Kharif crops with the objective to provide remunerative prices and encourage crop diversification. MSP for crops was hiked in the range of 4%-8%. Against this backdrop, however the sowing of Kharif crops has started on a relatively somber note compared with last year. With the advancement of rainfall and expectations of a normal South-West monsoon as per IMD, sown activity is likely to pick up in the coming weeks.

Where does Kharif sowing stand?

For the week ended 8 Jul 2022, overall kharif sown area has fallen by 9.3% compared with last year. Sown area of rice and cereals has declined by 24% and 13.7% respectively. Further, decline in sowing area of oilseeds (20.3%), sugarcane (0.5%) and cotton (0.2%) was noticed. However, sowing of pulses (1%) has registered an improvement.

Table 1: Kharif Sowing

	Area sown in 2022-23 (mn ha)	Area sown in 2021-22 (mn ha)	Growth (YoY %)
Foodgrains	18.4	20.5	(10.4)
Cereals	13.8	15.9	(13.7)
Rice	7.2	9.5	(24.0)
Pulses	4.7	4.6	1.0
Oilseeds	7.8	9.8	(20.3)
Cotton	8.5	8.5	(0.2)
Sugarcane	5.3	5.4	(0.5)
Jute and Mesta	0.7	0.7	(0.7)
Total	40.67	44.82	(9.3)

Source: CEIC, Bank of Baroda | Data as of 8 Jul 2022

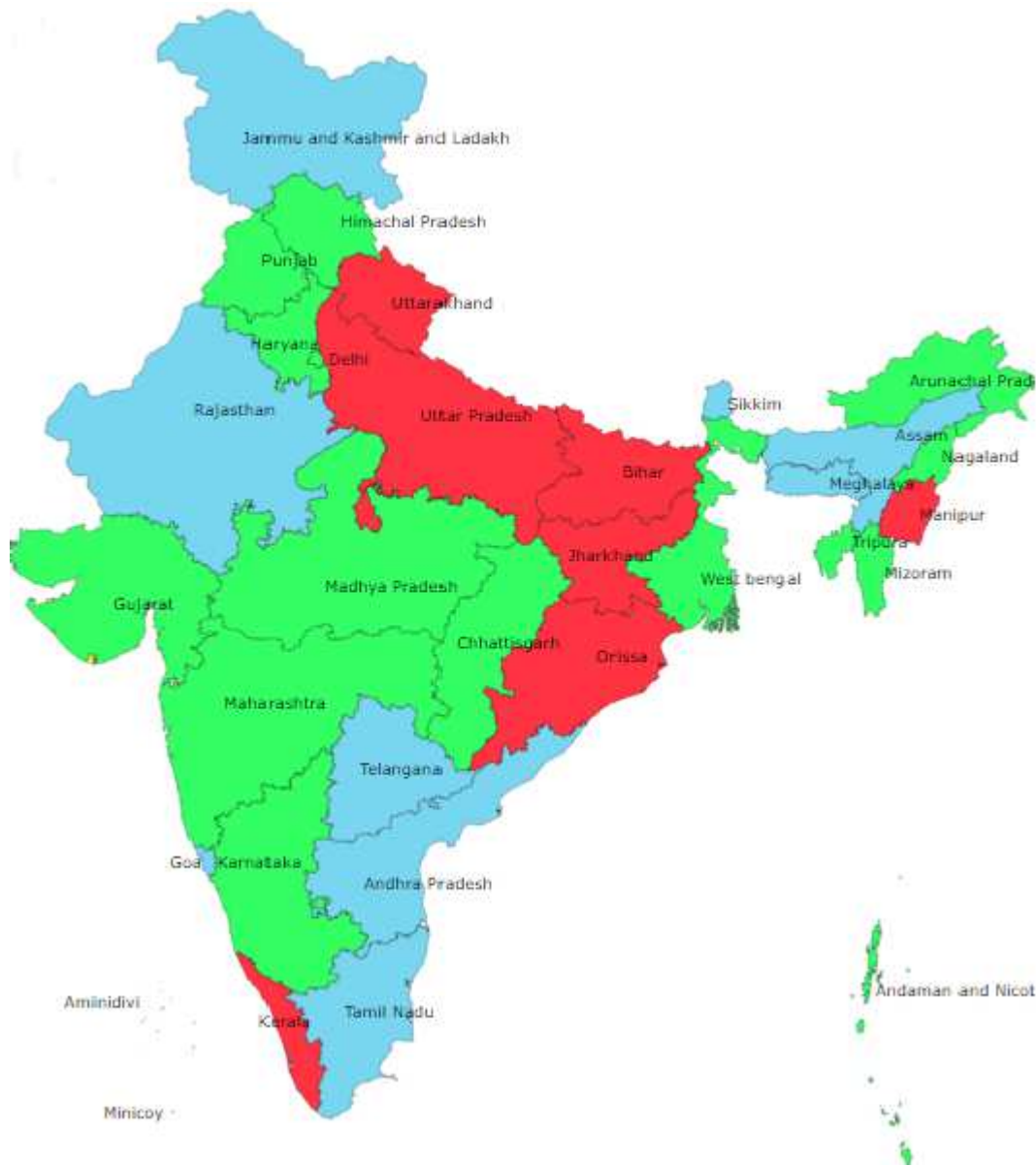
Monsoon:

For the period 1 Jun 2022 to 8 Jul 2022, South West Monsoon is 2% above LPA compared with last year.

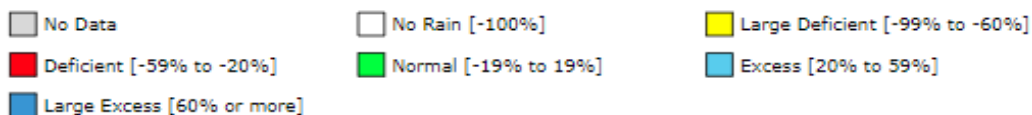
- North Eastern states such as Assam, and Meghalaya continue to receive excessive rainfall, even as some regions are battling flood type conditions. Meghalaya has registered highest rainfall in over 121 years in the month of Jun'22. Others such as Rajasthan, Telangana, Andhra Pradesh and Tamil Nadu have also received excess rainfall in this period.
- On the other hand, Central and Northern region of India such as Himachal Pradesh, Punjab, Chhattisgarh, Maharashtra, Karnataka and Madhya Pradesh have received normal rainfall.
- Eastern belt of the country such as Bihar, Uttar Pradesh, Odisha and Jharkhand have registered deficient rainfall. Kerala too has been witnessing much less rainfall.

IMD in its updated forecast has specified that the monsoon conditions are active along the West coast and Central part of India. It also expects a normal rainfall in Jul'22 (96% -104% of LPA). Furthermore the La Nina conditions is expected to prevail throughout the remaining monsoon period.

Fig 1: Distribution pattern of South-West Monsoon



Source: IMD, Bank of Baroda Research | Period from 1 Jun-8 Jul 2022.



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