

## Paddy Outlook – July 2021

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA in its November report had estimated the global availability of rice at 67.10 million tons in 2019-20 marketing season. The same has been increased by 6 lakh tons to 67.16 million tons in the December report. The main reason for this is the increase in China's production. USDA has increased China's rice production estimates by 7 lakh tons to 14.77 million tons, based on the latest data from the National Bureau of Statistics of China.

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

Country	2020-21	2021-22*	Change over 2020-21
<b>China</b>	148.30	149.00	0.70
<b>India</b>	122.00	121.00	-1.00
<b>Indonesia</b>	35.20	35.30	0.10
<b>Vietnam</b>	27.10	26.90	-0.20
<b>Thailand</b>	18.83	19.50	0.67
<b>Burma</b>	12.60	12.80	0.20
<b>Philippines</b>	12.40	12.30	-0.10
<b>Japan</b>	7.57	7.58	0.01
<b>Pakistan</b>	8.18	8.20	0.02
<b>Brazil</b>	7.90	7.82	-0.08
<b>USA</b>	7.23	6.46	-0.77
<b>Nigeria</b>	4.89	5.00	0.11
<b>Egypt</b>	4.00	4.00	0.00
<b>South Korea</b>	3.51	3.77	0.26
<b>European Union</b>	1.96	1.99	0.00

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)
<b>Opening Stocks</b>	175.5	173.8	169
<b>Production</b>	498.6	504.1	512.2
<b>Imports</b>	44	46.5	46.7
<b>Total Availability</b>	674.1	678	681.2
<b>Total Consumption</b>	500.2	508.9	510
<b>Exports</b>	44	46.5	46.7
<b>Ending Stocks</b>	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](http://www.agriwatch.com)

**Table 4: Average Price of Paddy Common at Major States in India June, 2021**

State	Prices June, 2021	Prices May, 2021	Prices June, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1821.59	1846.99	1721.88	-1.38	5.79
Chhattisgarh	1504.47	1461.21	1556.93	2.96	-3.37
Gujarat	1348.22	1346.08	1592.68	0.16	-15.35
Jharkhand	1752.5	1752.5	1751.97	0	0.03
Karnataka	1901.06	1922.31	1890.54	-1.11	0.56
Kerala	1912.16	1910.11	1919.27	0.11	-0.37
Madhya Pradesh	1743.21	1696.33	2201.23	2.76	-20.81
Maharashtra	2163.3	1923.88	1957.95	12.44	10.49
Odisha	1867.87	1867.77	1814.56	0.01	2.94
Pondicherry	1550.39	1692.98	1422.98	-8.42	8.95
Rajasthan	2365.31	2407.76	2341.92	-1.76	1
Tamil Nadu	1288.91	1202.09	1664.17	7.22	-22.55
Telangana	1668.78	1701.78	1842.13	-1.94	-9.41
Tripura	1531.64	1540.74	1642.2	-0.59	-6.73
Uttar Pradesh	1489.36	1502.37	1703.27	-0.87	-12.56
West Bengal	1848.12	1866.46	1826.39	-0.98	1.19
<b>Average</b>	<b>1734.81</b>	<b>1727.58</b>	<b>1803.13</b>		

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

As per the ministry of Agriculture, rabi paddy acreage as on 29<sup>th</sup> January 2021 was increased by 16.62% to 35.23 lakh hectares (87.05 lakh acres) as compared to 30.21 lakh hectares (74.64 lakh acres) during the same period of last year. Higher acreage was covered in Telangana 11.31 lakh ha (27.95 lakh acres), Tamil Nadu 10.51 lakh ha (25.97 lakh acres), Andhra Pradesh 6.82 lakh ha (16.85 lakh acres), West Bengal 2.52 lakh ha (6.23 lakh acres), Assam 1.43 lakh ha (3.53 lakh acres), Odisha 1.00 lakh ha (2.47 lakh acres) and Kerala 0.78 lakh ha (1.93 lakh acres).

**Table 5: State wise area under Paddy in India**

STATE	2019-20			2020-21		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Telangana	7.33	18.11	24.27	11.31	27.95	32.11
Tamil Nadu	10.42	25.75	34.50	10.51	25.97	29.83
Andhra Pradesh	6.74	16.65	22.31	6.82	16.85	19.36
West Bengal	2.10	5.19	6.95	2.52	6.23	7.15
Assam	1.33	3.29	4.40	1.43	3.53	4.06
Odisha	0.69	1.71	2.28	1.00	2.47	2.84
Chhattisgarh	0.54	1.32	1.77	0.84	2.08	2.39
Kerala	0.67	1.66	2.22	0.78	1.93	2.21
Other	0.39	0.96	1.29	0.02	0.04	0.05
<b>Total</b>	<b>30.21</b>	<b>74.64</b>	<b>100.00</b>	<b>35.23</b>	<b>87.05</b>	<b>100.00</b>

During current vanakalam 2021-22 in Telangana, it has been sown in 1.05 lakh hectares (2.59 lakh acres) as on 07<sup>th</sup> July 2021 which is lower than 1.38 lakh hectares (3.42 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nizamabad 0.35 lakh ha (0.85 lakh acres), Karimnagar 0.25 lakh ha (0.62 lakh acres), Kamareddy 0.34 lakh ha (0.14 lakh acres), Yadadri 3474 ha (8585 acres), Khammam 3224 ha (7969 acres) Siddipet 3116 ha (7700 acres), Jagityal 2248 ha (5557 acres) and Warangal Urban 1847 ha (4566 acres).

**Table 6: District wise area under Paddy in Telangana State**

District	2020-21			2021-22		
	Ha	Acres	% to total area	Ha	Acres	% to total area
Nizamabad	48876.39	120776.00	35.30	34761.74	85898.00	33.11
Karimnagar	14630.62	36153.00	10.57	25464.48	62924.00	24.25
Kamareddy	6164.18	15232.00	4.45	14057.99	34738.00	13.39
Medak	21992.68	54345.00	15.89	10447.79	25817.00	9.95
Yadadri	23008.44	56855.00	16.62	3474.23	8585.00	3.31
Khammam	1130.29	2793.00	0.82	3224.94	7969.00	3.07
Siddipet	8939.11	22089.00	6.46	3116.08	7700.00	2.97
Jagityal	0.00	0.00	0.00	2248.84	5557.00	2.14
Warangal urban	1372.70	3392.00	0.99	1847.80	4566.00	1.76
Others	12329.17	30466.00	8.91	6360.05	15716.00	6.06
<b>Total</b>	<b>138443.58</b>	<b>342101.00</b>	<b>100.00</b>	<b>105003.95</b>	<b>259470.00</b>	<b>100.00</b>

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

**Table 7: Arrivals and Prices for the Month of June '21 in Suryapet Market Paddy-Grade-A**

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	405	1,206	1,609	1,359
2	331	1,202	1,662	1,349
3	347	1,202	1,648	1,648
4	420	1,226	1,649	1,569
5	162	1,313	1,662	1,662
7	735	1,206	1,689	1,589
9	286	1,239	1,719	1,709
11	327	1,201	1,662	1,509
12	588	1,212	1,689	1,279
14	299	1,486	1,831	1,831
15	439	1,206	1,731	1,688
16	256	1,209	1,811	1,609
17	611	1,232	1,739	1,469
18	611	1,232	1,739	1,469
19	421	1,259	1,838	1,829
21	787	1,213	1,891	1,629
22	513	1,202	1,951	1,550
24	363	1,202	2,001	1,309
25	354	1,364	2,021	1,516
26	313	1,303	2,001	1,552
28	323	1,249	1,929	1,588
29	239	1,202	2,041	1,710
30	176	1469	2089	1909

Source: <http://tsmarketing.in>

### **Paddy Price Outlook**

Rice exports increased dramatically in the previous fiscal year. Demand can also be seen in the export of Basmati rice. There is a high demand for Indian coarse rice from Nepal, Burma, Vietnam, and other countries. Basmati rice exports were 4.6 million tonnes valued at \$4.01 (31,026 crores) billion in 2020-21, up from 4.45 million tonnes valued at \$4.33 billion in the previous year (Rs 29,849 crores).

Philippines' reduction in rice import duty may benefit Indian rice exports. The Philippines imports 2.5 million tonnes of rice per year, primarily from Vietnam and Thailand. Non-basmati rice exports from India may increase to the Philippines. Indian basmati rice prices are higher than international prices. In 2020-21 kharif marketing season, paddy procurement was 789 LMT compared to 773 LMT in KMS 2019-20. Highest paddy procurement has been reported from Punjab, Telangana, Odisha, Andhra Pradesh, Uttar Pradesh, Chhattisgarh and Haryana.

**Table 8: Arrivals and Prices for the Month of June '21 in Suryapet Market Paddy-Common**

<b>Date</b>	<b>Arrival (Quintals)</b>	<b>Minimum price (Rs/quintal)</b>	<b>Maximum price (Rs/quintal)</b>	<b>Modal price (Rs/quintal)</b>
<b>1</b>	482	1,211	1,579	1,559
<b>2</b>	636	1,221	1,501	1,489
<b>3</b>	311	1,201	1,472	1,449
<b>4</b>	367	1,219	1,496	1,464
<b>5</b>	256	1,221	1,503	1,484
<b>7</b>	903	1,201	1,499	1,462
<b>9</b>	367	1,259	1,489	1,412
<b>11</b>	481	1,205	1,491	1,452
<b>12</b>	376	1,209	1,531	1,459
<b>14</b>	236	1,209	1,497	1,497
<b>15</b>	299	1,209	1,499	1,456
<b>16</b>	323	1,201	1,486	1,259
<b>17</b>	330	1,201	1,493	1,379
<b>18</b>	330	1,201	1,493	1,379
<b>19</b>	167	1,241	1,472	1,458
<b>21</b>	300	1,229	1,479	1,452
<b>22</b>	156	1,206	1,489	1,476
<b>24</b>	201	1,219	1,471	1,437
<b>25</b>	116	1,286	1,503	1,496
<b>26</b>	307	1,306	1,515	1,306
<b>28</b>	202	1,211	1,516	1,422
<b>29</b>	150	1,289	1,521	1,478
<b>30</b>	193	1259	1541	1531

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. 1900–2200 and Rs. 1650 - 1900 per quintal respectively during the month of July, 2021.