



Samunnati

Invested in Your Growth

Making markets work for the smallholder farmers



What We Do?

**CHANGE.
EMPOWER.
TRANSFORM.
ENABLE.
INVEST.**

As an agri value chain finance institution, we have transformed the agriculture industry with financial, non-financial and customised solutions over the last 6 years.

We make markets work for small holder farmers by helping value chains operate at a higher equilibrium.

Samunnati's AMLA Strategy

Samunnati's first-of-its-kind holistic value chain finance approach focuses on the power of aggregation, making market linkages, and investing in relevant technology and skills for FPOs (Farmer Producer Organisations) and Agri Enterprises.

A – Aggregation

ML – Market Linkages

A – Advisory Services

With working capital structures at the core

Samunnati So Far

INR
8,100+ Crs

*Cumulative
Disbursement since
Inception

INR
~1200 Crs

*GLP (Own &
managed) as of date

INR
505 Crs

Net-worth as of Date

**500+ Farmer
Collectives**

4mn farmer base

INR
1800+ Crs

GMV till Date

22 States

Presence

1000+

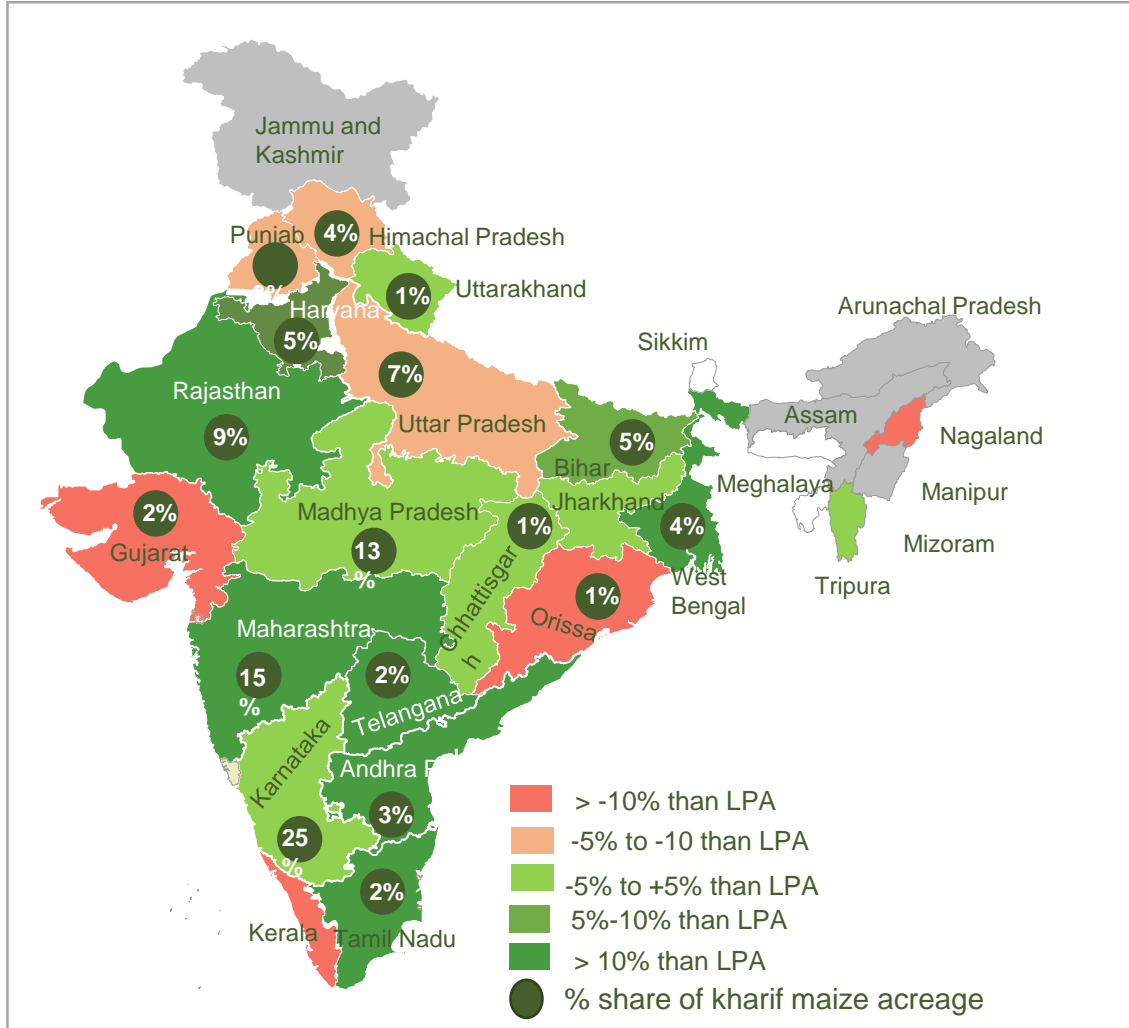
Agri Enterprises on
demand side

600+

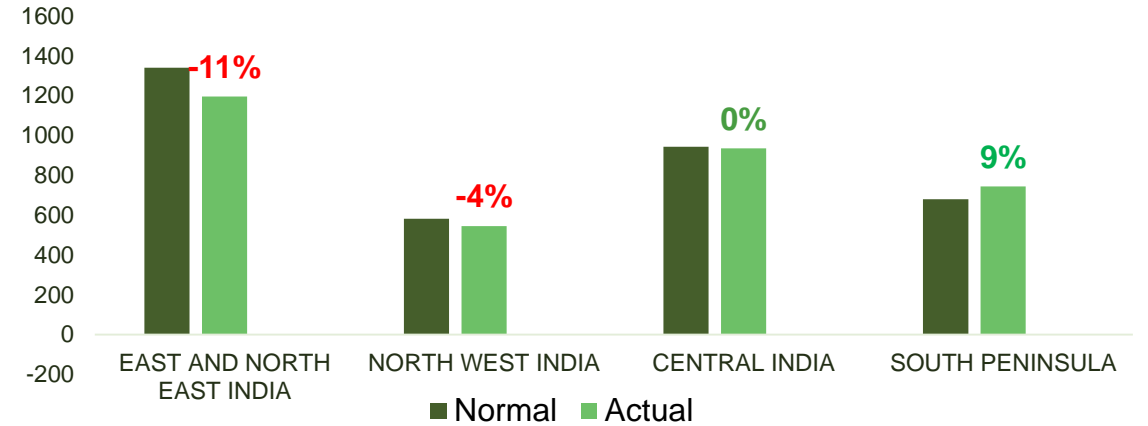
Team with years of
banking experience

Monsoon update: 2021

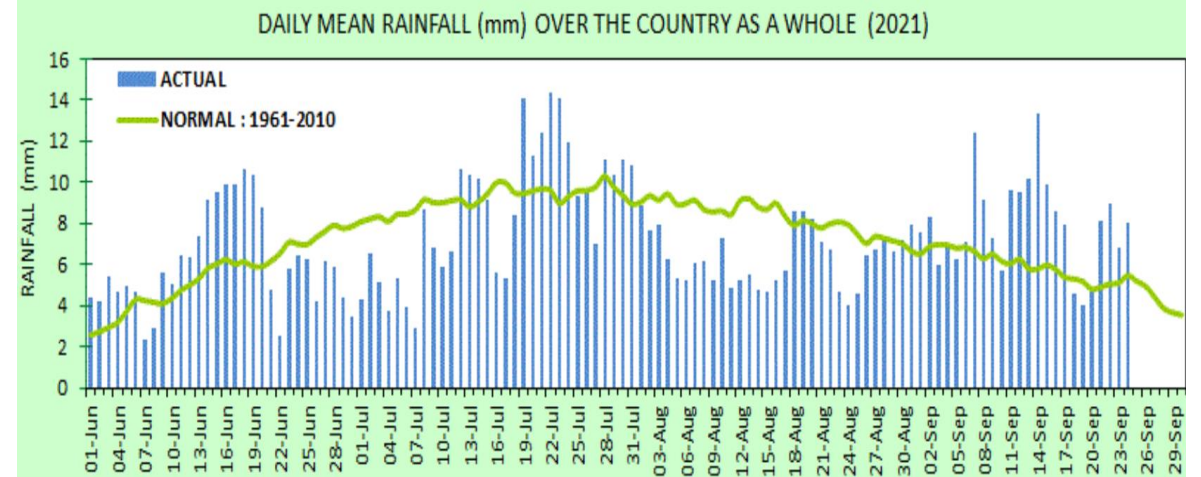
Overall rainfall remain -2% than LPA (24th Sep. 2021)



Region wise rainfall update (24th Sep.)



Daily rainfall (1st June to 24th Sep.)



Kharif maize production expected to increase by 1.7% to 15.7 mmt in 2021-22e

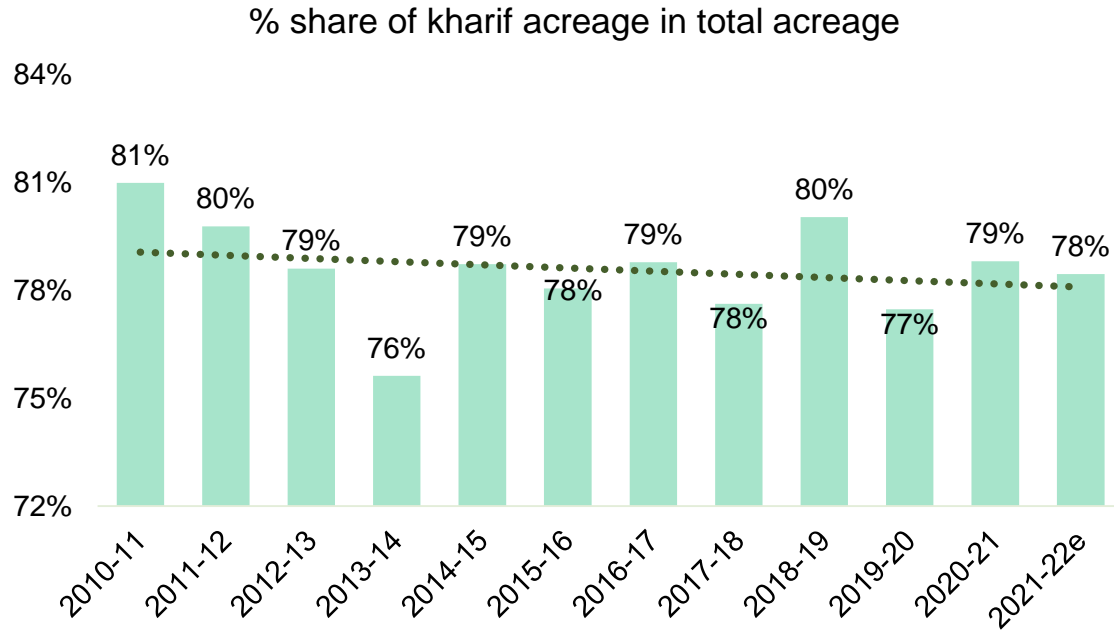
Overall kharif maize acreage expected to increase by 2.7% while yield expected to decline by 1% on year

State	Acreage in lakh ha			% Var.
	2019-20	2020-21	2021-22e	
Madhya Pradesh	15.4	15.4	15.1	-2.0%
Karnataka	11.9	13.9	14.0	1.0%
Rajasthan	8.8	9.3	8.6	-8.0%
Maharashtra	8.7	7.8	7.8	-1.0%
Uttar Pradesh	7.4	7.4	7.7	4.0%
Telangana	3.9	1.7	4.0	131.0%
Gujarat	3.0	2.9	2.9	3.0%
Punjab	1.6	1.3	1.5	16.0%
Andhra Pradesh	0.9	0.8	1.0	15.0%
India	77.7	77.7	79.8	2.7%

State	Yield kg/ha			% Var. (Yield)	% Var. Production
	2019-20	2020-21	2021-22e		
Madhya Pradesh	1300	1421	1444	1.6%	0%
Karnataka	2500	2920	2938	0.6%	0%
Rajasthan	1400	1487	1377	-7.4%	-15%
Maharashtra	2300	2590	2502	-3.4%	-4%
Uttar Pradesh	1462	1537	1562	1.6%	6%
Telangana	3000	2890	2907	0.6%	132%
Gujarat	1300	1260	1197	-5.0%	-2%
Punjab	3832	3867	3774	-2.4%	14%
Andhra Pradesh	3417	3210	3229	0.6%	16%
India	1900	1986	1976	-1%	1.7%

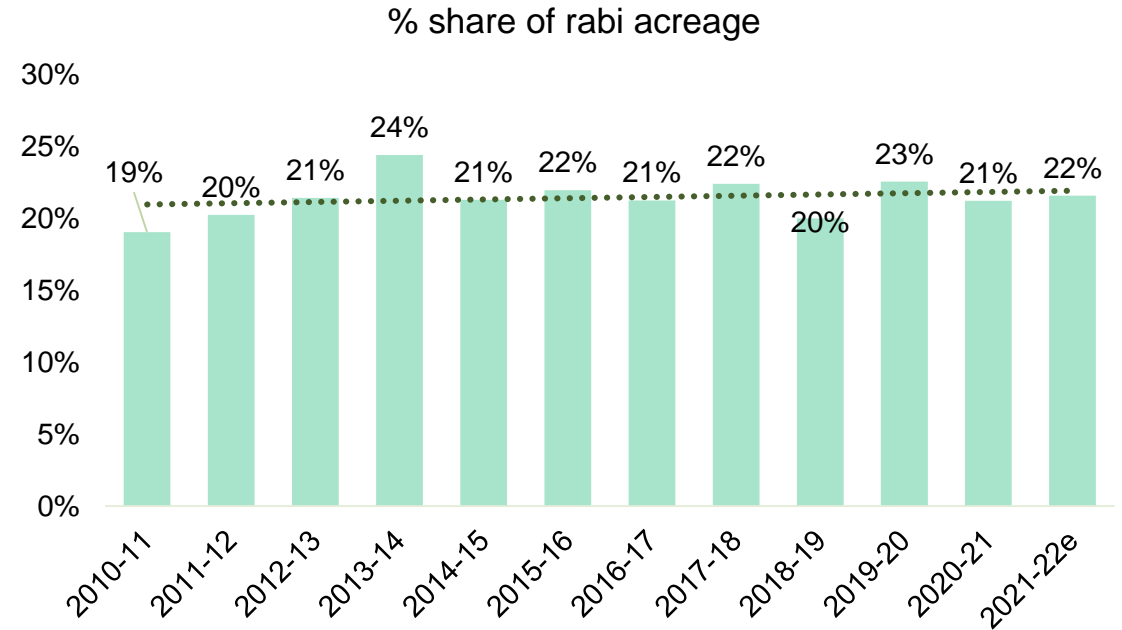
Maize (kharif and Rabi)

Kharif maize:



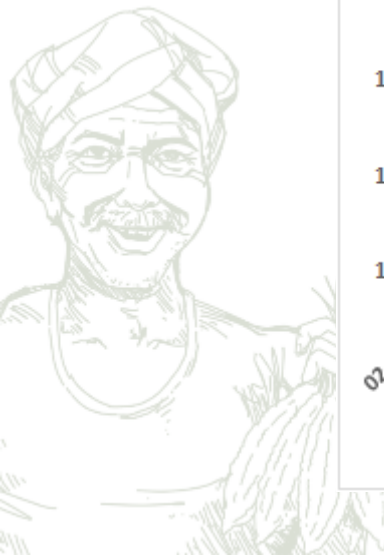
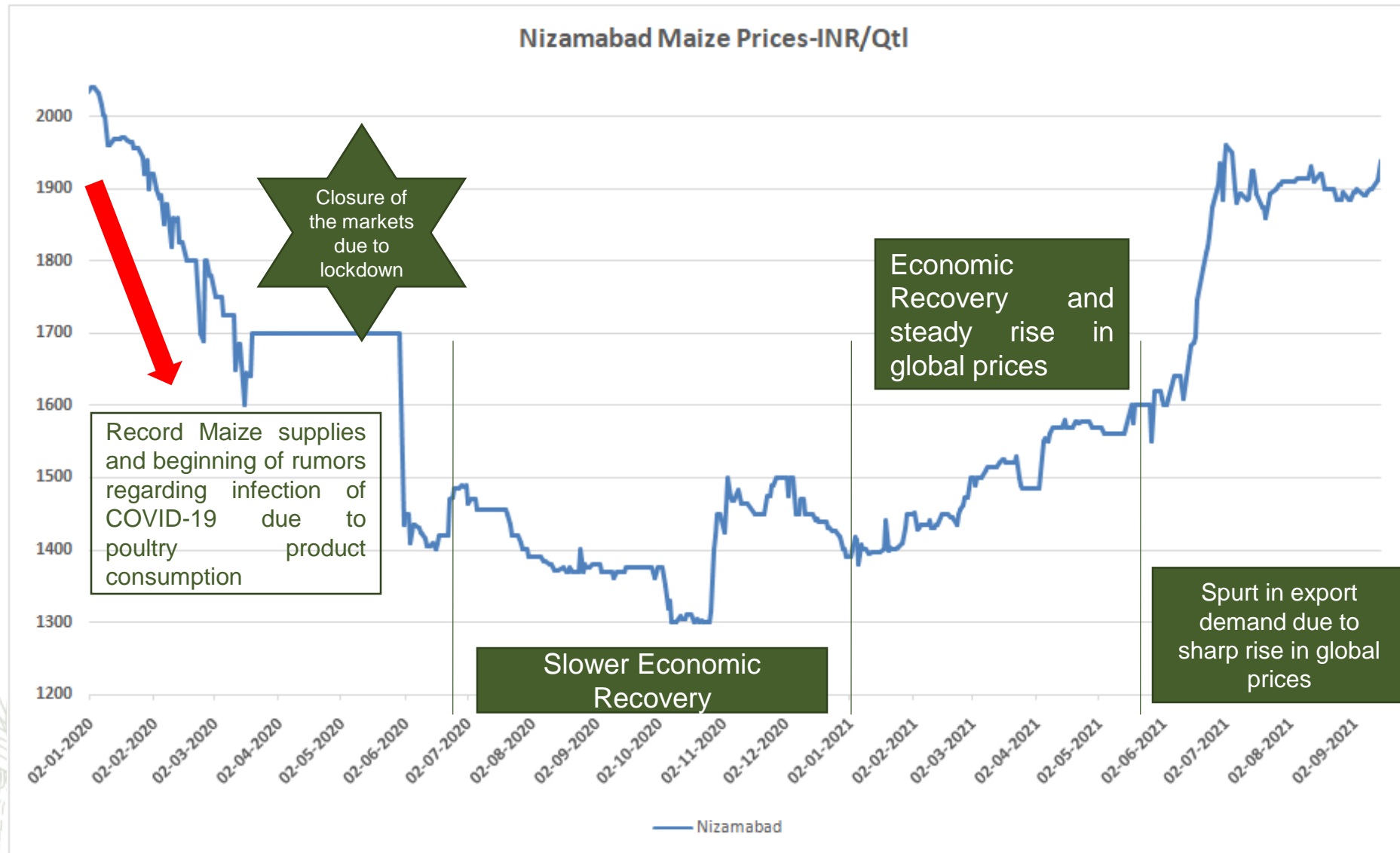
- Kharif acreage share in total acreage showing declining trend,
- Following lucrative prices compared with maize, farmers preferring oilseeds and pulses over maize.

Rabi maize

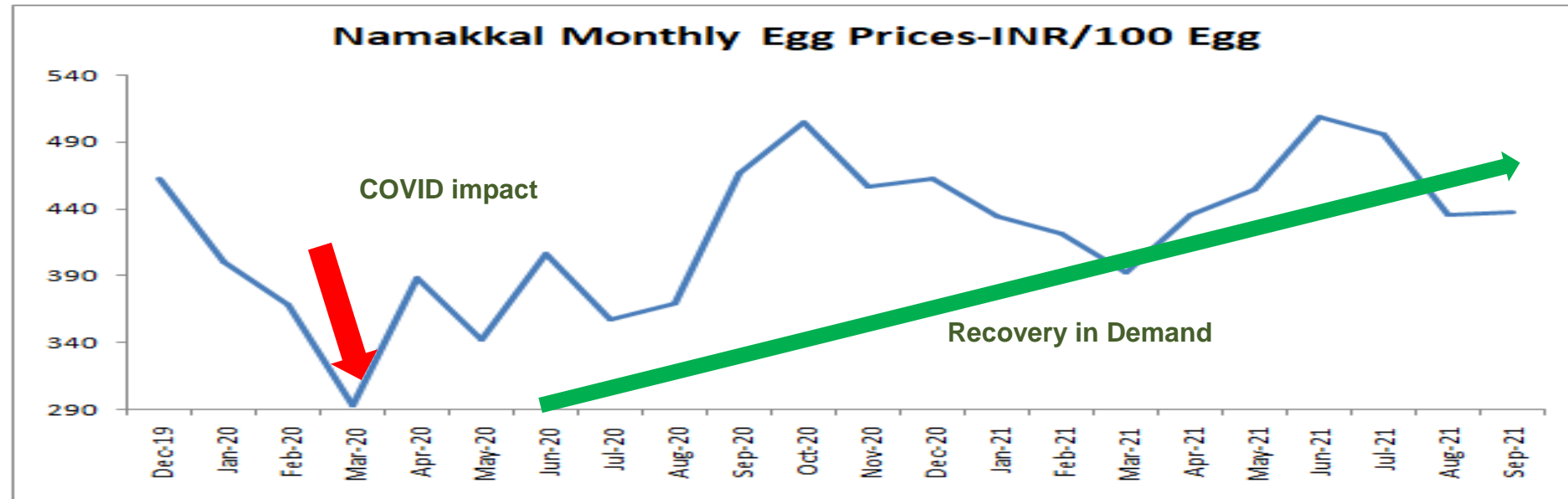


- Rabi acreage share in total acreage showing increasing trend in last 10 years.
- Increasing acreage from Maharashtra, Andhra and Telangana improving the overall rabi acreage,

Market Review so far



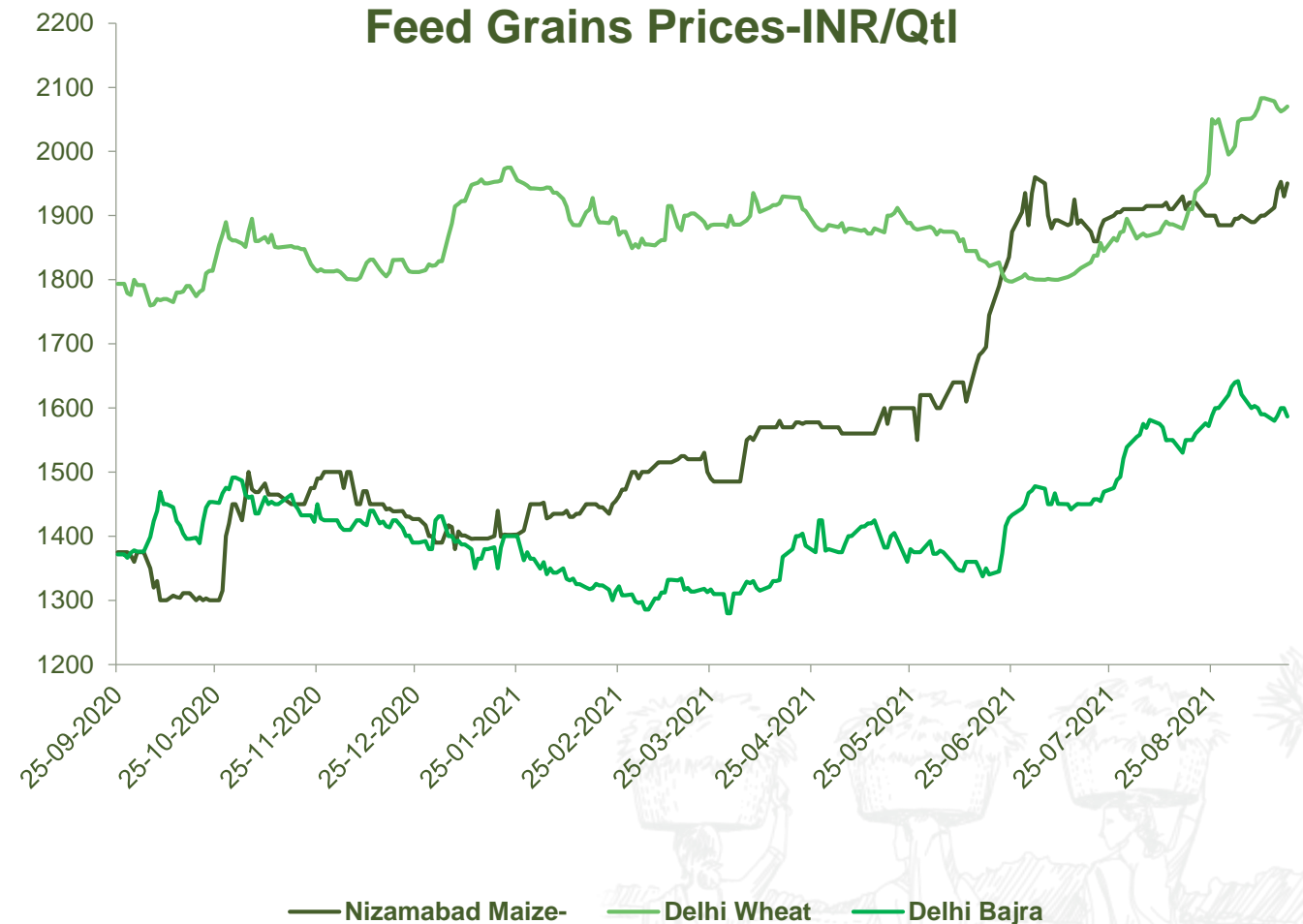
Poultry industry during COVID-19 and changes if any



- Prices of Egg and Broiler witnessed sharp fall during COVID-19 pandemic. The decline started with occurrence of COVID-19 in India.
- The main reason for price fall is rumors regarding infection of COVID-19 after consumption of poultry products.
- However, extensive positive awareness by poultry industry, nutritional requirement for the COVID recovery etc resulted to recovery in demand. Prices of Egg bottomed out during March 2020, thereafter prices remained supportive.
- Poultry industry is back on track in terms of COVID-19. However, it had shocker in terms of sudden rise in raw material prices viz, Maize and Soymeal

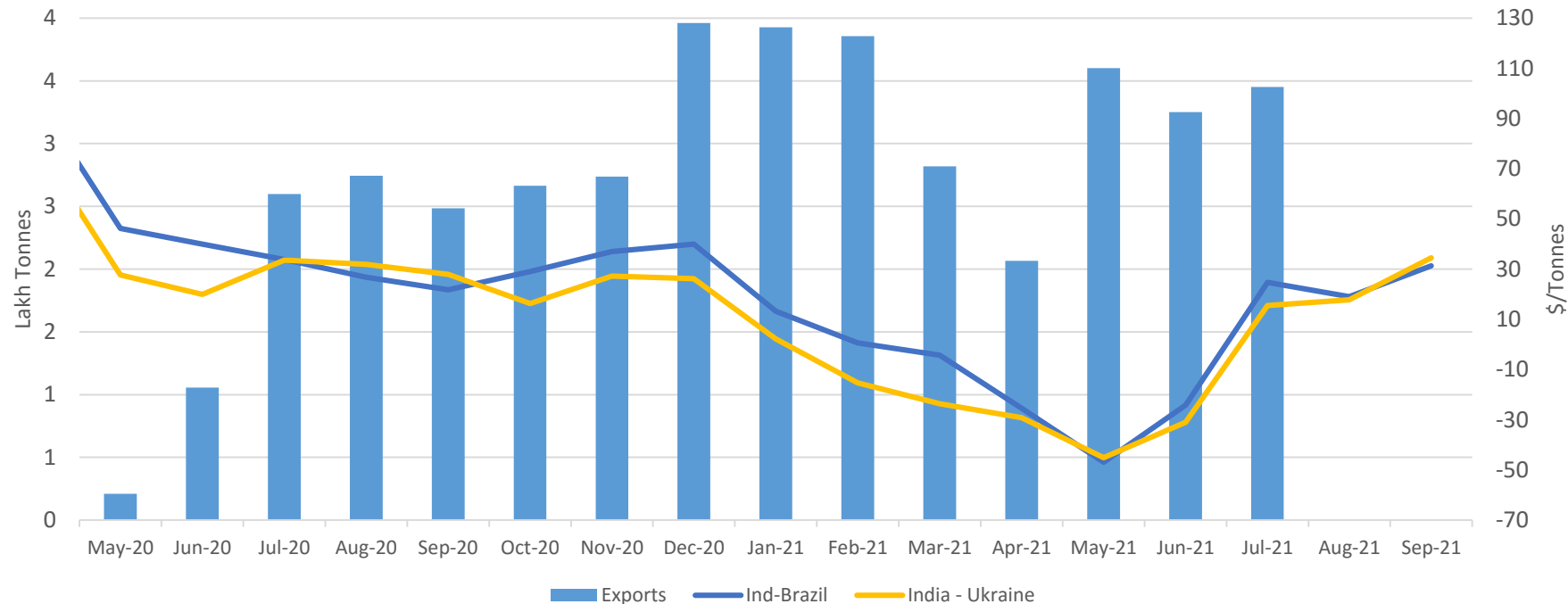
Impact of other feed ingredients on Maize

- The sudden rise in Maize prices has forced industry to use alternate feed grains like Bajra, Wheat and Broken Rice.
- Some players are replacing Maize by Wheat to the tune of 20-25%. However, due to gluten content in Wheat the further increase is not possible.
- Prevailing arrivals of Bajra would keep prices of Maize under pressure.
- Total supplies of feed grains like Maize, Bajra and DORB is pegged at 327.6 Lakh MT against 323.6 Lakh MT of same period last year, higher by 1.2%. However, demand growth is higher than the supply growth for all the feed grains in India.



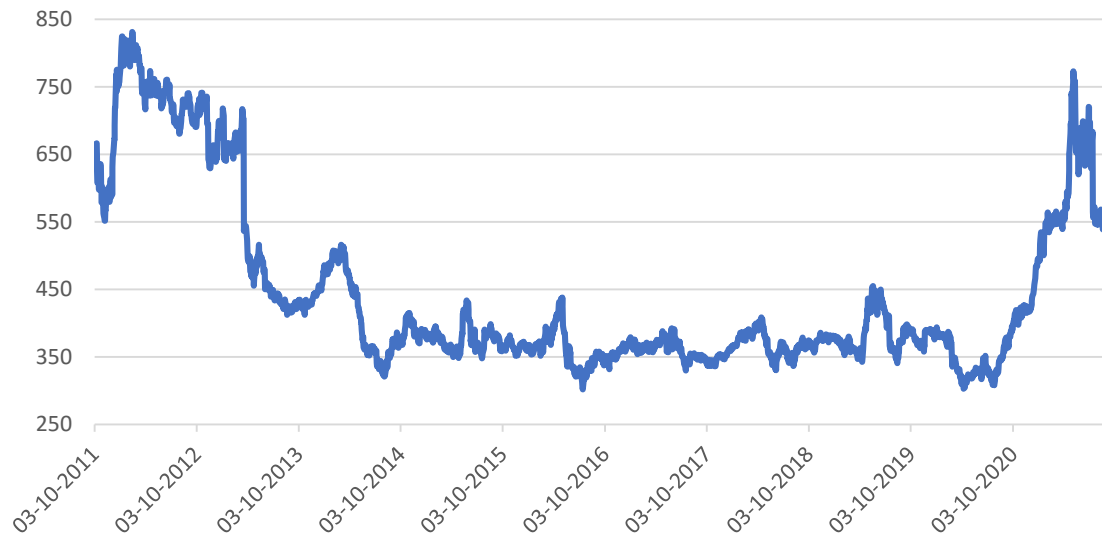
The reason for domestic price rise?

Spread Between Indian FoB Vs Competing Countries

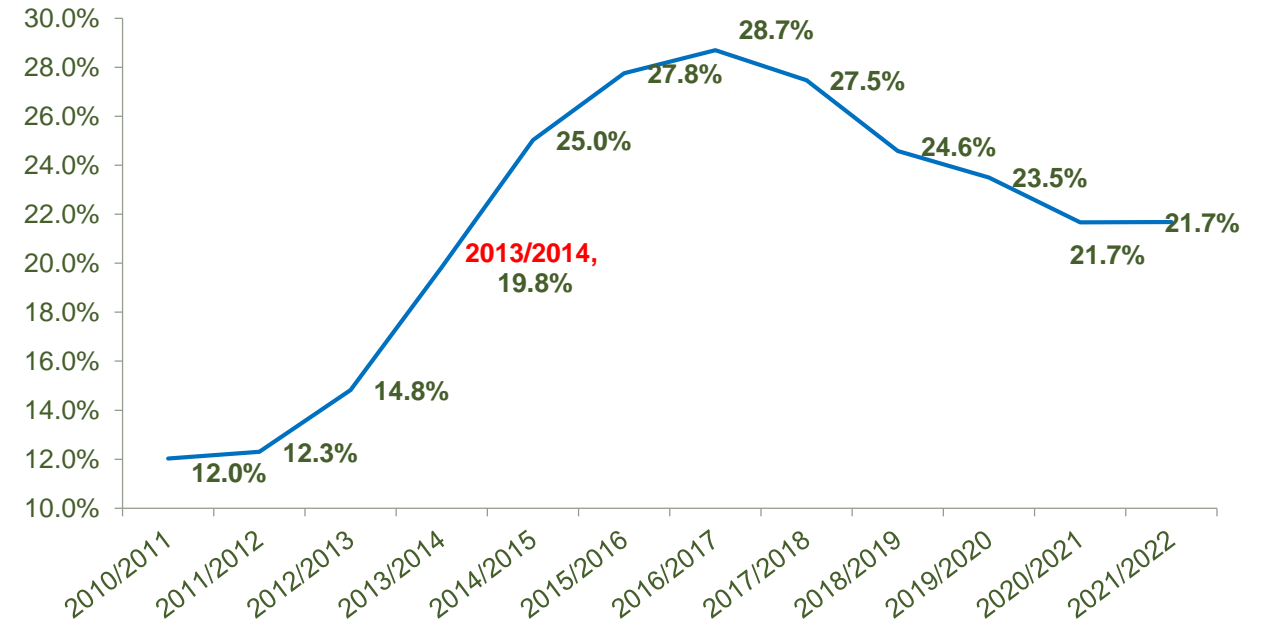


- Sudden rise in global prices resulted to spike in domestic prices. Exports pegged highest in last eight year.
- When we look into FOB price spread b/w India and Ukraine or Brazil. Indian can export as long as price premium stays below USD 40/MT.
- Exports from India expected to remain higher following expected steady global prices along with the ongoing freight crisis.

Maize CBOT Prices



Global Corn SUR in %



- Global SUR remains tighter compared to previous year, however when compared to last year SUR remains similar.
- Beginning stocks for 2021-22 pegged lowest in last five years.
- With negligible growth in last two years, global demand is expected to rise by 2.5% during 21-22.

Indian Balance Sheet

- At 15.5 million tons of Kharif Maize production for 2021-22, kharif production is very close to ten-year high production of 15.97 mln tons in 2010-11.
- Higher area and better yields could take the Maize 21-22 production to be closer to all time high of 2019-20 of around 25 mln tons.
- SamAgr base case scenario is just short of record Maize production
- India will continue to have exportable surplus in new season as well
- SamAgr expects exports to stay near 22.5 Lakh MT against 38.66 Lakh MT of 20-21 exports.
- Due to lower carry and export and domestic demand recovery, the domestic SUR is pegged at 8% against 9.5% of last year SUR. Much better than 2018-19

Indian Maize SnD- in Lakh MT

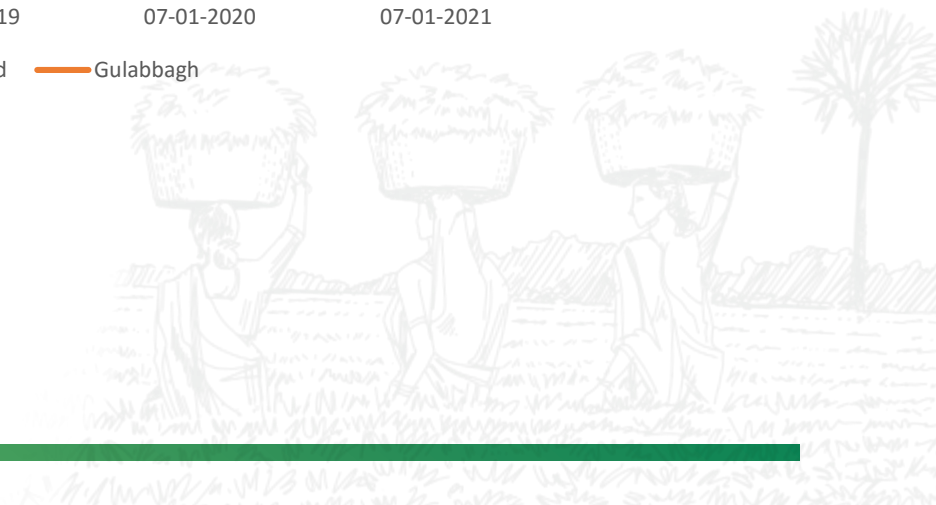
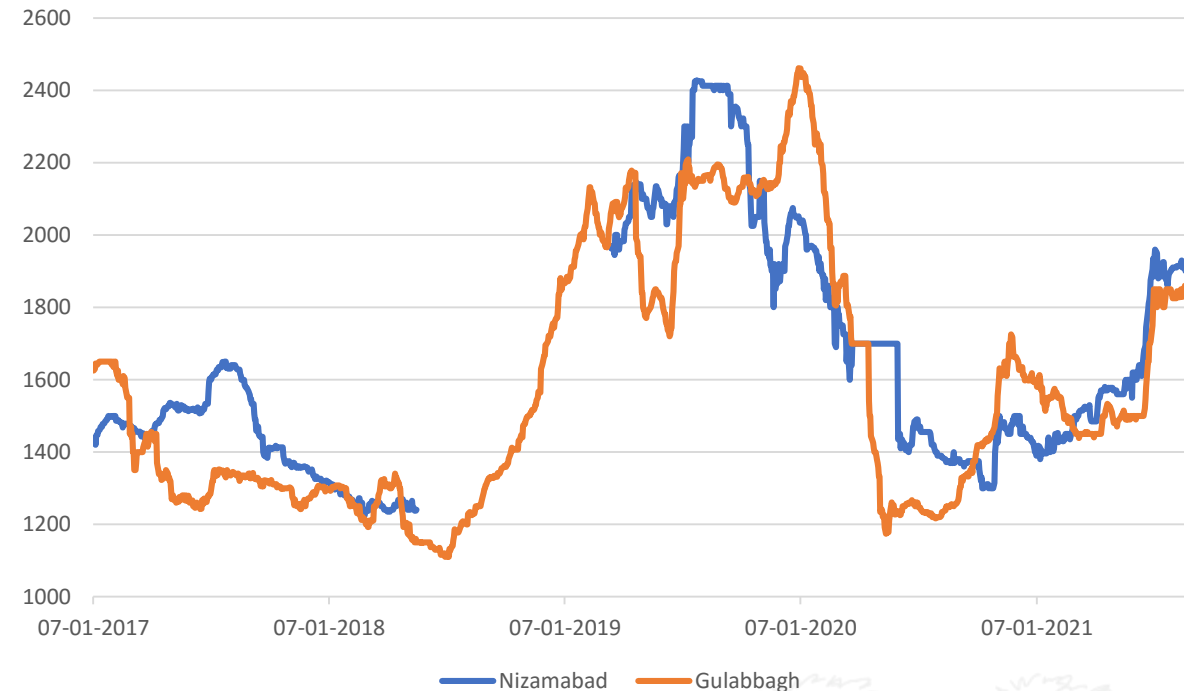
	2018-19	2019-20	2020-21	2021-22F	
Maize C/I	14.84	5.98	39.33	19.55	-50%
BS With Govt Agencies	0.16	0.00	2.00	0.00	
Production	203.12	250.77	236.33	247.00	4.5%
FSR	36.00	39.50	39.00	38.50	-1%
Marketable Surplus	167.12	211.27	197.33	208.50	5.7%
Govt Procurement	4.00	7.00	0.00	0.00	
IMPORT	2.11	3.41	0.07	0.62	748%
Free Mkt Availability	163.12	204.27	197.33	208.50	6%
Total Supply	184.07	220.66	236.73	228.67	-3.4%
Poultry	104.01	98.60	103.90	107.75	3.7%
Starch & Liquor Industry	44.43	42.70	44.30	45.41	2.5%
Cattle Feed	16.83	20.56	20.92	21.55	3.0%
Aquaculture	0.34	0.36	0.40	0.42	5%
Food Trade	7.64	7.80	8.10	8.28	2.2%
EXPORT	4.84	11.31	39.56	28.00	-29.2%
Total Demand	178.09	181.33	217.18	211.41	-2.7%
Stocks with Govt Agencies	0.00	2.00	0.00	0.00	
C/O Free Market	5.98	37.33	19.55	17.27	-12%
Total C/O	5.98	39.33	19.55	17.27	-12%
Stocks to Use Ratio	3.36%	21.69%	9.00%	8.17%	

Source: SamAgr & Govt Estimates, E-Estimated, F-Forecasted

Price Outlook

- Maize Prices in Nizamabad are trading near INR 1950/qtl. Prices are expected to place bottom near INR 1700-1750/qtl following seasonal arrivals pressure. However, prevailing export parity and steady demand from end users would keep prices of Maize supportive on a medium term basis.
- Prices of Maize in Gulabbagh would trade in a range as steady export demand and lower stocks would keep prices higher, whereas commencement of arrivals of Bajra would cap the price gains.

Maize Domestic Prices



Feed Outlook

Commodity	Market	CMP (Rs/Q)	Trend	Outlook
Soymeal	Indore	7102	Bearish	Factors like reduction in import duty of oil and meal along with the new arrivals from the ongoing Kharif season is expected to take soymeal prices lower towards Rs 6,000 - 5,500 / qtl. Soymeal prices tend to bottom in the month of October.
Mustard Cake	Jaipur	3200	Bearish	The current prices of mustard cake is at Rs. 3,200/quintal. Usually, the seed prices move down during the Kharif harvest season. SamAgr is of the view that prices of mustard cake could decline below Rs.3000/quintal in October – December 2021. If the area under mustard increases during rabi coupled with higher GM Soymeal imports might result in steep fall in prices.
Cottonseed Oil Cake	Akola	2800	Bearish	Cottonseed crop is expected to be similar to last year. Lower acreage and better yields are expected. Uncertain weather in certain pockets will limit the sharp downside till the harvest is complete. SamAgr expects the prices declined towards of Rs.2,200/quintal in Q1.
Wheat	Delhi	2080	Steady to firm	COVID related free grain distribution will come to an end. This along with improved consumption, export demand and higher feed demand will keep prices supported. Government auctions at higher prices could potentially take Wheat higher.
Bajra	Delhi	1568	Bullish	Bajra prices in Jaipur are trading at INR 1590/qtl. Prices are expected to trade lower towards INR 1500/qtl. On medium term basis prices would remain supportive on steady demand from end users. Export demand for Maize would also support the prices.



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