

Paddy Outlook – August 2021

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA in the global 2021/22 rice market, production is projected to increase 1.9 million tons to a record 504.1 million tons, with Bangladesh, China, South Korea, and Taiwan accounting for most of the expected increase. Global domestic and residual use is projected at a record 512.2 million tons, up 8.1 million tons from a year earlier, with China and India accounting for the bulk of the expected increase. Global ending stocks are projected to up 2.2 million tons to 171.2 million tons, with China and India accounting for most of the projected up in global ending stocks in 2021/22.

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

| Country | 2020-21 | 2021-22* | Change over 2020-21 |
|-----------------------|---------|----------|---------------------|
| China | 148.30 | 149.00 | 0.70 |
| India | 122.00 | 121.00 | -1.00 |
| Indonesia | 35.20 | 35.30 | 0.10 |
| Vietnam | 27.10 | 26.90 | -0.20 |
| Thailand | 18.83 | 19.50 | 0.67 |
| Burma | 12.60 | 12.80 | 0.20 |
| Philippines | 12.40 | 12.30 | -0.10 |
| Japan | 7.57 | 7.58 | 0.01 |
| Pakistan | 8.18 | 8.20 | 0.02 |
| Brazil | 7.91 | 7.82 | -0.09 |
| USA | 7.23 | 6.33 | -0.90 |
| Nigeria | 4.89 | 5.00 | 0.11 |
| Egypt | 4.00 | 3.45 | -0.55 |
| South Korea | 3.51 | 3.77 | 0.26 |
| European Union | 1.95 | 1.89 | -0.06 |

Source: www.usda.gov * Estimated

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

| | 2019/20 (Estimated) | 2020/21 (Forecast) | 2021/22 (Projected) |
|---------------------------|------------------------|-----------------------|------------------------|
| Opening Stocks | 175.5 | 173.8 | 169 |
| Production | 498.6 | 504.1 | 512.2 |
| Imports | 44 | 46.5 | 46.7 |
| Total Availability | 674.1 | 678 | 681.2 |
| Total Consumption | 500.2 | 508.9 | 510 |
| Exports | 44 | 46.5 | 46.7 |
| Ending Stocks | 173.8 | 169 | 171.2 |

Source: International Grains Council

Table 3: Domestic Balance Sheet (in MMT)

| | 2018-19 | 2019-20 | 2020-21* |
|-------------------------------|---------|---------|----------|
| Carry in | 19.13 | 26.11 | 30.48 |
| Production | 116.48 | 118.87 | 121.46 |
| Imports | 0 | 0 | 0 |
| Total Availability | 135.61 | 144.98 | 151.94 |
| Consumption | 99 | 104.06 | 104.04 |
| Exports | 10.5 | 10.44 | 12 |
| Total Usage | 109.5 | 114.5 | 116.04 |
| Carry out | 26.11 | 30.48 | 35.9 |
| 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 July, 2021

| State | Prices July, 2021 | Prices June, 2021 | Prices July, 2020 | % Change (Over Previous Month) | % Change (Over Previous Year) |
|----------------|-------------------|-------------------|-------------------|--------------------------------|-------------------------------|
| Andhra Pradesh | 1804.2 | 1821.59 | 1726.94 | -0.95 | 4.47 |
| Chhattisgarh | 1544.67 | 1507.78 | 1587.49 | 2.45 | -2.7 |
| Gujarat | 1435.46 | 1349.43 | 1552.21 | 6.38 | -7.52 |
| Jharkhand | 1752.5 | 1752.5 | 1752.5 | 0 | 0 |
| Karnataka | 1949.44 | 1900.42 | 1963.42 | 2.58 | -0.71 |
| Kerala | 1914.02 | 1910.31 | 1918.17 | 0.19 | -0.22 |
| Madhya Pradesh | 1796.75 | 1744.22 | 2232.77 | 3.01 | -19.53 |
| Maharashtra | 2299.58 | 2175.95 | 2053.59 | 5.68 | 11.98 |
| Odisha | 1859.89 | 1867.85 | 1802.55 | -0.43 | 3.18 |
| Pondicherry | 1988.15 | 1542.47 | 1739.25 | 28.89 | 14.31 |
| Rajasthan | 2307.01 | 2363.62 | 2385.45 | -2.4 | -3.29 |
| Tamil Nadu | 1420.28 | 1296.24 | 1675.06 | 9.57 | -15.21 |
| Telangana | 1761.61 | 1671.43 | 1823.47 | 5.4 | -3.39 |
| Tripura | 1606.79 | 1535.21 | 1671.79 | 4.66 | -3.89 |
| Uttar Pradesh | 1458.17 | 1490.19 | 1698.02 | -2.15 | -14.13 |
| West Bengal | 1795.84 | 1847.21 | 1825.14 | -2.78 | -1.61 |
| Average | 1793.4 | 1736.03 | 1865.23 | | |

Source: agmarknet.gov.in

As per the ministry of Agriculture, kharif paddy acreage as on 06th August 2021 has decreased by 2.73% to 310.17 lakh hectares (766.45 lakh acres) as compared to 318.88 lakh hectares (787.97 lakh acres) during the same period of last year. Higher acreage was covered in Uttar Pradesh 56.75 lakh ha (140.23 lakh acres), Punjab 30.48 lakh ha (75.32 lakh acres), Chhattisgarh 31.65 lakh ha (78.21 lakh acres), Bihar 28.14 lakh ha (69.54 lakh ha), West Bengal 29.06 lakh ha (71.81 lakh acres), Madhya Pradesh 26.37 lakh ha (65.16 lakh acres), Telangana 11.28 lakh ha (27.87 lakh acres) and Andhra Pradesh 6.53 lakh ha (16.14 lakh acres).

Table 5: State wise area under Paddy in India

| STATE | 2020-21 | | | 2021-22 | | |
|----------------|---------------|---------------|-----------------|---------------|---------------|-----------------|
| | Lakh ha | Lakh acres | % to total area | Lakh ha | Lakh acres | % to total area |
| Uttar Pradesh | 58.92 | 145.59 | 18.48 | 56.75 | 140.23 | 18.30 |
| Chhattisgarh | 35.25 | 87.10 | 11.05 | 31.65 | 78.21 | 10.20 |
| Punjab | 31.49 | 77.81 | 9.88 | 30.48 | 75.32 | 9.83 |
| West Bengal | 28.50 | 70.42 | 8.94 | 29.06 | 71.81 | 9.37 |
| Bihar | 31.16 | 77.00 | 9.77 | 28.14 | 69.54 | 9.07 |
| Madhya Pradesh | 22.14 | 54.71 | 6.94 | 26.37 | 65.16 | 8.50 |
| Odisha | 25.22 | 62.32 | 7.91 | 19.97 | 49.35 | 6.44 |
| Haryana | 12.84 | 31.73 | 4.03 | 12.82 | 31.68 | 4.13 |
| Jharkhand | 14.19 | 35.06 | 4.45 | 12.43 | 30.72 | 4.01 |
| Telangana | 12.78 | 31.58 | 4.01 | 11.28 | 27.87 | 3.64 |
| Assam | 7.53 | 18.61 | 2.36 | 10.16 | 25.11 | 3.28 |
| Andhra Pradesh | 6.49 | 16.04 | 2.04 | 6.53 | 16.14 | 2.11 |
| Uttarkhand | 2.48 | 6.13 | 0.78 | 2.49 | 6.15 | 0.80 |
| Other | 29.89 | 73.86 | 9.37 | 32.04 | 79.17 | 10.33 |
| Total | 318.88 | 787.97 | 100.00 | 310.17 | 766.45 | 100.00 |

Source: www.agricoop.com

Table 6: District wise area under Paddy in Telangana State

| District | 2020-21 | | | 2021-22 | | |
|--------------|-------------------|-------------------|-----------------|-------------------|-------------------|-----------------|
| | Hectares | Acres | % to total area | Hectares | Acres | % to total area |
| Nizamabad | 137821.17 | 340563.00 | 10.80 | 124748.59 | 308260.00 | 11.05 |
| Kamareddy | 53467.96 | 132122.00 | 4.19 | 92748.43 | 229186.00 | 8.22 |
| Nalgonda | 105388.40 | 260420.00 | 8.26 | 85166.22 | 210450.00 | 7.55 |
| Karimnagar | 69001.84 | 170507.00 | 5.41 | 81516.76 | 201432.00 | 7.22 |
| Medak | 42640.17 | 105366.00 | 3.34 | 77201.59 | 190769.00 | 6.84 |
| Siddipet | 23554.76 | 58205.00 | 1.85 | 72633.50 | 179481.00 | 6.44 |
| Peddapalli | 46633.21 | 115233.00 | 3.65 | 64313.15 | 158921.00 | 5.70 |
| Jagityal | 58683.96 | 145011.00 | 4.60 | 64092.59 | 158376.00 | 5.68 |
| Yadadri | 57446.83 | 141954.00 | 4.50 | 58999.62 | 145791.00 | 5.23 |
| Khammam | 72773.52 | 179827.00 | 5.70 | 41141.22 | 101662.00 | 3.65 |
| Others | 608767.12 | 1504294.00 | 47.70 | 365920.56 | 904208.00 | 32.43 |
| Total | 1276178.95 | 3153502.00 | 100.00 | 1128482.22 | 2788536.00 | 100.00 |

Source: www.agri.telangana.gov.in

During Vanakalam 2021 in Telangana, it has been sown in 11.28 lakh hectares (27.88 lakh acres) as on 04th August 2021 which is lower than 12.76 lakh hectares (31.53 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nizamabad 1.24 lakh ha (3.08 lakh acres), Kamareddy 0.92 lakh ha (2.29 lakh acres), Nalgonda 0.85 lakh ha (2.10 lakh acres), Karimnagar 0.81 lakh ha (2.01 lakh acres), Medak 0.77 lakh ha (1.90 lakh acres), Siddipet 0.72 lakh ha (1.79 lakh acres), Peddapalli 0.64 lakh ha (1.58 lakh acres), Jagityal 0.64 lakh ha (1.58 lakh acres), Yadadri 0.58 lakh ha (1.45 lakh acres) and Khammam 0.41 lakh ha (1.01 lakh acres).

Table 7: Arrivals and Prices for the Month of July 2021 in Suryapet Market Paddy-Grade-A (RNR)

| Date | Arrival (Quintals) | Minimum price (Rs/quintal) | Maximum price (Rs/quintal) | Modal price (Rs/quintal) |
|------|--------------------|----------------------------|----------------------------|--------------------------|
| 1 | 208 | 1,360 | 2,039 | 1,309 |
| 2 | 278 | 1,590 | 1,859 | 1,629 |
| 3 | 258 | 1,506 | 1,969 | 1,559 |
| 5 | 348 | 1,309 | 2,071 | 1,719 |
| 6 | 117 | 1,272 | 1,889 | 1,859 |
| 8 | 192 | 1,282 | 2,079 | 1,719 |
| 10 | 208 | 1,579 | 2,211 | 2,099 |
| 12 | 448 | 1,212 | 2,212 | 1,819 |
| 13 | 141 | 1,529 | 2,069 | 1,689 |
| 14 | 445 | 1,359 | 2,151 | 1,729 |
| 15 | 156 | 1,202 | 2,269 | 1,747 |
| 16 | 203 | 1,459 | 2,149 | 1,709 |
| 19 | 481 | 1,294 | 2,189 | 1,719 |
| 20 | 546 | 1,306 | 2,131 | 1,900 |
| 22 | 292 | 1,836 | 2,030 | 1,836 |
| 23 | 60 | 1,409 | 1,729 | 1,729 |
| 24 | 163 | 1,329 | 2,009 | 1,869 |
| 26 | 398 | 1,303 | 2,089 | 1,829 |
| 27 | 398 | 1,303 | 2,089 | 1,829 |
| 28 | 365 | 1,366 | 1,959 | 1,439 |
| 31 | 340 | 1366 | 1869 | 1859 |

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

Paddy Price Outlook

India's rice stock in the central pool as on July 1, 2021 stood at 29.68 million tons up by 4.14% from 28.5 million tons recorded during the corresponding period of last year. India's unmilled paddy stocks in the central pool are 28.98 million tonnes recorded on July-01, 2021 up by 38.7% by from 20.89 million tons recorded during the corresponding period last year. Basmati rice exports were 3.58 lakh tonnes in April 2021 lower from 4.21 lakh tonnes in Apr 2020. Basmati rice exports were 16.07 lakh tonnes in Jan - April 2021 lower from 20.33 lakh tonnes in

last year during the corresponding period of time. Demand may improve in the export market of Basmati rice.

Table 8: Arrivals and Prices for the Month of July 2021 in Suryapet Market Paddy (IR-64)

| Date | Arrival (Quintals) | Minimum price (Rs/quintal) | Maximum price (Rs/quintal) | Modal price (Rs/quintal) |
|-------------|-------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
| 1 | 203 | 1,201 | 1,529 | 1,529 |
| 2 | 16 | 1,489 | 1,501 | 1,489 |
| 3 | 152 | 1,252 | 1,529 | 1,472 |
| 5 | 197 | 1,229 | 1,539 | 1,407 |
| 6 | 172 | 1,301 | 1,542 | 1,529 |
| 8 | 112 | 1,269 | 1,509 | 1,432 |
| 10 | 113 | 1,272 | 1,511 | 1,462 |
| 12 | 179 | 1,241 | 1,551 | 1,551 |
| 13 | 117 | 1,219 | 1,509 | 1,492 |
| 14 | 115 | 1,251 | 1,491 | 1,329 |
| 15 | 110 | 1,202 | 1,506 | 1,419 |
| 16 | 158 | 1,359 | 1,489 | 1,389 |
| 19 | 165 | 1,312 | 1,486 | 1,453 |
| 20 | 139 | 1,251 | 1,491 | 1,491 |
| 23 | 36 | 1,269 | 1,306 | 1,269 |
| 24 | 35 | 1,292 | 1,382 | 1,372 |
| 26 | 245 | 1,219 | 1,566 | 1,486 |
| 27 | 245 | 1,219 | 1,566 | 1,486 |
| 28 | 135 | 1,359 | 1,476 | 1,459 |
| 30 | 48 | 1,201 | 1389 | 1389 |

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

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A (RNR) and Paddy-Common could trade in price ranges of Rs. 1960–2200 and Rs. 1700 - 1940 per quintal respectively during the month of August, 2021.