

Paddy Outlook – June 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
China	148.30	149.00	0.70
India	121.00	120.00	-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	8.10	8.20	0.10
Brazil	7.55	7.65	0.10
USA	7.23	6.46	-0.77
Nigeria	5.04	5.00	-0.04
Egypt	4.30	4.00	-0.30
South Korea	3.74	3.77	0.03
European Union	1.99	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)
Opening Stocks	175.5	173.8	169.2
Production	498.6	502.8	510.7
Imports	44.0	46.5	46.7
Total Availability	674.1	676.6	679.8
Total Consumption	500.2	507.5	508.7
Exports	44.0	46.5	46.7
Ending Stocks	173.8	169.2	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	120.32
Imports	0	0	0
Total Availability	135.61	144.98	150.8
Consumption	99.00	104.06	104.04
Exports	10.5	10.44	12
Total Usage	109.5	114.5	116.04
Carry out	26.11	30.48	34.76
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 May, 2021

State	Prices May, 2021	Prices April, 2021	Prices May, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	1846.99	1852.29	1811.66	-0.29	1.95
Chhattisgarh	1461.21	1528.06	1557.75	-4.37	-6.2
Gujarat	1346.08	1577.07	1646.51	-14.65	-18.25
Jharkhand	1752.5	1752.5		0	—
Karnataka	1921.92	1916.59	1970.22	0.28	-2.45
Kerala	1910.11	1913.5	1965.38	-0.18	-2.81
Madhya Pradesh	1696.33	2124.69	2067.35	-20.16	-17.95
Maharashtra	1923.88	2220.18	1974.92	-13.35	-2.58
Odisha	1867.77	1833.07	1814.91	1.89	2.91
Pondicherry	1692.98	1712.3	1566.51	-1.13	8.07
Punjab			1925	—	—
Rajasthan	2407.76	2389.66	2265.82	0.76	6.26
Tamil Nadu	1202.09	1318.75	1720.39	-8.85	-30.13
Telangana	1701.78	1616.58	1823.49	5.27	-6.67
Tripura	1540.74	1672.58	1574.04	-7.88	-2.12
Uttar Pradesh	1502.95	1540.39	1727.72	-2.43	-13.01
West Bengal	1866.46	1842.07	1831.33	1.32	1.92
Average	1727.6	1800.64	1827.69		

Source: www.agmarknet.gov.in

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
Total	30.21	74.64	100.00	35.23	87.05	100.00

As per the Ministry of Agriculture, rabi paddy acreage as on 29th January 2021 has 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 6: District wise area under Paddy in Telangana State

District	2019-20			2020-21		
	Hectares	Acres	% to total area	Hectares	Acres	% to total area
Nalgonda	152676	377271	9.77	189521	468317	8.87
Suryapet	151567	374530	9.70	174702	431697	8.18
Nizamabad	128696	318014	8.23	156868	387628	7.34
Siddipet	62237	153791	3.98	114531	283011	5.36
Karimnagar	88700	219183	5.67	107084	264609	5.01
Kamareddy	73107	180650	4.68	100336	247935	4.70
Yadadri	77967	192660	4.99	99921	246910	4.68
Khammam	82124	202932	5.25	91670	226521	4.29
Peddapalli	78045	192853	4.99	80023	197741	3.75
Rajanna Siricilla	53842	133046	3.44	67647	167158	3.17
Jangoan	45816	113213	2.93	64683	159835	3.03
Others	568328	1404367	36.36	889207	2197274	41.63
Total	1563105	3862510	100.00	2136191	5278636	100.00

Source: www.agri.telangana.gov.in

During yasangi in Telangana, it has been sown in 21.36 lakh hectares (52.78 lakh acres) as on 24th March 2021 which is higher than 15.63 lakh hectares (38.62 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 1.89 lakh ha (4.68 lakh acres), Suryapet 1.74 lakh ha (4.31 lakh acres), Yadadri 0.99 lakh ha (2.46 lakh acres), Karimnagar 1.07 lakh ha (2.64 lakh acres), Nizamabad 1.56 lakh ha (3.87 acres), Jangoan 0.64 lakh ha (1.59 lakh acres), Rajanna Siricilla 0.67 lakh ha (1.67 lakh acres) and Kamareddy 1.003 lakh ha (2.47 lakh acres).

Table 7: Arrivals and Prices Paddy (Grade A) for the Month of May '21 in Suryapet Market

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
3	4,228	1,309	1,669	1,508
4	2,670	1,200	1,678	1,481
5	1,740	1,219	1,676	1,439
6	2,144	1,209	1,808	1,531
17	559	1,412	1,669	1,549
18	786	1,219	1,679	1,456
19	1,179	1,209	1,689	1,559
20	789	1,269	1,679	1,566
21	793	1,211	1,671	1,459
22	692	1,206	1,668	1,359
24	747	1,211	1,689	1,539
25	802	1,218	1,659	1,339
26	271	1,201	1,649	1,356
27	295	1202	1649	1589
28	653	1202	1643	1459
29	170	1449	1748	1748
31	473	1303	1819	1609

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

Paddy Price Outlook

The Civil Supplies Corporation (CSC) in Telangana State had set a total procurement target of 80 lakh tonnes and so far purchased more than 65 lakh tonnes of paddy and planning to buy the rest before the commencement of rainy season in the state.

The 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. India's rice exports were almost doubled to an all-time high of 17.7 MT last fiscal, against 9.5 MT a year ago.

India's rice stock in the central pool as on May 1, 2021 stood at 30.48 million tons, up by 7% from 28.50 million tons recorded during the corresponding period last year.

Table 8: Arrivals and Prices of Paddy (Common) for the Month of May '21 in Suryapet Market

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
3	5,443	1,301	1,536	1,406
4	4,447	1,209	1,539	1,419
5	3,954	1,201	1,552	1,529
6	3,729	1,209	1,589	1,559
17	1,689	1,309	1,589	1,539
18	1,822	1,219	1,559	1,529
19	2,195	1,201	1,561	1,469
20	3,064	1,206	1,529	1,409
21	2,765	1,229	1,541	1,469
22	872	1,201	1,521	1,481
24	1,372	1,211	1,509	1,439
25	1,099	1,211	1,526	1,459
26	793	1,209	1,556	1,489
27	503	1219	1569	1472
28	518	1209	1589	1589
29	572	1209	1609	1529
31	791	1259	1636	1469

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

During the crisis of Corona Virus Pandemic, India is catering to the needs of Grains for its 1.35 crore population as well as providing food grains to other needy countries. This is the reason why non-basmati rice exports from the country saw a jump of 129 percent during the last financial year 2020-21.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A and Paddy-Common could trade in price ranges of Rs. 1850–2150 and Rs. 1600 - 1900 per quintal respectively during the month of June, 2021.