

## Commodity Profile for Rice-May, 2016

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## 1. Rice Estimates for India (Crop Year: October 2015- September 2016)

(Unit: Million Tonnes)

Table-1: Rice Production, Trade and Availability				
2014-15	2015-16 (Estimated)	Particular	March, 2016	Source
17.33	14.16#	Opening Stock ( beginning of the crop year)	11.29	DoF & PD
105.45	103.36	Production	103.36**	D&ES
0	0	Total Imports	0.00*	DoC
122.13	117.52	Availability	114.65	
12.22	12.00\$	Total Export	4.83*	DoC
14.16	11.71\$	Ending Stock in Central Pool	22.16***	DoF & PD
95.75	93.81	Total Available for domestic consumption	87.66	

Source: Department of Food & Public Distribution (DoF&PD), Department of Commerce (DoC), Directorate of Economics & Statistics (D&ES), Department of Agriculture & Cooperation (DAC).

- \*: The figure of export and import is for October-March, 2016.
- \*\*: 3<sup>rd</sup> Advance estimates released for 2015-16 on 09.05.2016
- \*\*\*: FCI stocks ending in March, 2016 are 22.16 million Tons against 17.09 million Tons in corresponding period last year.
- #: estimates in the beginning of the year. \$: estimates at the end of the year.
- \$ During 2015-16 Export of non-basmati and basmati rice has been assumed to be 8.0 million tones and 4 million tons respectively.
- Availability: opening stock in central pool plus production plus Imports; Total Availability for Domestic Consumption: Availability minus (total export plus ending stock in central pool).
- For preparing estimate for 2015-16, production has been taken as per 3<sup>rd</sup> advance estimates released for 2015-16 released on 09.05.2016, export, import & ending stock as estimated by Department of Food and Public Distribution.

## 2. Rice Estimates for World

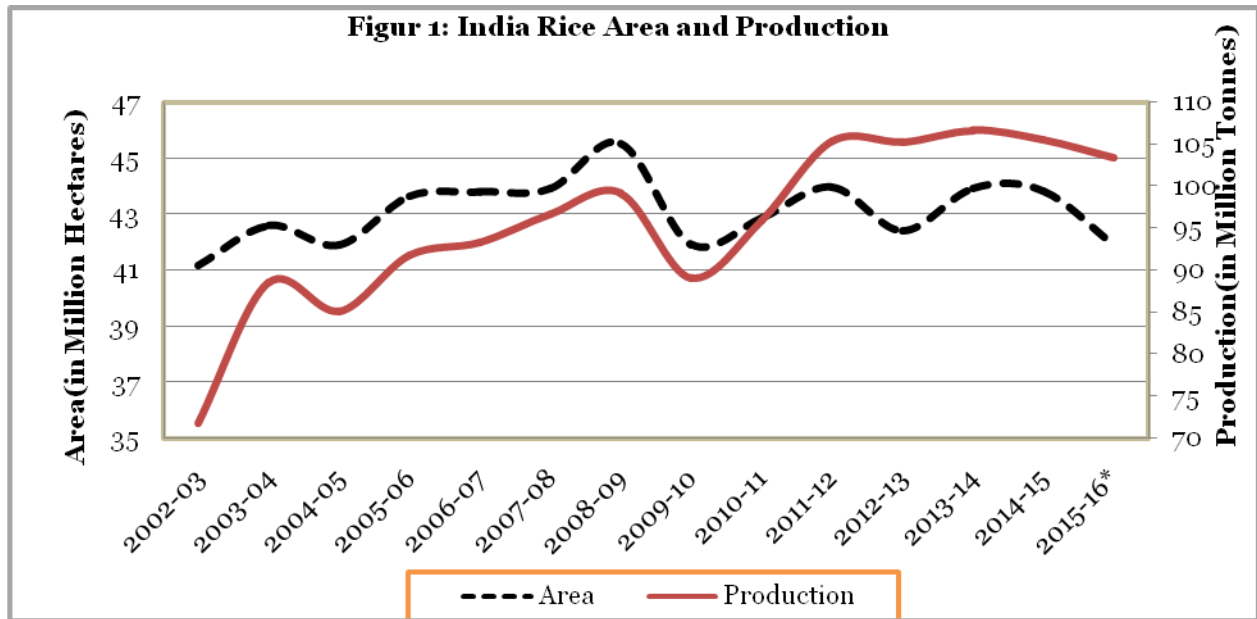
(Unit: Million Tonnes)

Table-2: Production, Trade, Consumption and Stock of Rice			
Particulars	2013-14	2014-15 (Estimated )	2015-16 (Forecast 25.02.2016)
Production	478	479	473
Trade	43	42	42
Consumption	479	483	485
Carry Over Stock	113	109	98

Source: International Grains Council (IGC)

- Global rice production in 2015-16 is forecast, a marginal fall from previous year, the projected trade is maintained at same level (42 million tons). The consumption likely to increase by 1%, the global carry over stock at end of 2015-16 is anticipated to decrease by 10%.

### 3. India's Rice Production and Area under Cultivation

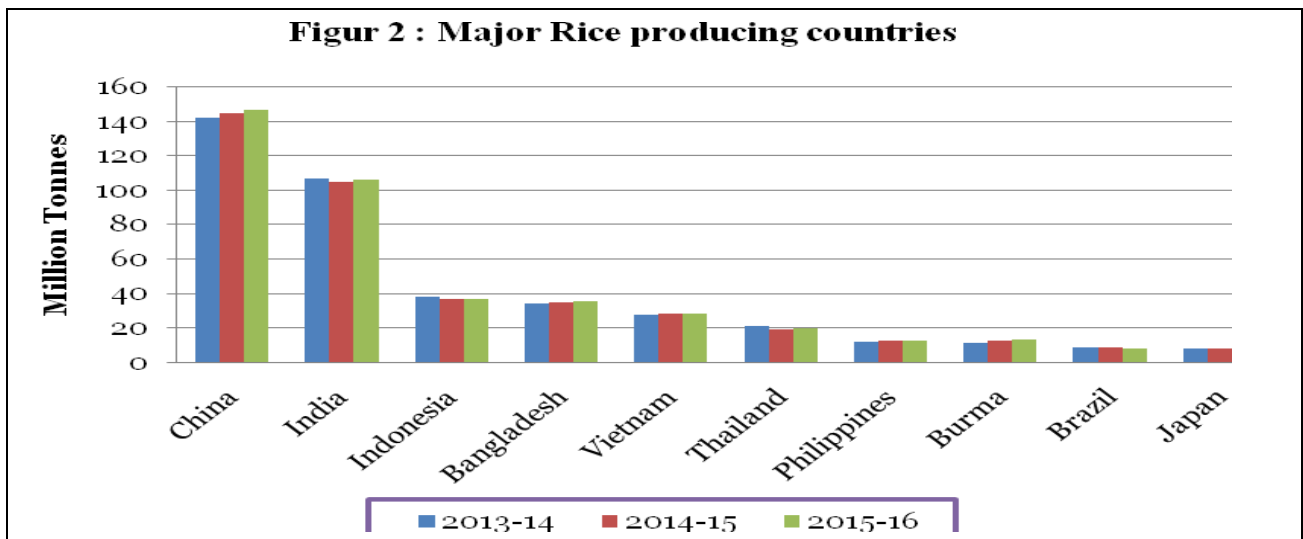


Source: Directorate of Economics & Statistics (D&ES)

\*3<sup>rd</sup> advance estimates

- India's rice production has increased at CAGR of 1.19 percent during 2005-06 and 2015-16
- Area under rice cultivation has not increased substantially during 2004-05 and 2014-15.

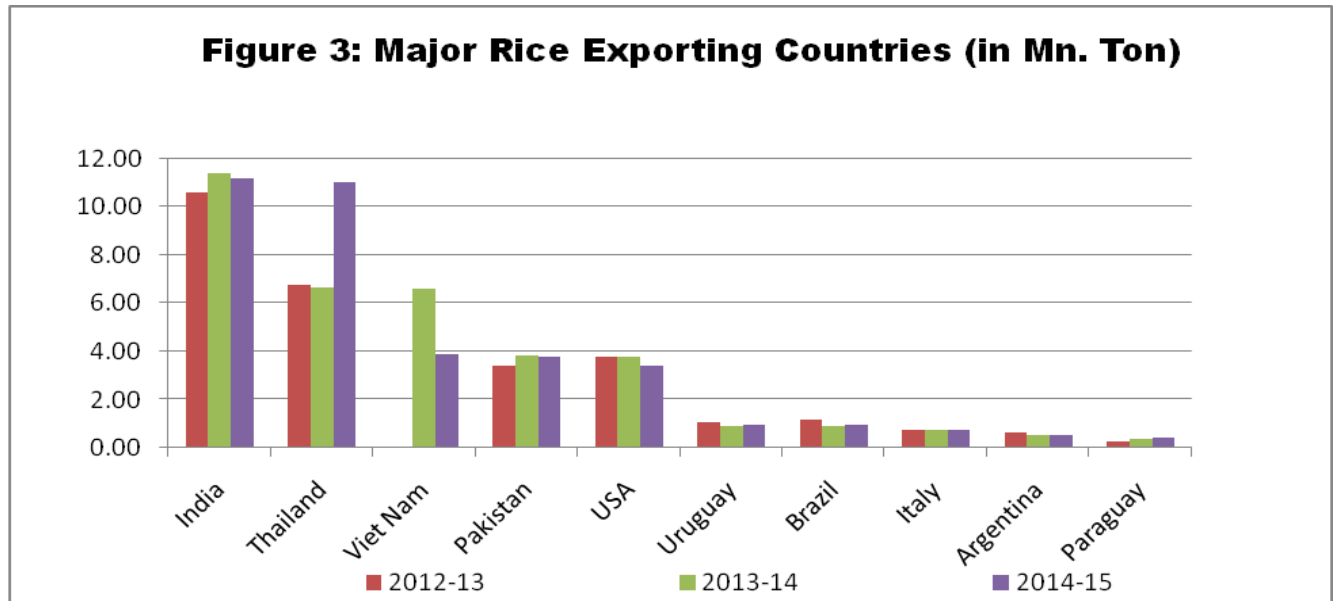
### 4. Global Production



Source: United State Department of Agriculture

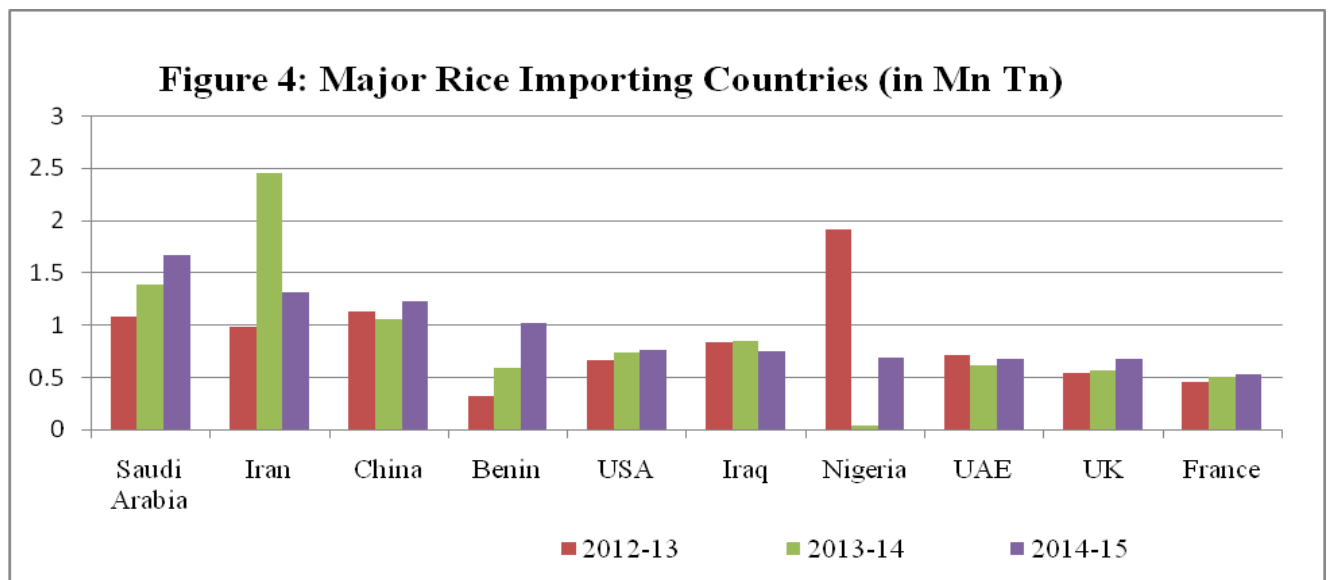
- China was the leading rice producer followed by India, Indonesia and Bangladesh in 2014-15.

## 5. Major Exporting and Importing Countries of Rice in the world



Source : Comtrade

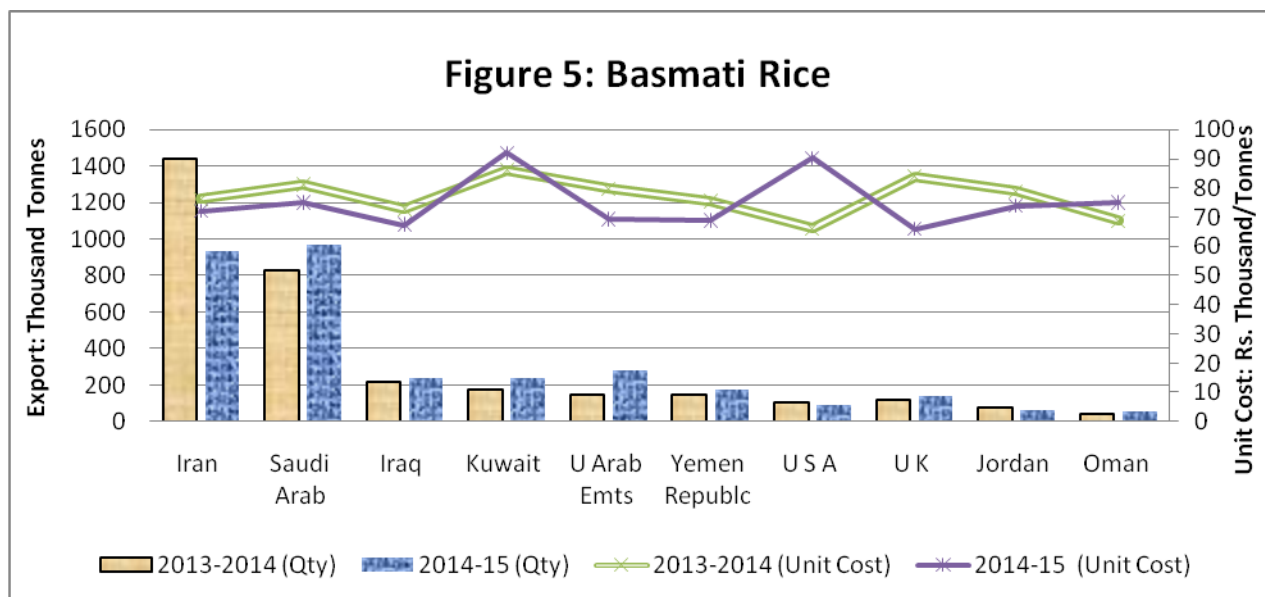
- India was the largest exporter of rice in 2014-15 followed by Thailand and Vietnam and Pakistan.



Source: Comtrade

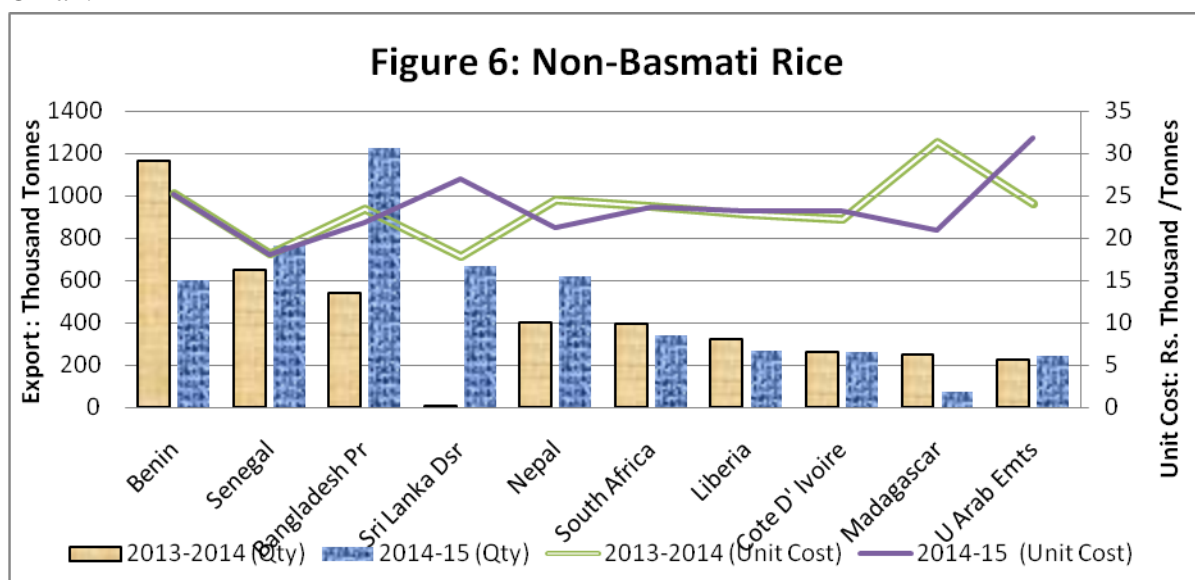
- Saudi Arabia was the leading importer in 2014-15 followed by Iran and China.

## 6. India's Major Export Destinations for Basmati as well as Non-basmati Rice



Source: Department of Commerce

- In 2014-15, Saudi Arab was the leading importing country for Basmati rice from India followed by Iran and Iraq.
- Unit cost of basmati rice has decreased in 2014-15 over the previous year except Kuwait, USA and Oman.



Source: Department of Commerce

- In 2014-15, Bangladesh, Sri Lanka and, Senegal and were amongst India's top three importing countries for non-basmati.
- In 2014-15, Bangladesh imports substantially from India. It may be due to decrease in the unit price to Rs. 21 thousand per Tons from Rs.24 thousand per Tons

## 7. India's Trade Flow for Rice during 2009-10 to 2014-15

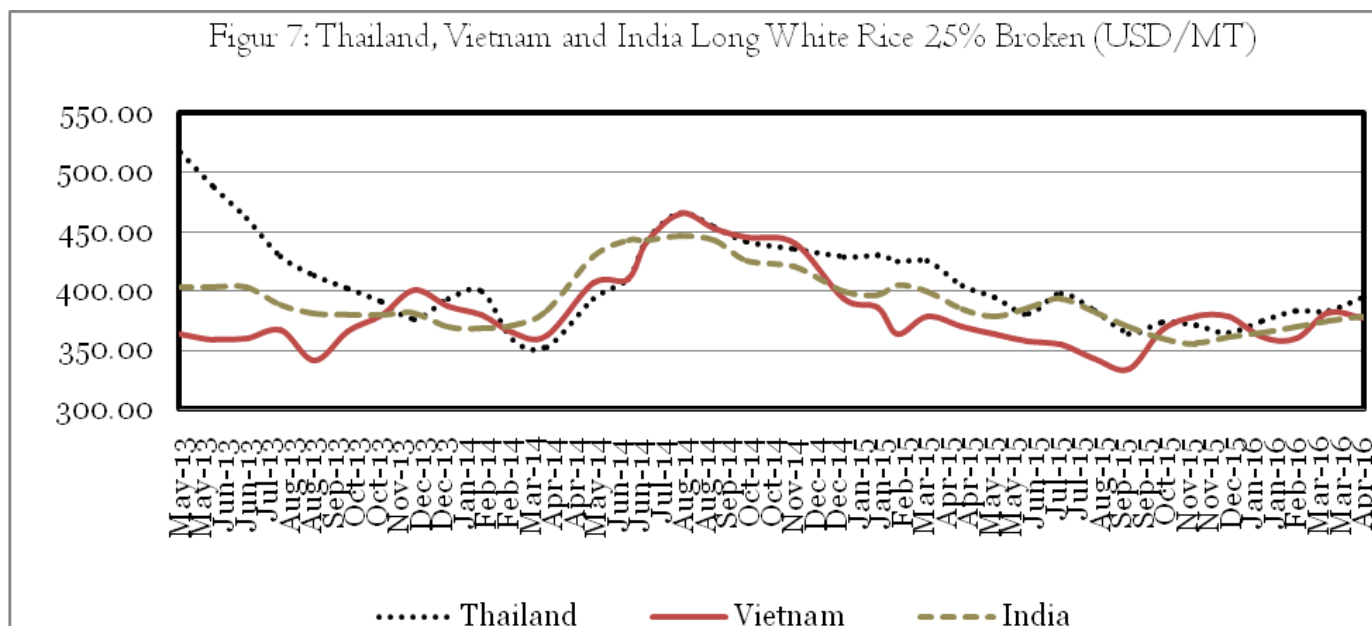
(Unit: Million Tonnes)

Year	Export		Import	
	Basmati	Non-basmati	Basmati	Non-basmati
2009-10	2.02	0.14	0	0
2010-11	2.37	0.10	0	0
2011-12	3.18	4.0	0	0
2012-13	3.50	6.64	0	0
2013-14	3.76	7.0	0	0
2014-15	3.70	8.23	0	0
2015-16	4.04	6.37	0	0

Source: Department of Commerce

- India exported substantial quantity of both Basmati as well as Non-basmati rice to the world, and import in the same categories were insignificant during 2009-10 and 2015-16 (up to March, 2016).

## 8. Domestic and International Price Movement for Long White Rice 25% Broken



Source: Oryza (A website on rice)

- The price of long white rice (25% Broken) of Thailand was slightly higher than India in April, 2016.

## 9. Minimum Support Price (MSP) for Rice (Paddy) during 2011-12 to 2015-16

(Unit: Rs/ Quintal)

Rice Quality	2011-12	2012-13	2013-14	2014-15	2015-16
Common	1080	1250	1310	1360	1410
Grade 'A'	1110	1280	1345	1400	1450

Source: Commission for Agricultural Costs and Prices (CACP)

- MSP for both quality of Paddy (see table 4) has increased during 2010-11 to 2015-16. This figure has increased by 30 percent in the last 5 years.

### 10.1 Rice arrivals in Major Domestic Mandis

(Unit in Tonnes)

Mandis	Arrival Apr-2016 (cumulative)	Arrival Mar-2016 (cumulative)	Arrivals Apr-2015 (cumulative)	% Change(Over Previous Month)	% Change(Over Previous year)
Burdwan	94916.21	83922.31	107518.37	13.10	-11.72
Midnapore	3621.54	3381.5	6384.99	7.10	-43.28
Banaganapalli	12497.2	11532.9	12069.5	8.36	3.54
Ramachandrapuram	19703.3	19527.5	3524.8	0.90	458.99
Devariya	17594.89	16304.93	23487.55	7.91	-25.09
Sitapur	20799.86	17257.86	7393.62	20.52	181.32
Mysore	29523.32	26263.36	119605.39	12.41	-75.32
Raichur	176913.78	176502.82	161918.18	0.23	9.26
Villupuram	NR	-	NR	--	--
Thiruchirappalli	NR	-	NR	--	--

Source: Agmarknet

- The figure for rice arrivals in major mandis shows that Raichur and Burdwan were leading in April, 2016.

### 10.2 Price Movement for Rice in Major Domestic Mandis

(Unit: Rs/Tonnes)

Mandi	Prices Apr-2016	Prices Mar-2016	Prices Apr-2015	% Change(Over Previous Month)	% Change(Over Previous year)
Burdwan	19890.80	19657.90	19762.90	1.18	0.65
Midnapore	22800.50	21536.20	22435.80	5.87	1.63
Banaganapalli	24482.80	24103.40	35761.20	1.57	-31.54
Ramachandrapuram	39235.40	39371.60	35461.00	-0.35	10.64
Devariya	20851.70	20813.00	19528.50	0.19	6.78
Sitapur	22052.20	21670.20	20762.50	1.76	6.21

Mysore	27691.60	25599.40	21892.00	8.17	26.49
Raichur	20627.70	21189.10	23800.00	-2.65	-13.33
Villupuram	NR		NR	-	-
Thiruchirappalli	NR		NR	-	-

Source: Agmarknet

## 11 Future Prices for Rice

(Unit: US\$/Tonnes)

Contract	07.05.16	Week ago (30.04.2016)	Month ago (07 Apr)	3 Month ago (07 Feb)	6 Month ago (07 Dec)	% change over 6 Months
16-May	247.14	238.98	217.15	240.74	245.59	0.63
16-Jul	251.54	244.93	222.89	246.69	252.21	-0.26
16-Sep	255.07	248.24	227.29	252.87	257.72	-1.03
16-Nov	257.50	249.56	231.04	255.29	257.72	-0.09

Source: Chicago Board of Trade (CBOT)

- Futures prices for rice are expected to decrease marginally over the previous year as shown in Table 7

## 12. Trade Policy

**12.1 Export Policy:** Export of rice (except seed quality and other rice in husk) is free, subject to condition circulated by DGFT. \*

**12.2 Import Policy:** Import of seeds is restricted. Whereas, import of rice for human consumption is permitted through State Trading Enterprises

Exim Code	Item Description	Policy	Bound Duty	Standard Duty	Applied Duty
1006 10 10	Of Seed Quality	<i>Restricted</i>	80	80	80
1006 10 90	Other	<i>Import</i>	80	80	80
1006 20 00	Husked (brown) Rice	<i>allowed</i>	80	80	80
1006 30 10	Rice, parboiled	<i>through FCI</i>	70	70	70
1006 30 20	Basmati rice		70	70	70
1006 30 90	Other		70	70	70
1006 40 00	Broken rice		80	80	80

Source: Directorate General of Foreign Trade (DGFT), Department of Revenue and World Trade Organisation (WTO)

\*The export of rice of seed quality and other rice in husk (paddy) has been placed from Free to Restricted category vide DGFT's notification no. 23/2015-20 dated 7<sup>th</sup> October 2015

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