



GIEWS Country Brief India

Reference Date: 27-May-2022

FOOD SECURITY SNAPSHOT

- Earlier expectations for record 2022 wheat output unmet due to heatwave in northwestern parts of the country
- Cereal exports in 2021/22 marketing year estimated at record level
- Prices of rice stable, those of wheat on increase since start of 2022
- Food security overall good

Earlier expectations for record 2022 wheat output unmet due to heatwave in northwestern parts

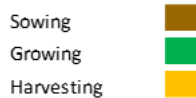
Harvesting of the 2022, mostly irrigated, main “Rabi” wheat crop is expected to finalize at the end of June. The area planted is officially estimated at 34.3 million hectares, close to last year’s high level, supported by the remunerative Minimum Support Price (MSP) by the government and optimal soil moisture conditions at planting time. Weather conditions were favourable between October 2021 and February 2022 over the main wheat producing areas, raising expectations for record yields. Unfortunately, unseasonal high temperatures and a well below-average precipitation from mid-March to April over northwestern parts of the country affected crops just before the harvest. Wheat crops at the grain filling stages of development were the most affected by the high temperatures, given that the crops increased susceptibility to heat at this phenological stage. As a result, yields are now expected to fall below record levels that had been forecast earlier. Wheat cultivation in Punjab, Haryana and Uttar Pradesh states were the most affected. Based on current official estimates, 2022 wheat production is expected at about 106.4 million tonnes, which is above the five-year average. However, it is likely that production may be lower as the extent of the heatwave damage is still to be fully assessed.

Planting of the bulk of the 2022 main “Kharif” is expected to start at the end of May, with the onset of the monsoon season (June-September), while planting of the maize crop started earlier in March. The outcome of the main season will depend on the pattern of the 2022 monsoon season, which according to April forecasts by the India Meteorological Department, is likely to bring normal precipitation amounts over the country.

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Crop Calendar

(*major foodcrop)



Source: FAO/GIEWS.

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Cereal Production

	2016-2020	2020	2021	change
	average			2021/2020
000 tonnes				
Rice (paddy)	174 644	186 546	189 351	1.5
Wheat	100 426	107 861	109 587	1.6
Maize	28 557	31 647	33 180	4.8
Others	17 975	19 731	17 590	-10.9
Total	321 602	345 785	349 708	1.1

Note: Percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

Cereal exports in 2021/22 estimated at an all-time high

The country is the fifth largest exporter of cereals, mostly exporting rice, wheat and maize, plus small quantities of rye, barley, oats and sorghum. Total cereal exports in the 2021/22 marketing year are forecast at a record level of 31.6 million tonnes, more than doubling the five-year average. This reflects a surge in exports of wheat, estimated at a record level of 8 million tonnes, almost eight times the average of the previous five years, driven by large purchases by Bangladesh, Sri Lanka, Indonesia, Nepal and Yemen.

International wheat prices have been steadily rising starting from mid-2021 and accelerated since last February with supply disruptions from the Black Sea Region, increasing the competitiveness of Indian wheat on international markets. In the previous five years, only minor quantities of wheat have been exported, accounting on average for less than 1 percent of the global trade. The low level of exports, despite being the second largest wheat producer after China (mainland), reflects the large-scale governmental purchases at a Minimum Support Price (MSP). While providing support to farmers, it helped the government to purchase large quantities of wheat needed to run various welfare schemes. In 2022, the strong demand from the international market has caused local market prices to increase to levels above the MSP, prompting farmers to prefer to sell wheat to private traders for exports.

As mid-May 2022, only about 18.1 million tonnes of wheat were procured, 50 percent below last year's level during the same period, and well below the planned procurement target of 44.4 million tonnes. Consequently, on 13 May 2022, the government announced the implementation of restrictions to wheat exports with immediate effect. Shipments will be permitted only when letters of credit have already been issued on or before the date of this notification. In addition, exports will be allowed to neighbouring and vulnerable countries to meet their food security needs (see [link](#) for more information). On 17 May 2022, the government announced additional conditions for export notification under the current wheat export restrictions, namely shipments will also be permitted when consignments have been handed to Customs for examination and have been registered into their system on or before the announcement of the restriction on 13 May 2022 (see [link](#) for more information).

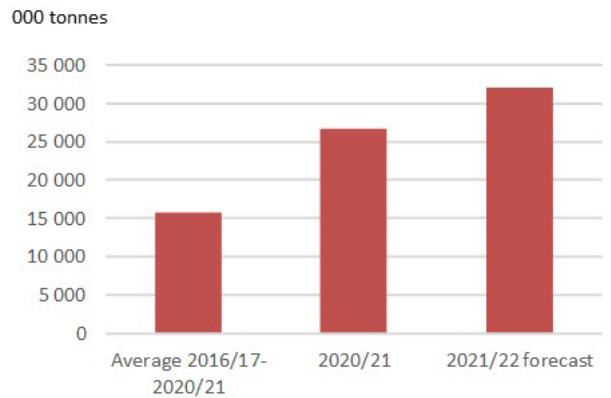
Rice exports account for the bulk of country's cereal exports and in the 2021/22 marketing year (October/September) exports of rice are forecast at 19.7 million tonnes. Maize exports in the 2021/22 marketing year (April/March) are estimated at a well above-average level of 3.7 million tonnes, due to strong international demand and adequate availabilities.

Prices of rice and wheat generally stable and close to year-earlier levels

After being generally stable since the start of 2022, domestic prices of rice softened in April, reflecting improved market supplies from the bumper 2021 harvests. Prices of wheat grain have been generally increasing since the beginning of

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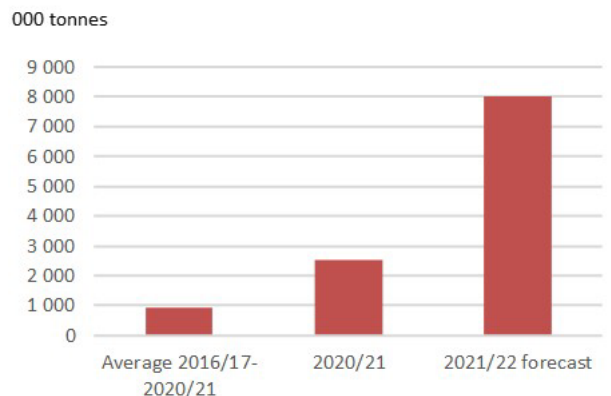
Cereals Exports



NoteS: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).
Source: FAO/GIEWS Country Cereal Balance Sheets.

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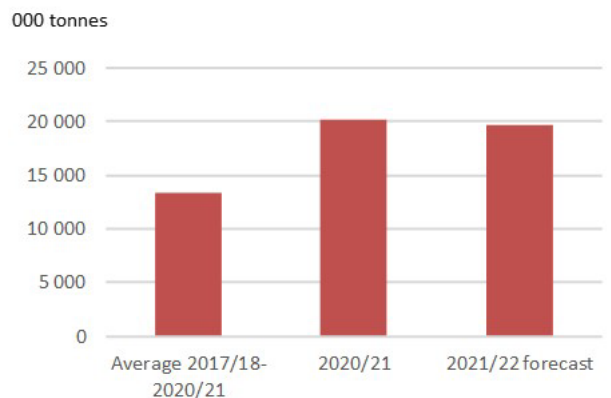
Wheat Exports



Note: Split year refers to crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets.

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Rice Exports



Note: Rice in milled terms.
Source: FAO/GIEWS Country Cereal Balance Sheets.

the year, reflecting solid export demand and expectations for large government purchases. Concerns over the impact of the heatwave on domestic wheat production added to the upward pressure. Overall, rice prices in April were close to their year-earlier levels, while prices of wheat were 7 percent higher year on year.

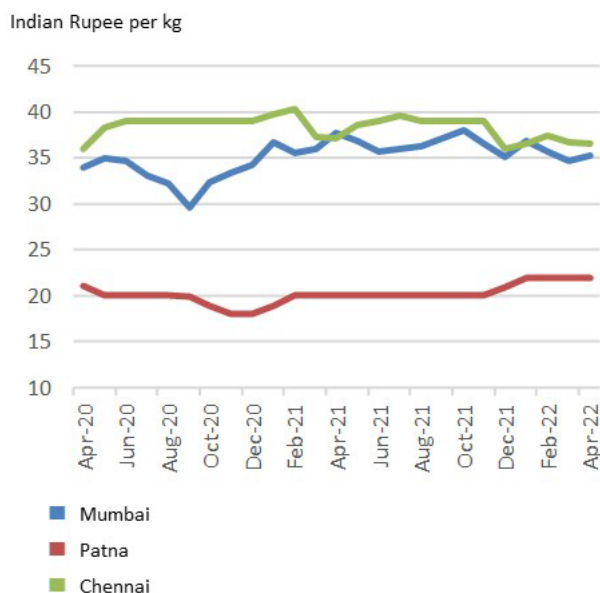
Overall good food security situation

The overall food security situation is generally good, following several consecutive years of bumper harvests and the delivery of subsidized cereals to vulnerable households through the National Food Security Act (NFSA), established in 2013. Since March 2020, as a response to the COVID-19 pandemic, the government intensified the support through the Pradhan Mantri Garib Kalyan Anna Yojana (PM-GKAY) scheme that provides an additional 5 kg of rice or wheat and 1 kg of preferred pulses for free to the 800 million beneficiaries of the NFSA. The PM-GKAY is expected to continue until September 2022. According to an [IMF report](#), released on April 2022, the existing food security welfare scheme has been critical in preventing increases in extreme poverty levels during COVID-19 pandemic.

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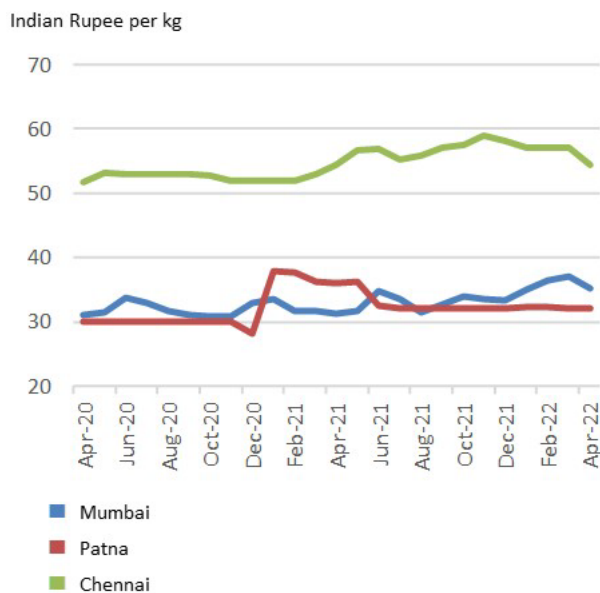
Retail wheat prices in major cities



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.

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Retail rice prices in major cities



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.