

Cotton brokers body pegs crop at 329.72 lakh bales this season

Subramani Ra Mancombu

Chennai

The National Cotton Brokers Association (NCBA) has pegged the crop estimated for the current season (October 2022-September 2023) at 329.72 lakh bales (170 kg each) compared with 312 lakh bales last season.

The estimate is based on arrivals until June-end and was finalised at the association's meeting over Zoom on Saturday, according to Ramanuj Das Boob, a key member of NCBA. The association projected total cotton arrivals till June-end at 295.65 lakh bales compared with 300 lakh bales.

According to Anand Popat, a Rajkot-based cotton, yarn and cotton waste trader, arrivals till June-end are estimated to be 290 lakh bales. Another 35 lakh bales are expected to arrive in markets over the next three months.



VARIATION. NCBA's crop estimate is higher than the Indian Cotton Association's projection of 298 lakh bales

The NCBA crop estimate is higher than the Indian Cotton Association's projection of 298 lakh bales, a figure that has been hotly contested by a section of traders.

According to the Committee on Cotton Production and Consumption, a panel of various industry stakeholders including growers, the crop production will likely be 343.47 lakh bales.

The cotton production

picture has been hazy this year resulting in the crop estimate varying from 298 lakh bales to 360 lakh bales. This is because growers tended to hold back their produce this year after they were unable to fetch the high prices witnessed last season.

Last season, cotton prices topped ₹1 lakh a candy (356 kg) but when the crop arrived in October, prices had dropped to levels of ₹70,000. In terms of *kapas* (raw cotton), prices this season ruled below ₹9,500 a quintal against nearly ₹12,000 witnessed last year.

CURRENT PRICES

Currently, cotton prices have dropped to ₹56,700 a candy, while *kapas* prices are quoted a little over ₹7,000. On NCDEX, *kapas* is quoted at ₹1,482 a maund (20 kg), while on MCX August cotton contracts is ruling at ₹56,460 a candy.