

## Paddy Outlook – March 2023

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA’s Global rice production estimate in 2022/23 production remains forecast at 503.0 million tons, 2 percent below a year earlier. Upward production revisions for Bangladesh, Sri Lanka, Thailand, and Uzbekistan were offset by reductions for Argentina, Brazil, Cuba, the European Union, and Vietnam. The 2022/23 global consumption and residual use forecast was increased 1.1 million tons to 517.2 million, with Bangladesh, China, and Thailand accounting for the bulk of the upward revision. The 2022/23 global ending stocks forecast was lowered 0.85 million tons to 169.1 million tons, with China and India accounting for the bulk of the downward revision.

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

| Country               | 2021-22 | 2022-23* | Change over 2021-22 |
|-----------------------|---------|----------|---------------------|
| <b>China</b>          | 148.99  | 145.95   | -3.04               |
| <b>India</b>          | 130.29  | 125.00   | -5.29               |
| <b>Indonesia</b>      | 34.40   | 34.60    | 0.20                |
| <b>Vietnam</b>        | 26.77   | 27.23    | 0.46                |
| <b>Thailand</b>       | 19.88   | 20.10    | 0.22                |
| <b>Burma</b>          | 12.35   | 12.50    | 0.15                |
| <b>Philippines</b>    | 12.54   | 12.41    | -0.13               |
| <b>Japan</b>          | 7.67    | 7.45     | -0.22               |
| <b>Pakistan</b>       | 9.32    | 6.60     | -2.72               |
| <b>Brazil</b>         | 7.34    | 7.24     | -0.10               |
| <b>USA</b>            | 6.08    | 5.09     | -0.99               |
| <b>Nigeria</b>        | 5.26    | 5.04     | -0.22               |
| <b>Egypt</b>          | 2.90    | 3.60     | 0.70                |
| <b>South Korea</b>    | 3.88    | 3.76     | -0.12               |
| <b>European Union</b> | 1.72    | 1.27     | -0.45               |

Source: www.usda.gov\* Estimated

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

|                      | 2020/21<br>(Estimated) | 2021/22<br>(Forecast) | 2022-<br>23(Projected) |
|----------------------|------------------------|-----------------------|------------------------|
| Opening Stocks       | 181.5                  | 182.4                 | 178.8                  |
| Production           | 509.7                  | 515.8                 | 504.0                  |
| Imports              | 51.3                   | 55.0                  | 51.6                   |
| Total Availability   | 691.3                  | 697.8                 | 682.6                  |
| Total Consumption    | 509.3                  | 519.2                 | 512.9                  |
| Exports              | 51.3                   | 55.0                  | 51.6                   |
| <b>Ending Stocks</b> | <b>182.0</b>           | <b>178.7</b>          | <b>169.7</b>           |

Source: International Grains Council

**Table 3: Domestic Balance Sheet (in MMT)**

| Figure in MMT              | 2020-21       | 2021-22       | 2022-23*      |
|----------------------------|---------------|---------------|---------------|
| Carry in                   | 30.48         | 35.4          | 42.11         |
| Production                 | 124.37        | 130.29        | 130.87        |
| Imports                    | 0             | 0             | 0             |
| Total Availability         | 154.85        | 165.69        | 172.98        |
| Consumption                | 105           | 106.2         | 109           |
| Exports                    | 14.45         | 17.38         | 12.5          |
| Total Usage                | 119.45        | 123.58        | 121.5         |
| Carry out                  | 35.4          | 42.11         | 51.48         |
| <b>Stock- to-use ratio</b> | <b>25.00%</b> | <b>27.00%</b> | <b>21.00%</b> |

Source: www.agriwatch.com

**Table 4: Average Price of Paddy Common at Major States in India February, 2023**

| State                 | Prices February, 2023 | Prices January, 2023 | Prices February, 2022 | % Change(Over Previous Month) | % Change(Over Previous Year) |
|-----------------------|-----------------------|----------------------|-----------------------|-------------------------------|------------------------------|
| <b>Andhra Pradesh</b> | 2041.08               | 2041.34              | 1878.05               | -0.01                         | 8.68                         |
| <b>Bihar</b>          | 1750                  | 1692.49              | 1768                  | 3.4                           | -1.02                        |
| <b>Chhattisgarh</b>   | 1895.83               | 1964.05              | 1785.68               | -3.47                         | 6.17                         |
| <b>Gujarat</b>        | 1853.81               | 1729.76              | 1864.75               | 7.17                          | -0.59                        |
| <b>Haryana</b>        | 4627.05               | 4836.92              |                       | -4.34                         | —                            |
| <b>Karnataka</b>      | 2511.97               | 2372.65              | 2037.11               | 5.87                          | 23.31                        |
| <b>Kerala</b>         | 2051                  | 2051.25              | 1925.25               | -0.01                         | 6.53                         |
| <b>Madhya Pradesh</b> | 3357.56               | 3344                 | 2923.15               | 0.41                          | 14.86                        |
| <b>Maharashtra</b>    | 2396.6                | 2273.19              | 2191.34               | 5.43                          | 9.37                         |
| <b>Manipur</b>        | 1750                  | 1750                 | 1777.97               | 0                             | -1.57                        |
| <b>NCT of Delhi</b>   | 3538.66               | 3630.77              | 3019.77               | -2.54                         | 17.18                        |
| <b>Odisha</b>         | 2027.45               | 2039.48              | 1930.81               | -0.59                         | 5.01                         |
| <b>Pondicherry</b>    | 1819.07               | 1787.13              | 1502.64               | 1.79                          | 21.06                        |
| <b>Rajasthan</b>      | 3887.37               | 3998.04              | 3157.92               | -2.77                         | 23.1                         |
| <b>Tamil Nadu</b>     | 1957.19               | 1967.48              | 1534.78               | -0.52                         | 27.52                        |
| <b>Telangana</b>      | 2113.45               | 2057.62              | 1800.97               | 2.71                          | 17.35                        |
| <b>Tripura</b>        | 1961.42               | 1834.25              | 1688.94               | 6.93                          | 16.13                        |
| <b>Uttar Pradesh</b>  | 2056.24               | 2084.5               | 1893.72               | -1.36                         | 8.58                         |
| <b>Uttrakhand</b>     | 2013.88               | 1942.68              | 1996.77               | 3.67                          | 0.86                         |
| <b>West Bengal</b>    | 2005.77               | 2007.22              | 1810.02               | -0.07                         | 10.81                        |
| <b>Average</b>        | <b>2380.77</b>        | <b>2370.24</b>       | <b>2025.67</b>        |                               |                              |

Source: [www.agmarknet.gov.in](http://www.agmarknet.gov.in)

As per the Ministry of Agriculture, Yasangi (Rabi) paddy acreage as on 3<sup>rd</sup> February 2023 has increased by 37.89% to 55.02 lakh hectares (135.96 lakh acres) as compared to 39.90 lakh hectares (98.59 lakh acres) during the same period of last year. Higher acreage was covered in Telangana 22.74 lakh ha (56.19 lakh acres), Tamil Nadu 12.21 lakh ha (30.17 lakh acres), Andhra Pradesh 5.51 lakh ha (13.62 lakh acres) and Assam 1.84 lakh ha (4.55 lakh acres). According to

2<sup>nd</sup> Advance Estimates of Production of Food grains for 2022-23, all India rice production estimate was 130.87 million tonnes.

**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 |
| Telangana      | 14.50        | 35.83        | 36.34           | 23.23        | 57.40         | 42.22           |
| Tamilnadu      | 11.78        | 29.11        | 29.52           | 12.21        | 30.17         | 22.19           |
| Andhra Pradesh | 6.75         | 16.68        | 16.92           | 5.51         | 13.62         | 10.01           |
| Assam          | 1.52         | 3.76         | 3.81            | 1.84         | 4.55          | 3.34            |
| Kerala         | 0.88         | 2.17         | 2.21            | 0.83         | 2.05          | 1.51            |
| Other          | 4.47         | 11.05        | 11.20           | 11.40        | 28.17         | 20.72           |
| <b>Total</b>   | <b>39.90</b> | <b>98.59</b> | <b>100.00</b>   | <b>55.02</b> | <b>135.96</b> | <b>100.00</b>   |

Source: [www.agricoop.gov.in](http://www.agricoop.gov.in)

**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 |
| Nalgonda     | 175236         | 433017           | 12.08           | 224995         | 555973           | 9.68            |
| Suryapet     | 177234         | 437955           | 12.22           | 192940         | 476765           | 8.30            |
| Nizamabad    | 134573         | 332537           | 9.28            | 161984         | 400271           | 6.97            |
| Siddipet     | 98588          | 243617           | 6.80            | 140202         | 346447           | 6.03            |
| Jagtiyal     | 67010          | 165584           | 4.62            | 120729         | 298327           | 5.19            |
| Yadadri      | 57135          | 141184           | 3.94            | 117540         | 290446           | 5.06            |
| Karimnagar   | 85973          | 212443           | 5.93            | 109576         | 270768           | 4.71            |
| Kamareddy    | 68954          | 170389           | 4.75            | 105645         | 261055           | 4.55            |
| Medak        | 57410          | 141864           | 3.96            | 103327         | 255325           | 4.45            |
| Khammam      | 37166          | 91839            | 2.56            | 86132          | 212836           | 3.71            |
| Peddapalli   | 67679          | 167239           | 4.67            | 83039          | 205194           | 3.57            |
| Others       | 423512         | 1046519          | 29.20           | 877886         | 2169301          | 37.77           |
| <b>Total</b> | <b>1450471</b> | <b>35,84,187</b> | <b>100.00</b>   | <b>2323995</b> | <b>57,42,708</b> | <b>100.00</b>   |

Source: [www.agri.telangana.gov.in](http://www.agri.telangana.gov.in)

During yasangi (Rabi) in Telangana, it has been sown in 23.23 lakh hectares (57.42 lakh acres) as on 01<sup>st</sup> March 2023 which is 60.21 % higher than 14.50 lakh hectares (35.84 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 2.24 lakh ha (5.55 lakh acres), Suryapet 1.92 lakh ha (4.76 lakh acres), Nizamabad 1.61 lakh ha (4.00 lakh acres), Siddipet 1.40 lakh ha (3.46 lakh acres), Jagityal 1.20 lakh ha (2.97 lakh acres), Yadadri 1.17 lakh ha (2.90 lakh acres), Karimnagar 1.09 lakh ha (2.70 lakh acres) Kamareddy 1.056 lakh ha (2.61 lakh acres), Medak 1.03 lakh ha (2.55 lakh acres), Khammam 0.86 lakh ha (2.12 lakh acres) and Peddapalli 0.83 lakh ha (2.05 lakh acres). According to 2<sup>nd</sup> Advance Estimates of Production of Food grains for 2022-23, rice production estimate was 172.07 lakh tonnes in Telangana State.

**Table 7: Arrivals and Prices of Paddy-Grade-A for the Month of February in Suryapet Market**

| Date | Arrival (Quintals) | Minimum price (Rs/quintal) | Maximum price (Rs/quintal) | Modal price (Rs/quintal) |
|------|--------------------|----------------------------|----------------------------|--------------------------|
| 1    | 1,150              | 1,708                      | 2,451                      | 2,439                    |
| 2    | 838                | 1,813                      | 2,466                      | 2,463                    |
| 3    | 598                | 2,121                      | 2,489                      | 2,449                    |
| 4    | 514                | 2,089                      | 2,512                      | 2,466                    |
| 9    | 386                | 2,088                      | 2,493                      | 2,479                    |
| 10   | 480                | 1,639                      | 2,520                      | 2,520                    |
| 11   | 520                | 1,919                      | 2,489                      | 2,429                    |
| 13   | 728                | 1,569                      | 2,533                      | 2,456                    |
| 14   | 748                | 1,659                      | 2,521                      | 2,389                    |
| 15   | 625                | 1,709                      | 2,526                      | 2,425                    |
| 16   | 422                | 1,769                      | 2,545                      | 2,489                    |
| 17   | 495                | 1,789                      | 2,539                      | 2,289                    |
| 21   | 796                | 1,709                      | 2,526                      | 2,468                    |
| 22   | 349                | 1,818                      | 2,511                      | 2,306                    |
| 24   | 927                | 1,606                      | 2,479                      | 2,429                    |
| 25   | 207                | 1,836                      | 2,489                      | 2,273                    |
| 27   | 465                | 1509                       | 2522                       | 2466                     |
| 28   | 413                | 1536                       | 2462                       | 2409                     |

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

### **Paddy Price Outlook**

Prices for India's 5% broken parboiled rice decreased from \$397-\$404 per tonne, highest in roughly two years, to \$390-\$395 per tonne as a result of the rupee's depreciation.

According to sources, 5% broken rice was being sold in Vietnam for \$440 to \$445 per tonne, down from \$457 per tonne a week earlier. Prices decreased little as supply increased due to the winter-spring harvest. While prices may continue to decline when the harvest reaches its height this month, strong global demand might keep the decline limited. In spite of weak demand, Thailand's 5% broken rice prices remained stable at \$460 per ton. New supply is anticipated in early March to April that might further ease the prices.

During the week under review, market witnessed tight supply amid poor demand. During GULFOOD 2023, Dubai, exporters from Haryana, Punjab and Delhi, secured export orders for the rice. However, there is anticipation of some price movement from mid-March onwards due to expected rabi arrivals. The central pool has received a total of 694.12 lakh metric tonnes (LMT) of paddy from both FCI and state agencies during the ongoing kharif marketing season of 2022-2023, as of February 16. The procurement target for paddy in 2022-2023 is 775.72 lakh metric tonnes.

As of February 2023, FCI had 169.63 LMT rice in its central pool more than the required 135.8 LMT buffer. Whereas, the stock for un milled paddy in central pool is 452.32 LMT. Stock should be sufficient to support the rice distribution under PMGKAY scheme.

The estimated global rice production for 2022-2023 has remained largely unchanged. However, owing to a reduced demand outlook despite the decrease in India's production, the stockpiles have slightly increased to 170 million tonnes (179m) from their previous estimates. The trade volume for 2023 is predicted to exceed 52 million tonnes, although this represents a 6% decrease compared to the previous year, primarily due to the increased forecast for China. In 2023-2024, the harvested area in Asia and the Americas is expected to increase by 1% year on year.

**Table 8: Arrivals and Prices of Paddy (Common)for the Month of February 2023 in Suryapet Market**

| Date | Arrival (Quintals) | Minimum price (Rs/quintal) | Maximum price (Rs/quintal) | Modal price (Rs/quintal) |
|------|--------------------|----------------------------|----------------------------|--------------------------|
| 1    | 89                 | 1,845                      | 1,962                      | 1,953                    |
| 2    | 90                 | 1,638                      | 1,971                      | 1,854                    |
| 3    | 68                 | 1,809                      | 1,999                      | 1,989                    |
| 4    | 73                 | 1,742                      | 1,979                      | 1,979                    |
| 9    | 37                 | 1,739                      | 1,871                      | 1,829                    |
| 10   | 28                 | 1,629                      | 1,871                      | 1,863                    |
| 11   | 46                 | 1,728                      | 1,909                      | 1,909                    |
| 13   | 133                | 1,683                      | 1,962                      | 1,962                    |
| 14   | 91                 | 1,634                      | 1,929                      | 1,929                    |
| 15   | 90                 | 1,413                      | 1,953                      | 1,953                    |
| 16   | 13                 | 1,689                      | 1,823                      | 1,823                    |
| 17   | 33                 | 1,674                      | 1,863                      | 1,863                    |
| 21   | 24                 | 1,692                      | 1,841                      | 1,823                    |
| 22   | 40                 | 1,643                      | 1,944                      | 1,944                    |
| 24   | 20                 | 1,800                      | 1,944                      | 1,944                    |
| 25   | 2                  | 1,643                      | 1,643                      | 1,643                    |
| 27   | 57                 | 1818                       | 1971                       | 1,953                    |
| 28   | 107                | 1692                       | 1872                       | 1832                     |

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. 2170–2390 and Rs. 1960–2110 quintal respectively during the month of March, 2023.