

Paddy Outlook – September 2022

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA Global rice production in 2022/23 production was lowered 2.3 million tons to 512.4 million tons (milled basis). India, Bangladesh, and the European Union account for most of the downward production revision. The 2022/23 global consumption and residual use forecast was increased fractionally to 518.7 million tons, the highest on record. Global ending stocks for 2022/23 are forecast at 178.5 million tons, 4.2 million tons below the previous forecast and the third consecutive year of a decline. India accounts for most of this month's downward revision in global stocks.

Table 1: Major Rice Producing Countries in the World (Milled production in million tonnes)

Country	2021-22	2022-23*	Change over 2021-22
China	148.99	149.00	0.01
India	129.66	128.50	-1.16
Indonesia	34.40	34.60	0.20
Vietnam	27.07	27.40	0.33
Thailand	19.65	19.80	0.15
Burma	12.35	12.50	0.15
Philippines	12.60	12.41	-0.19
Japan	7.64	7.55	-0.09
Pakistan	8.70	8.90	0.20
Brazil	7.34	7.10	-0.24
USA	6.09	5.59	-0.50
Nigeria	5.26	5.36	0.10
Egypt	2.90	2.90	0.00
South Korea	3.88	3.72	-0.16
European Union	1.71	1.35	-0.36

Source: www.usda.gov * Estimated

Table 2: International Grain Council's World Rice Projections (in million metric tonnes)

	2020/21 (Estimated)	2021/22 (Forecast)	2022-23 (Projected)
Opening Stocks	181.3	182	180.2
Production	509.5	514.9	514.3
Imports	50.6	51.5	51.5
Total Availability	690.9	696.8	694.5
Total Consumption	508.9	516.6	517.8
Exports	50.6	51.5	51.5
Ending Stocks	182	180.2	176.7

Source: International Grains Council

Table 3: Domestic Balance Sheet (in MMT)

	2019-20	2020-21	2021-22*
Carry in	26.11	30.48	33.3
Production	118.87	124.37	130.29
Imports	0	0	0
Total Availability	144.98	154.85	163.59
Consumption	104.06	105	106.2
Exports	10.44	14.45	17.38
Total Usage	114.5	119.45	123.58
Carry out	30.48	35.4	40.01
Av Monthly Consumption	8.29	8.57	8.60

Source: www.agriwatch.com

Table 4: Average Price of Paddy Common at Major States in India August, 2022

State	Prices August, 2022	Prices July, 2022	Prices August, 2021	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1825.44	1835.92	1811.53	-0.57	0.77
Chattisgarh	1909.44	1803.77	1589.59	5.86	20.12
Gujarat	1688.01	1709.6	1483.82	-1.26	13.76
Karnataka	2176.35	2111.35	1962.99	3.08	10.87
Kerala	1932.94	1934.01	1922	-0.06	0.57
Madhya Pradesh	1942.39	1758.56	1799.01	10.45	7.97
Maharashtra	2440.43	2356.87	2338.21	3.55	4.37
NCT of Delhi	3121.07	3738.86		-16.52	—
Odisha	1970.98	1983.98	1857.21	-0.66	6.13
Pondicherry	1605.65	1590.85	1625.07	0.93	-1.2
Rajasthan	3304.48	3701.71	2363.83	-10.73	39.79
Tamil Nadu	1717.62	1776.59	1234.19	-3.32	39.17
Telangana	2005.48	1962.93	1781.91	2.17	12.55
Tripura	1653.09	1495.79	1642.1	10.52	0.67
Uttar Pradesh	1816.66	1773.04	1458.7	2.46	24.54
Uttrakhand	1709.51	2071.04		-17.46	—
West Bengal	1959.49	1937.08	1769.98	1.16	10.71
Average	2045.83	2090.7	1776.01		

Source: www.agmarknet.gov.in

As per the Ministry of Agriculture, Vanakalam (kharif) paddy acreage as on 02nd September 2022 has decreased by 5.96% to 383.99 lakh hectares (948.86 lakh acres) as compared to 406.89 lakh hectares (1005.45 lakh acres) during the same period of last year. Higher acreage was covered in Uttar Pradesh 57.65 lakh ha (142.46 lakh acres), West Bengal 38.28 lakh ha (94.59 lakh acres), Punjab 31.33 lakh ha (77.42 lakh acres), Chhattisgarh 33.22 lakh ha (79.79 lakh acres), Madhya Pradesh 32.22 lakh ha (79.57 lakh acres), Bihar 30.42 lakh ha (75.17 lakh acres), Odisha 32.29 lakh ha (79.79 lakh acres), Haryana 14.58 lakh ha (36.03 lakh ha), Assam

19.04 lakh ha (47.05 lakh ha), Maharashtra 15.27 lakh ha (37.73 lakh acres), and Telangana 25.14 lakh ha (62.12 lakh acres).

Table 5: State wise area under Paddy in India

STATE	2021-22			2022-23		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Uttar Pradesh	60.26	148.91	14.81	57.65	142.46	15.01
West Bengal	42.73	105.59	10.50	38.28	94.59	9.97
Chhattisgarh	37.13	91.75	9.13	33.22	82.09	8.65
Odisha	33.13	81.87	8.14	32.29	79.79	8.41
Madhya Pradesh	38.52	95.18	9.47	32.2	79.57	8.39
Punjab	31.45	77.71	7.73	31.33	77.42	8.16
Bihar	32.6	80.56	8.01	30.42	75.17	7.92
Telangana	19.79	48.90	4.86	25.14	62.12	6.55
Assam	19.33	47.77	4.75	19.04	47.05	4.96
Maharashtra	14.97	36.99	3.68	15.27	37.73	3.98
Haryana	13.64	33.71	3.35	14.58	36.03	3.80
Andhra Pradesh	12.07	29.83	2.97	11.76	29.06	3.06
Uttarakhand	2.33	5.76	0.57	2.36	5.83	0.61
Other	48.94	120.93	12.03	40.45	99.95	10.53
Total	406.89	1005.45	100.00	383.99	948.86	100.00

Source: www.agricoop.com

Table 6: District wise area under Paddy in Telangana State

District	2021-22			2022-23		
	Ha	Acres	% to total area	Ha	Acres	% to total area
Suryapet	137177	338970	6.93	188954	466914	7.52
Nalgonda	142571	352300	7.20	173786	429433	6.91
Nizamabad	142702	352625	7.21	168159	415530	6.69
Siddipet	96458	238353	4.87	145036	358392	5.77
Jagtial	115885	286358	5.85	125188	309345	4.98
Yadadri Bhuvanagiri	83542	206437	4.22	120718	298300	4.80
Kamareddy	99878	246803	5.04	114851	283802	4.57
Medak	89080	220120	4.50	114765	283590	4.56
Karimnagar	103485	255716	5.23	109165	269751	4.34
Khammam	89527	221225	4.52	108059	267018	4.30
Mahabubabad	69776	172420	3.52	85168	210455	3.39
Others	809661	2000712	40.90	1060349	2620176	42.17
Total	1979741	4892039	100.00	2514197	6212706	100.00

Source: www.agri.telangana.gov.in

During vanakalam in Telangana, it has been sown in 25.14 lakh hectares (62.12 lakh acres) as on 07th September 2022 which is higher than 19.79 lakh hectares (48.92 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Suryapet 1.89 lakh ha (4.66 lakh acres), Nalgonda 1.73 lakh ha (4.29 lakh acres), Nizamabad 1.68 lakh ha (4.15 lakh acres), Siddipet 1.45 lakh ha (3.58 lakh acres), Medak 1.14 lakh ha (2.83 lakh acres), Kamareddy 1.14 lakh ha (2.83 lakh acres), Yadadri 1.20 lakh ha (2.98 lakh acres), Jagityal 1.25 lakh ha (3.09 lakh acres) and Karimnagar 1.09 lakh ha (2.69 lakh acres).

Table 7: Arrivals and Prices for the Month of August 2022 in Suryapet Market Paddy-Grade-A (Samba Masuri)

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	87	1,459	2,339	2,301
2	64	1,539	2,359	2,121
3	59	2,322	2,377	2,322
4	38	1,319	2,492	2,243
6	52	1,719	2,341	2,341
8	65	2,261	2,369	2,369
10	46	1,716	2,409	2,401
11	44	1,769	2,406	2,211
13	8	2,439	2,439	2,439
16	53	1,326	2,442	2,442
17	88	2,159	2,519	2,519
18	99	2,089	2,623	2,329
19	95	1,689	2,589	2,349
22	201	1,569	2,569	2,543
23	61	1,769	2,615	2,609
24	113	2,263	2,669	2,441
25	154	2,207	2,703	2,559

Source: <http://tsmarketing.in/>

Paddy Price Outlook

Currently Indian rice markets saw a firm tone. Overall Indian Rice exports during fiscal year 2021-22 was around 212.10 LMT as compared to total exports of 177.79 LMT during fiscal year 2020-21, comprising of 172.62 LMT of Non-Basmati Rice exports against 131.49 LMT Non-Basmati Rice exports during previous fiscal year. There are chances of increasing export demand of Indian Rice on the account of consumers opting Rice as staple food over Wheat due to persisting high prices of Wheat around the world. Under current scenario in upcoming season export of Indian Rice is expected to jump by 1.0 million and there are chances of India to emerge as leading Rice exporter, accounting for around forty percent of total world Rice supply.

Export price of 5% Broken Parboiled Indian Rice were quoted at \$379-387 per ton as compared to prices of \$366-\$372 per ton during past week. Due to crop damage this year, Bangladesh may be compelled to make large purchases. The FOB prices for India are still very lucrative from other competitors like Thailand and Vietnam due to which reportedly some foreign

demand is there for Indian rice. Overall, according to the sources, a good export demand for 25% and 100% broken white Rice variety was noticed, reason being lower prices of Indian Rice due to weak Rupee value against Dollar. North Korean government plans to import 10,000 tonnes of rice from India. Due to floods and COVID-19, the nation is suffering from serious food crisis.

However, India has banned exports of broken rice and imposed a 20% duty on exports of non-Basmati rice except for parboiled rice to boost domestic supplies amid a fall in area under the paddy crop in the current Kharif season. The new duty is likely to discourage buyers from making purchases from India and prompt them to shift towards rivals Thailand and Vietnam, which have been struggling to increase shipments and raise prices.

Table 8: Arrivals and Prices for the Month of August 2022 in Suryapet Market Paddy (common)

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	37	1,515	1,604	1,591
2	23	1,515	1,606	1,606
4	3	1,379	1,409	1,409
6	2	1,409	1,409	1,409
8	16	1,569	1,569	1,569
10	23	1,409	1,589	1,581
11	72	1,379	1,609	1,551
13	1	1,329	1,329	1,329
16	65	1,589	1,629	1,629
17	15	1,359	1,619	1,619
18	10	1,389	1,629	1,389
19	35	1,559	1,666	1,666
22	56	1,529	1,676	1,652
23	48	1,589	1,709	1,709
24	6	1,409	1,559	1,559
25	7	1,616	1,717	1,717
26	15	1,691	1,769	1,719
29	34	1,696	1,746	1,739

Source: <http://tsmarketing.in/>

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A and Paddy-Common could trade in price ranges of Rs. 1960–2230 and Rs. 1800 – 2010 per quintal respectively during the month of September, 2022.