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# Crop Report & Market Updates

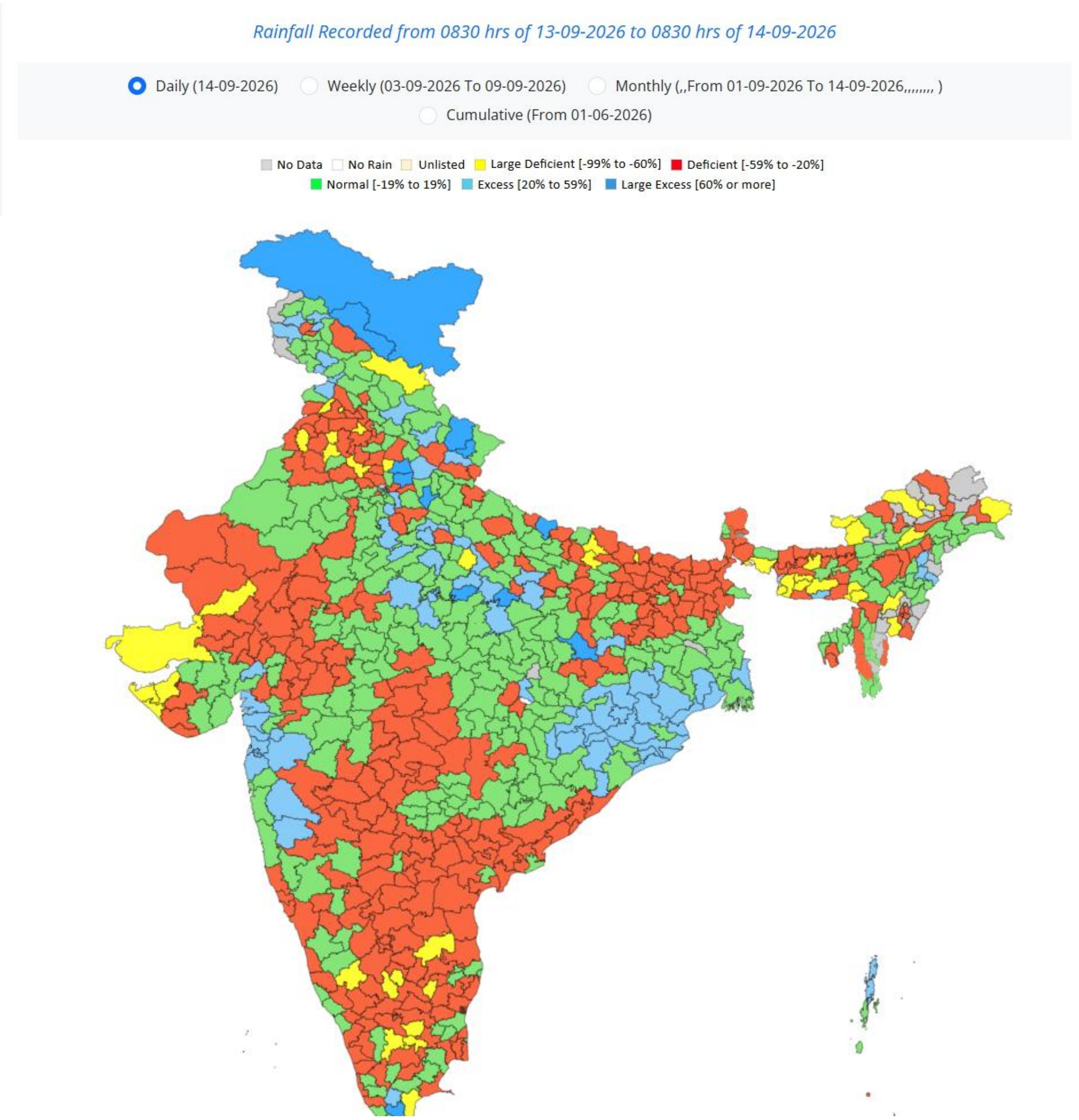
## September 2026

**INTRODUCTION**

India enters September with a 14.7% cumulative rainfall deficit, putting the monsoon back at the centre of the crop conversation.
Rainfall in the month of August was mentioned only in prayers and whispers. The comeback and recovery we saw in July, the one that finally brought us some respite after a difficult start to the season, has been completely nullified in August. What looked like a monsoon steadying itself has instead slipped backwards, and this time the setback isn't confined to one or two pockets; it's broad-based.

India overall, as of 14th September, is reporting a 14.7% deficit in rainfall, which is enough to bring the country into drought categorization. That's a striking number on its own, but it's a national average, and national averages smooth over the details that actually matter. Some states are well short of that figure, others worse, and it's that state-by-state picture, not the headline number, that will ultimately decide what happens to our crops this season.

As always, the headlines and articles leave a lot to be read between the lines. The real story this month is simple and repeats itself across almost every state we source spices from: the rain hasn't come, and the effect of that is now working its way into the crops we track. That's the theme running through this report: over the sections that follow, we'll go state by state and crop by crop to lay out what this deficit actually means on the ground.



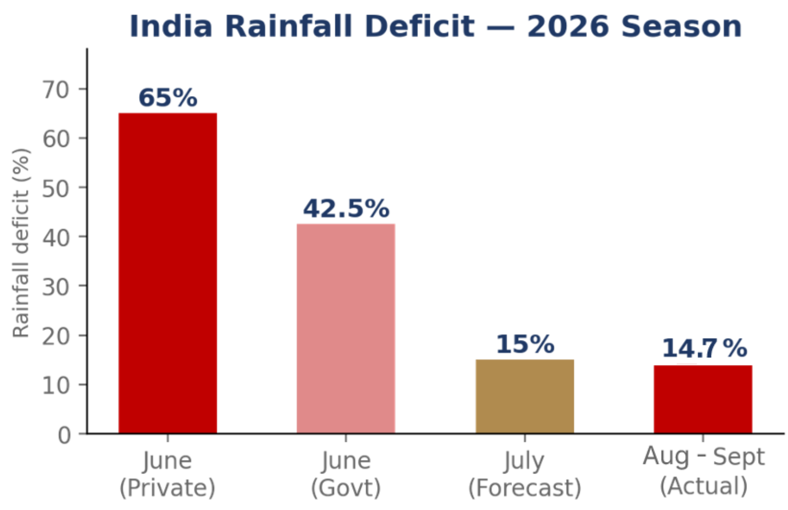
# General Market Conditions

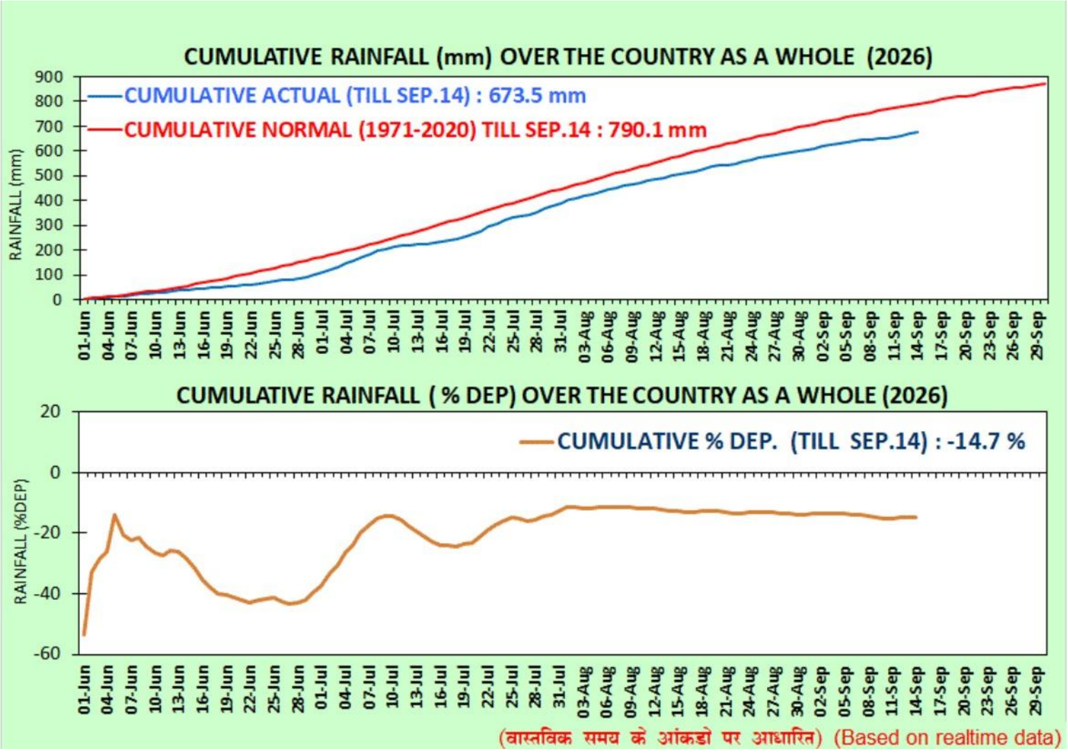
WATCHFUL

The rainfall picture has been volatile all season - a sharp private-agency estimate of 65% deficit in June, a milder government read of 42.5%, an early forecast of 15% for July, and now a confirmed 14.7% national deficit as of 14th September. The trend is improving on paper, but the country remains in drought categorisation, and the national number continues to mask sharp state-by-state variation.

| MARKET AT A GLANCE | |
|---|---|
| Crop condition | N/A |
| Rainfall deficit | 14.7% |
| Trend | Improving, still deficit |
| Key risk | State variation |
| Our view | Watchful |

## UPDATE



# At a Glance

| | |
|---|---|
| CH<br>Chilli<br>BULLISH<br>30–45% deficit across 5 states; 6-week window | TU<br>Turmeric<br>BULLISH<br>Yield risk rising; MH cuts agri water release |
| GI<br>Ginger<br>POSITIVE<br>Rain adequate, growth healthy in the north | FE<br>Fennel<br>BULLISH<br>Acreage down 30% to mustard diversion, plants showing low growth |
| CU<br>Cumin<br>BULLISH<br>Gujarat & Rajasthan deficits pushing acreage shift | CO<br>Coriander<br>BULLISH<br>Water now competing with price for sowing |
| CE<br>Celery<br>BEARISH<br>No local or export demand at current prices | GM<br>**General**<br>WATCHFUL- Waiving an orange flag now for next 30-60 days<br>13.9% national deficit, drought categorisation |

# CHILLI

CH

BULLISH

## RECAP

Chilli prices had effectively doubled year-on-year. That figure needs context: last year's prices were artificially low, as full cold storage forced farmers to sell into a weak local market regardless of rate. This year's rise reflects genuine demand rather than distress selling. Acreage was tracking toward a 50%+ increase, though some IPM belts were already short on rain. Madhya Pradesh was expanding and on track for a good crop despite localised viral incidence of 7–8%; prices there were expected to hold firm into December.

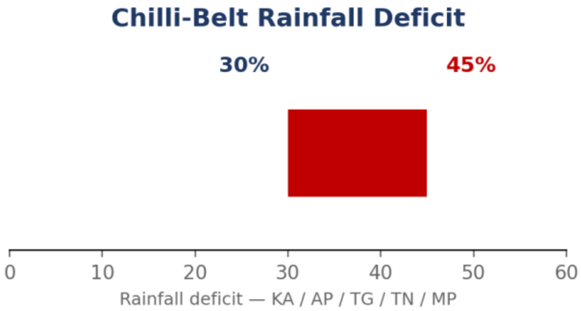
| MARKET AT A GLANCE | |
|---|---|
| Crop condition | Weakening |
| Supply | Tight |
| Demand | Normal |
| Price direction | ↑ |
| Key risk | Rainfall |

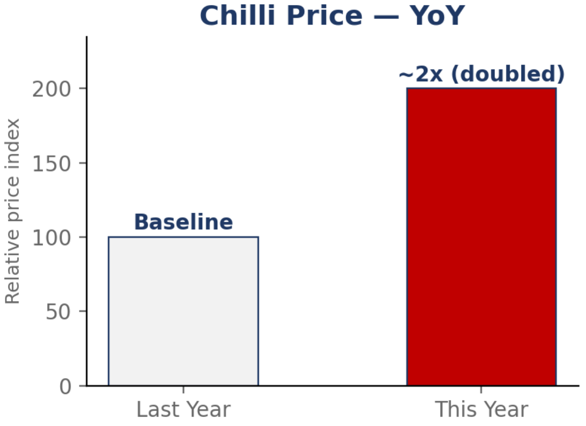
## UPDATE

- The shortfall scenario has come to pass. Karnataka, Andhra Pradesh, Telangana, Tamil Nadu and Madhya Pradesh are together running a rainfall deficit of 30–45%. Chilli is a long-duration crop, so this isn't a distant risk anymore - it's already affecting growth, and yields will suffer if the dry spell continues.

- Farmers are still drawn to plant more given the strong prices, but that's now competing with real concern about the months ahead. This is showing up in the physical market: conversations about selling now versus waiting for better prices, quiet and infrequent before, are now louder and more urgent, and prices are firming as a result.

- Madhya Pradesh is the exception so far, with rainfall and crop development both holding steady. That said, it isn't without its own issue, viral pressure driven by sharp swings between heat, humidity, and rain. Its earlier planting and harvest cycle also sets it apart from the southern states, worth tracking on its own. The next six weeks will decide whether yields can still be saved.



## TWO WAYS THIS COULD GO

**Scenario 1 — Rains Return Within 6 Weeks**
Should Karnataka, AP, Telangana, TN, and MP see a meaningful rainfall recovery before the critical window closes, the crop can still make up the lost ground; its long duration works in its favour here, giving it a cushion a shorter-cycle crop wouldn't have. Farmers would likely loosen their grip on stock once the crop's

**Scenario 2 — Deficit Persists Through the Window**
Should the 30–45% shortfall hold or worsen over the next six weeks, the damage to yield becomes harder to reverse. Farmers would likely hold tighter still, and that combination - lower yield expectations and reluctant sellers, would give prices further room to firm. MP's earlier cycle would cushion supply somewhat, though its own virus pressure remains a separate thread to watch.

# TURMERIC

TU

BULLISH

## RECAP

Turmeric acreage has expanded by an estimated 25–35%, with the final increase shaped largely by water and land availability. Farmers are positive on crop prospects, and elevated prices have strengthened the incentive to commit acreage to turmeric.

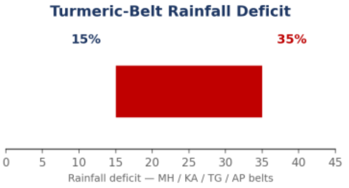
| MARKET AT A GLANCE | |
|---|---|
| Crop condition | Weakening |
| Supply | Adequate |
| Demand | Firm |
| Price direction | ↑ |
| Key risk | Rainfall / water |

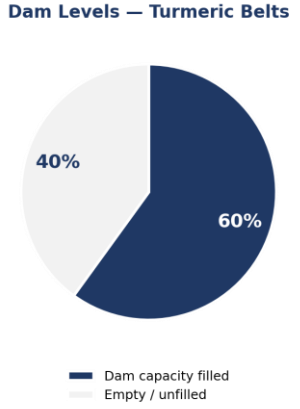
## UPDATE

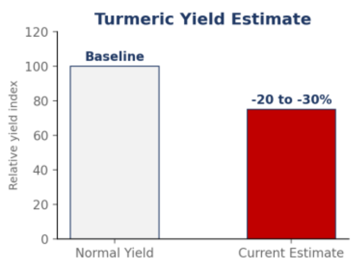
- Rainfall across Maharashtra, Karnataka, Telangana, Andhra Pradesh and the other turmeric-growing belts is running 15–35% short. Farmers are compensating with groundwater and borewells, but irrigation doesn't replicate what rainfall does for the crop's growth, and that gap is now the central concern.

- Acreage should still come in strong, since prices remain attractive enough to draw farmers in, but yield is a separate question. Current estimates point to a 20–30% decline given the deficit so far. Some rain is forecast for mid-September, though it remains only a forecast at this stage. In several areas, dams are just 60% full, and water is being withheld from agriculture altogether, with state governments prioritizing drinking water for the general population instead.

- Maharashtra has gone a step further, formally notifying that no further water will be released for agricultural use until rainfall improves, with the position to be reviewed once it does. Taken together, this marks a real escalation in risk - not yet critical, but close enough to warrant close attention. Farmers are also reducing water allocation to sugarcane, conserving resources for turmeric, which offers higher returns..



## TWO WAYS THIS COULD GO

**Scenario 1 — September Rains Arrive as Forecast**
Should the forecast rain materialise, the water situation would ease meaningfully: dam levels recover, agricultural releases likely resume, and the current 20–30% yield-decline estimate would improve The outlook will be revised based on the actual rainfall received.

**Scenario 2 — Rains Fail to Materialise**
Farmers estimate roughly two months of water reserves remain. Should September stay dry, that buffer runs out, restrictions on agricultural water stay in place, and the yield decline holds at or worsens beyond the current 20–30% estimate, even as acreage itself remains strong on price.

## OUR READ

Acreage isn't the concern here, price is doing that job on its own. Yield is the real story, and the risk profile has moved up a level this month. September rainfall is the swing factor, and Maharashtra's water-release notice is as reliable a leading indicator as any; it's worth checking on before the next full monthly cycle rather than waiting on it. We've done what tracking and forecasting can do. The rest, as ever, rests with the weather gods.

GI

# GINGER

POSITIVE

## RECAP

Planting across Northeast India was healthy, with a 20–25% acreage increase indicated. Despite flooding in Assam, the crop was holding up well so far. As in past seasons, the real picture wouldn't become clear until around October, with the fresh-versus-dry split flagged as one to watch closely.

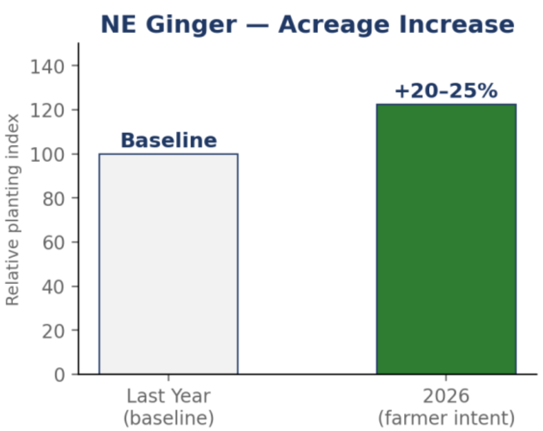
| MARKET AT A GLANCE | |
|---|---|
| Crop condition | Good |
| Supply | [X] |
| Demand | [X] |
| Price direction | [X] |
| Key risk | Arrivals |
| Our view | Positive |

## UPDATE

- Unlike much of what we're seeing elsewhere this month, Ginger has nothing to worry about. Rainfall in the north has been adequate, there's no water shortage anywhere in the belt, and growth is progressing well. All signs point to a good year.

- This month's update is a single steady read rather than branching scenarios. July's own Good Winter / Weak Winter split is still the relevant framework here and remains unresolved - worth carrying forward rather than replacing until October's picture clarifies which way it's going.

*Crop 2026




# FENNEL

FE

BULLISH

## RECAP

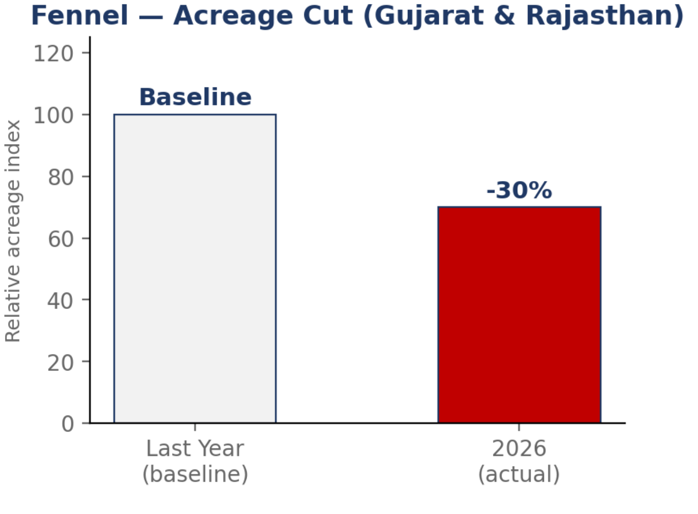
The market was holding stable, and that stability was expected to continue through the rest of the year. The real swing factor ahead was how the new crop would be planted, which would set the tone for 2027 pricing.

| MARKET AT A GLANCE | |
|---|---|
| Crop condition | Weaker vs. last year |
| Supply | Tightening |
| Demand | [X] |
| Price direction | ↑ |
| Key risk | Acreage loss to mustard |
| Our view | Bullish |

## UPDATE

- The acreage question from July has been answered, and not in fennel's favour. In Gujarat and Rajasthan, transplanting is largely done, but the field team is reporting acreage down 30% versus last year, a combination of water shortage and fennel's long duration (eight months) working against it. With water supply being tight and prices already high on competing crops, farmers are instead diverting land to mustard this season.

- The standing crop itself is weaker than last year's, too. Good rainfall from here could still nurse it back to normal, but that's the ceiling; it does nothing for the acreage already diverted to mustard, which is gone for the season regardless.



## TWO WAYS THIS COULD GO

**Scenario 1 — Rain Arrives, Existing Crop Recovers**

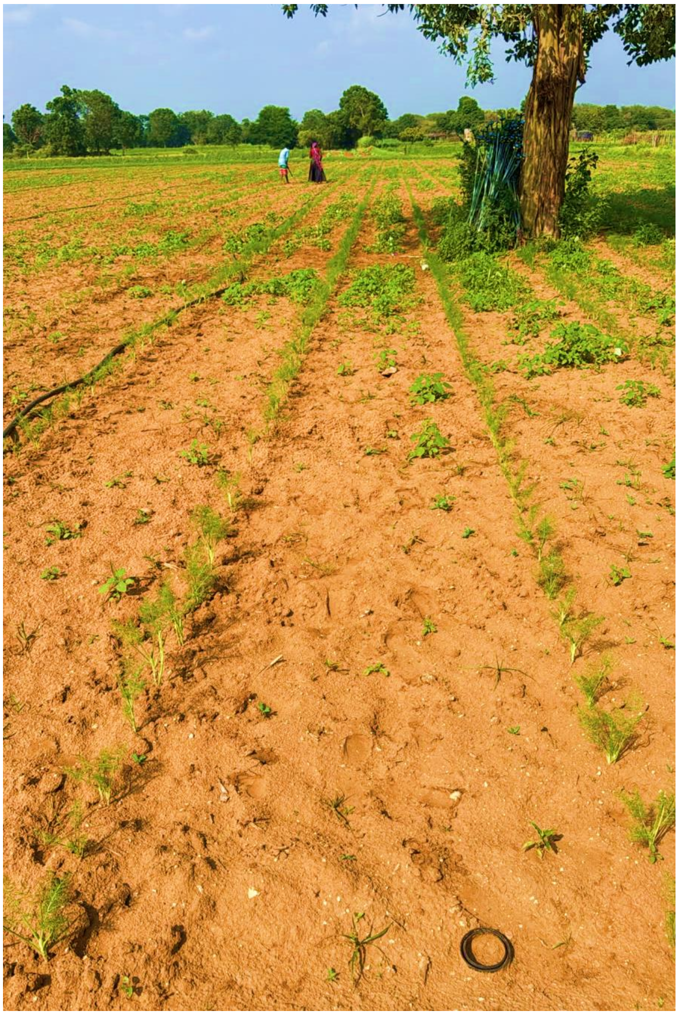
Should Gujarat and Rajasthan see meaningful rainfall from here, the fennel already planted has room to strengthen back toward normal condition. That wouldn't undo the shift in acreage to mustard, but it would mean the smaller crop still performs close to expectation.

**Scenario 2 — Dry Conditions Persist**

Should the dry spell continue, the crop already showing weakness has little room to recover, and a poor yield would stack directly on top of the 30% acreage cut. Combined with supply already reduced by the shift to mustard, that would tighten availability further and add more fuel to prices already trending up.

## OUR READ

July’s warning of contracting fennel acreage has become a reality, with acreage now estimated to be down around 30%. This is more than a weather-driven decline; mustard economics have pulled land away from fennel, and that acreage is lost for the season. Better rainfall can support the crop that remains, but it cannot reverse the acreage shortfall. Add a weaker standing crop to the equation, and fennel is shaping up to be one of the tightest markets in the report.



# CUMIN

CU

BULLISH

## RECAP

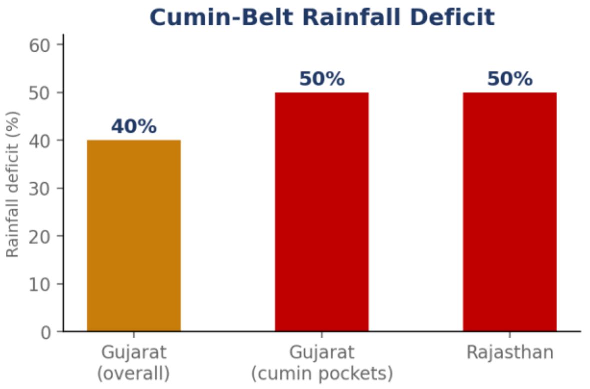
Cumin had been range-bound for months, prices holding within a 7–10% band, with the real question shifting to what farmers would plant for 2027. Rainfall was good in Gujarat but incomplete in Rajasthan, and that gap was already steering cropping intentions - Gujarat toward coriander, where prices were double last year's levels, Rajasthan toward castor and mustard, both seen as sturdier bets than cumin heading into 2027.

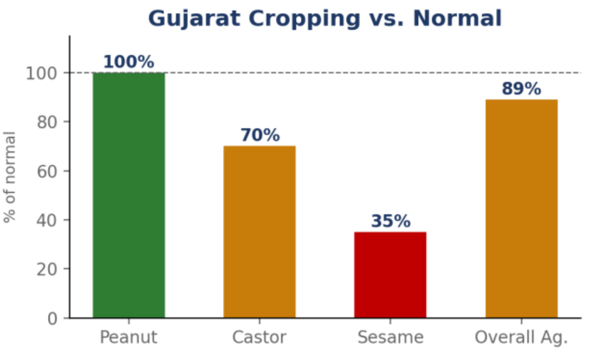
| MARKET AT A GLANCE | |
|---|---|
| **Crop condition** | Mixed, weakening |
| **Supply** | [X] |
| **Demand** | [X] |
| **Price direction** | ↑ |
| **Key risk** | Rainfall / acreage shift |
| **Our view** | Bullish |

## UPDATE

- A 40% rainfall deficit in Gujarat, 50% in some cumin-growing pockets, and 50% across Rajasthan: the acreage-shift risk flagged in July hasn't eased, it's deepened. Actual planting decisions are still a way off, normally landing in October–November, but farmer sentiment has already moved from wait-and-watch to genuine confusion and concern.

- In Gujarat, the southern parts of the state have had better rain and are sowing the kharif crop more successfully than the rest. Peanut planting is holding steady versus last year, but sesame is down to 35% and castor at just 70% of normal, overall farm activity in the state is running 10–12% below usual, per government data. Rajasthan has it worse: farmers are unable to water existing castor, bajra and millet crops, with plants visibly drying, and some have skipped the monsoon crop altogether. This echoes last year, when Rajasthan's kharif crop failed outright and farmers mulched what was left back into the ground as green manure, a move the market didn't reward at the time, even though it set up good cumin yields afterward. Castor has gone in in some areas this year, and farmers are now eyeing mustard given the current price and water conditions, which could eat further into cumin acreage, though it's still too early to call.




## TWO WAYS THIS COULD GO

**Scenario 1 — Rainfall Arrives Mid-September**
If the forecasted mid-September rain arrives, the picture turns around: water stress eases across both Gujarat and Rajasthan, and the pull toward coriander, castor and mustard loses some of its momentum. This lines up with July's 'acreage shift doesn't fully play out' case.

**Scenario 2 — Deficit Persists Into Sowing**
A deficit that holds through the October–November sowing window makes the shift away from cumin more likely, not less — it's already showing up in Gujarat's crop data and Rajasthan's water rationing. Supply would tighten from October, in line with July's 'acreage shift materialises' case, with a bull run likely to follow.


**RECOMMENDATION**

Stay covered till June 2027 shipments for sustainable & pesticide-compliant materials, and till April 2027 for conventional.

CO

# CORIANDER

BULLISH

## RECAP

Prices had firmed sharply, nearly doubling from last year's 75–85 range to 165–185. Stable pricing out of Russia was flagged as a possible dampener, with the risk of a wave of imports taking some heat out of the local market. Sowing decisions were still some way off — they wouldn't crystallise until around Diwali in November — but the price incentive alone made it likely farmers would give coriander a stronger preference this season.

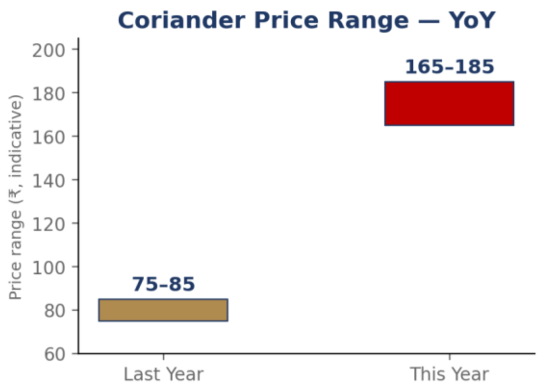
| MARKET AT A GLANCE | |
|---|---|
| Crop condition | Positive |
| Supply | Tight |
| Demand | Strong |
| Price direction | ↑ |
| Key risk | Rainfall / sowing |
| Our view | Bullish |

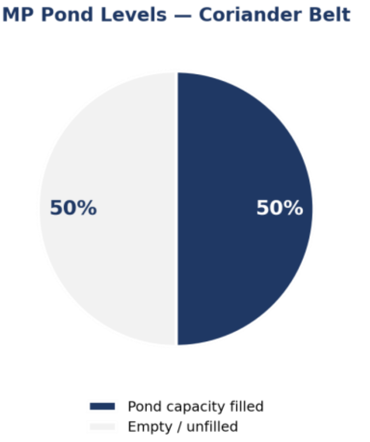
## UPDATE

- It's still early to forecast this year's sowing, which normally happens in October–November, but the regional picture is already taking shape, and it's an uneven one. South Gujarat has decent rainfall, and coriander's attractive pricing is pulling farmers there toward committing acreage. The rest of Gujarat is drier, and farmers there remain undecided between coriander, mustard, Bengal gram, castor, and cumin. Rajasthan is facing a similar dilemma, if not a worse one — again undecided and waiting on rain.

- In Madhya Pradesh, water is starting to matter more than price. Ponds normally full by this time are sitting at just 50% capacity, with farmers already tapping that reserve to save their monsoon crops, leaving less behind for the season ahead. The resulting pecking order: Bengal gram first, since it asks for the least water; coriander second, still carried by strong pricing; chia seed third, similar in water need and equally well priced; wheat last. Rain in mid-September could still redraw that order.

*Crop 2026



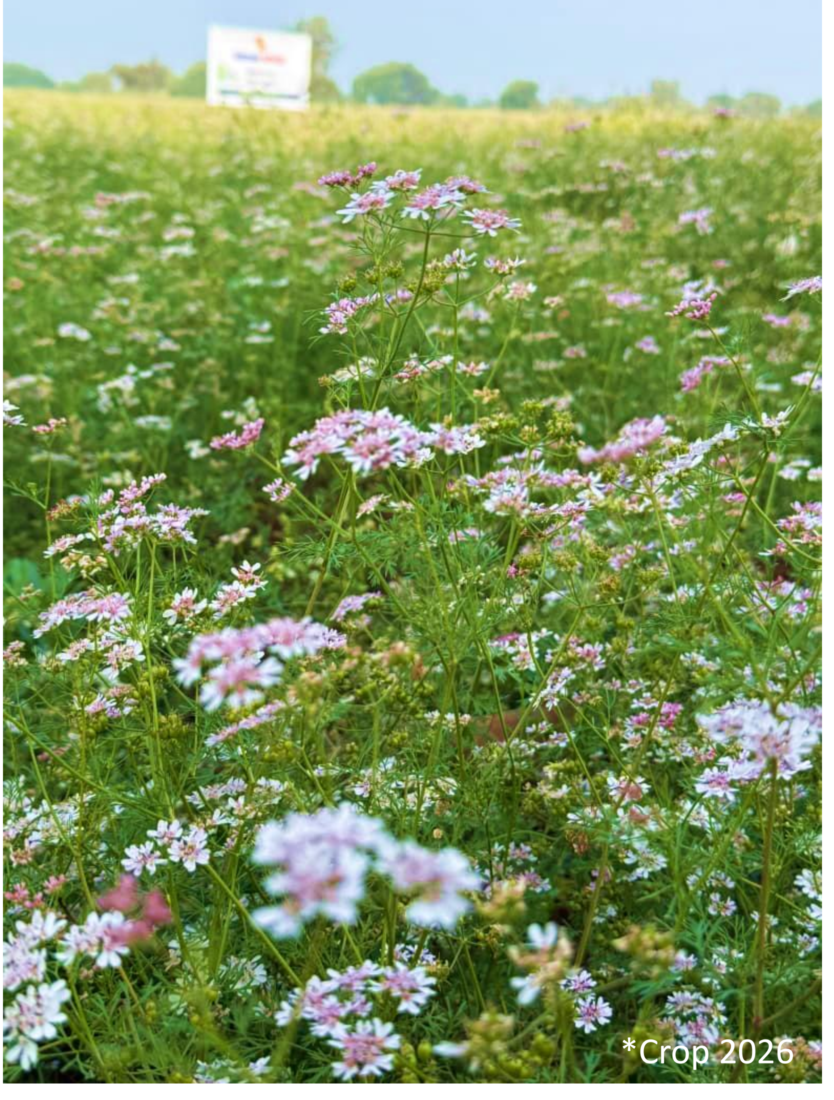

## TWO WAYS THIS COULD GO

**Scenario 1 — Mid-September Rains Arrive**
If Gujarat, Rajasthan and MP see meaningful rainfall by mid-September, the water constraint currently driving sowing decisions eases, and price can reassert itself as the deciding factor. Coriander's advantage there would likely translate into real acreage gains rather than ceding ground to more frugal crops like Bengal gram.

**Scenario 2 — Dry Spell Continues Into Sowing**
If the dry spell holds through September, water becomes the deciding factor, not price. Bengal gram takes the lead on its low water need, coriander stays in the mix thanks to comparable usage and strong pricing, and wheat drops furthest down the order. The resulting squeeze on coriander acreage would add further support to prices already well above last year's range.

## OUR READ

Region by region, the deficit-rainfall path July flagged as a risk is the one actually unfolding, though the season itself is still open. What's different now is that price has stopped being the sole driver — water availability at sowing is weighing in just as heavily, and where the shortfall is genuine, it's water that wins out. The one thing that could still turn this back toward July's better-case outlook is meaningful rain in mid-September.



# CO CELERY

**BEARISH**

## RECAP

Traceability was the casualty of how this market was trading. With traders in Amritsar going farm to farm and buying at whatever price it took, material kept moving into traders' hands rather than farmers. Lots sourced this way can't be tested for IPM, which made for a genuinely difficult and complex supply situation.

| MARKET AT A GLANCE | |
|---|---|
| Crop condition | Weak |
| Supply | Concentrated |
| Demand | Very weak |
| Price direction | Correction likely |
| Key risk | No demand fallback |
| Our view | Bearish |

## UPDATE

- August's 'trader buying persists' path is the one that played out, and it's left the market worse off for it. Demand is thin against prices that trader buying itself inflated. Small farmers have largely sold out to larger farmers, traders and local buyers, leaving material with larger players who can sit on stock rather than sell it. Hoarders are talking up the market among themselves, but that's difficult to sustain without real local demand, and export demand at these levels has all but disappeared.


## TWO WAYS THIS COULD GO

**Scenario 1 — Holder Continues to Sit on Stock**
If holders keep withholding material and talking the market up, prices might hold on paper despite the lack of real demand. That's not a stable position, though — it depends on holders' patience, not on genuine buying interest at these levels.

**Scenario 2 — Holder Gives In**
Without demand returning on either front, holders will eventually have to sell, and prices will settle to what buyers are actually willing to pay. With no domestic fallback and export demand missing at these prices, that's the more likely outcome the longer this continues.

## OUR READ

July's bearish read holds up, and August explains why: the problem was never supply, it's demand, and no amount of holders talking among themselves fixes that. Prices held up by holders rather than genuine buying don't have solid ground under them; the market can only be talked up for so long before someone has to sell. We'd treat the current price level as unreliable, with a correction likely the longer demand stays absent.

# Agri Team Training

60 members of our Agri Team came together for a day dedicated to learning about TraceNet 2.0. The day included external training, an assessment, and internal discussions to understand the new requirements and how they translate into our day-to-day work.

Read the full story on our LinkedIn -

https://www.linkedin.com/posts/swani-spice_swani-spice-tracenet-20-staff-training-activity-7500507789635641344-f85H?utm_source=share&utm_medium=member_desktop&rcm=ACoAAGlI-cgB3MPQsPRW0J9Gmo2Tmdd-x9x-awk

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