

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## India

**Post:** New Delhi

### Grain and Feed Update - September 2016

**Report Categories:**

Grain and Feed

Agricultural Situation

Agriculture in the Economy

**Approved By:**

Jonn Slette

**Prepared By:**

Santosh K. Singh

**Report Highlights:**

On August 2, 2016, the Ministry of Agriculture (MoA) released its Fourth Advance Estimate for Indian Crop Year (ICY) 2015/16 (July/June). Grain production is forecast at 252.2 million metric tons (MMT), unchanged from the third advance estimate (May 2016). Although total grain production remains the same, rice and corn estimates were raised, and wheat estimates were lower. The grain PSDs in this report are revised to reflect the latest official projections.

## General Information:

### Government Releases its Fourth Advance Estimates of Grain Production for 2015/16

On August 2, 2016, the MoA released the Fourth Advance Estimate of Food grains for ICY 2015-16, estimating total production unchanged from the last estimate at 252.2 MMT. However, the MoA's latest projections raised the production for rice and corn, which were offset by lower production for wheat, pulses, and other coarse grains. India's 2015/16 food grain production includes rice, coarse grains, and pulse crops harvested last fall and this spring (MY 2015/16). Wheat and barley were also harvested in March-May, 2016 (MY 2016/17). The PSDs for grains have been adjusted to reflect the updated official production estimates.

### Sufficient Monsoon Rains in August...

To date, the 2016 southwest monsoon rains are generally sufficient and widespread across the country. Cumulative rainfall for the week ending August 24, 2016 was two percent below normal, with about 26 of the 36 weather subdivisions receiving normal and above normal rains. Regionally, cumulative precipitation in central India was seven percent above normal, and northwest India was five percent above normal. However, the Southern Peninsula was 13 percent below normal and eastern and northeastern India was 16 percent below normal. The Indian Metrological Department (IMD) weekly forecast suggests normal and/or above normal rainfall will continue in most of the country through first week of September ([http://www.imd.gov.in/pages/monsoon\\_main.php](http://www.imd.gov.in/pages/monsoon_main.php)).

### ...Support Timely and Higher *Kharif* Planting

Sufficient and well distributed 2016 monsoon rains since early July have supported timely and higher planting of *kharif* crops during the ongoing season. The MoA estimates total acreage as of August 19, 2016 at 99.3 million hectares, an increase over the 93.9 million hectares planted by the same time last year. Pulses, coarse cereals, and rice account for most of the higher acreage.

**Table 1: India: Planting of *Kharif* Crops in Indian Crop Year (July/June)**  
(Area in Million Hectares)

Crop	ICY 2015/16 Progressive Planting till Aug 19, 2015	ICY 2016/17 Progressive Planting till Aug 19, 2016
Rice	33.43	34.64
Pulses	10.06	13.60
Coarse cereals	16.77	18.02
Oilseeds	16.85	17.55
Sugarcane	4.96	4.56
Cotton	11.02	10.15
Total	93.86	99.28

Source: Ministry of Agriculture, Government of India (GOI).

Planting for most crops was over on schedule by second week of August, except for rice where planting in eastern and southern states will continue through first week of September. Field reports suggest the standing crops are progressing well in most states under adequate soil moisture conditions, except some rain deficit areas western and southern India. However, forecast normal/above normal rains through first week of September would contain any significant damage due to moisture stress. Recent reports indicate heavy rains and flooding in some areas of the central and eastern Indian, but to date, it remains too early to assess potential crop damage. Prolonged heavy rains and flooding could potentially damage standing crops and negatively affect yields.

## RICE

**Table 2. India: Commodity, Rice Milled, PSD**

(Area in Thousand Hectares, Quantity in Thousand Metric Tons and yield in MT/hectare)

Rice, Milled Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	44110	44110	43460	43390	44000	44000
Beginning Stocks	22757	22757	17766	17766	17500	18000
Milled Production	105480	105480	103500	104300	105000	105000
Rough Production	158236	158236	155266	156466	157516	157516
Milling Rate (.9999)	6666	6666	6666	6666	6666	6666
MY Imports	0	0	0	0	0	0
TY Imports	0	0	0	0	0	0
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	128237	128237	121266	122066	122500	123000
MY Exports	12238	12238	9500	9500	8800	8800
TY Exports	11046	11046	9300	9300	8800	8800
Consumption and Residual	98233	98233	94266	94566	97500	97500
Ending Stocks	17766	17766	17500	18000	16200	16700
Total Distribution	128237	128237	121266	122066	122500	123000

## Production

Post continues to estimate MY 2016/17 rice production unchanged at 105 MMT, based on timely planting and sufficient monsoon rains during the critical planting period (July-Mid-August). Based on the MoA Forth Advance Estimate, MY 2015/16 rice production is forecast higher to 104.3 MMT derived from 43.4 million hectares due to strong yields based on the latest information from the crop cutting experiments.

Rice planting concluded during the first week of August in most states, excepting for pockets in eastern and coastal India, where planting will continue through first week of September. MoA estimates rice

area planted at 34.6 million hectares as of August 19, 2016. This estimate is higher than last year, but consistent with the five-year average for the corresponding period. Field reports suggest that the rice crop is doing well, with adequate soil moisture conditions in most of the growing states. However, recent heavy rains in central and floods in eastern areas may raise concerns of potential crop damage if the wet conditions extend over time. Assuming normal rainfall and weather conditions through September, Post continues to forecast MY 2016/16 rice production at 105 MMT from 44 million hectares. However, prolonged floods in eastern India and cyclones in September/October may temper the production forecast.

### Consumption/Ending Stocks Revised

MY 2015/16 consumption and ending stocks have been revised higher to reflect the higher production estimate.

### WHEAT

Wheat Market Begin Year	2014/2015		2015/2016		2016/2017	
	Apr 2014		Apr 2015		Apr 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
Area Harvested	30473	30473	31470	31470	29800	30220
Beginning Stocks	17830	17830	17200	17200	14500	14540
Production	95850	95850	86530	86530	88000	90000
MY Imports	51	51	471	520	2000	2000
TY Imports	273	273	250	250	2000	2000
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	113731	113731	104201	104250	104500	106540
MY Exports	3409	3409	1060	1000	400	400
TY Exports	1820	1820	800	650	400	400
Feed and Residual	4500	4500	4200	4200	4500	4500
FSI Consumption	88622	88622	84441	84510	88600	90640
Total Consumption	93122	93122	88641	88710	93100	95140
Ending Stocks	17200	17200	14500	14540	11000	11000
Total Distribution	113731	113731	104201	104250	104500	106540

Post's MY 2016/17 wheat production estimate is raised higher to 90 MMT based on the latest official and market reports due to higher than earlier anticipated acreage (30.2 million hectares) and yields (2.98 MT/hectare). While MoA continues to optimistically estimate the crop at 93.5 MMT, private trade

sources continue to estimate lower levels, in the range of 82 to 87 MMT due to continued firm domestic prices, which reflect tight domestic supplies. Industry sources expect the final estimate to come down significantly, as observed last year when MoA readjusted its ICY 2014/15 wheat production estimate down to 86.7 MMT from the Fourth Advance Estimate of 88.95 MMT. Most states report that the MY 2016/17 crop yields were affected by relatively dry and warm winters resulting in yield realization normal that the normal yields in the recent past. MY 2016/17 consumption has been raised higher to account for the higher estimated production. Other PSD estimates remain unchanged from the last update ([IN6091](#)).

## COARSE GRAINS

Post's MY 2015/16 corn production has been raised; while MY 2015/16 millet and sorghum and MY 2016/17 barley production estimates have been lowered based on the latest MoA fourth advance estimates. Corn production has been raised higher to 21.8 MMT from the earlier estimate of 21 MMT on higher *rabi* (winter planted) corn production (6.6 MMT vs earlier estimate of 5.5 MMT) due to higher than earlier anticipated area and yields. Other coarse grain production estimates have been reduced on reports of lower yields.

Corn Market Begin Year	2014/2015		2015/2016		2016/2017	
	Nov 2014		Nov 2015		Nov 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
<b>Area Harvested</b>	9185	9185	8490	8690	9500	9500
<b>Beginning Stocks</b>	1416	1416	2179	2179	829	929
<b>Production</b>	24170	24170	21000	21800	24500	24500
<b>MY Imports</b>	29	29	250	250	100	100
<b>TY Imports</b>	21	21	250	250	100	100
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	25615	25615	23429	24229	25429	25529
<b>MY Exports</b>	1136	1136	400	500	700	700
<b>TY Exports</b>	1172	1172	350	350	700	700
<b>Feed and Residual</b>	12500	12500	12700	13000	13500	13600
<b>FSI Consumption</b>	9800	9800	9500	9800	9800	9800
<b>Total Consumption</b>	22300	22300	22200	22800	23300	23400
<b>Ending Stocks</b>	2179	2179	829	929	1429	1429
<b>Total Distribution</b>	25615	25615	23429	24229	25429	25529

<b>Table 5. India: Commodity, Millet PSD</b>						
Area in thousand hectares, quantity in thousand metric tons and yield in MT/hectare						
<b>Millet</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
	<b>Nov 2014</b>		<b>May 2015</b>		<b>Nov 2016</b>	
	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>India</b>						
<b>Area Harvested</b>	8903	8903	8810	8810	9400	9400
<b>Beginning Stocks</b>	477	477	507	507	247	227
<b>Production</b>	11630	11630	10540	10220	11500	11500
<b>MY Imports</b>	0	0	0	0	0	0
<b>TY Imports</b>	0	0	0	0	0	0
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	12107	12107	11047	10727	11747	11727
<b>MY Exports</b>	0	0	0	0	0	0
<b>TY Exports</b>	0	0	0	0	0	0
<b>Feed and Residual</b>	1600	1600	1300	1300	1600	1600
<b>FSI Consumption</b>	10000	10000	9500	9200	9800	9800
<b>Total Consumption</b>	11600	11600	10800	10500	11400	11400
<b>Ending Stocks</b>	507	507	247	227	347	327
<b>Total Distribution</b>	12107	12107	11047	10727	11747	11727

<b>Table 6. India: Commodity, Sorghum PSD</b>						
Area in thousand hectares, quantity in thousand metric tons and yield in MT/hectare						
<b>Sorghum</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
	<b>Nov 2014</b>		<b>Nov 2015</b>		<b>Nov 2016</b>	
	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>India</b>						
<b>Area Harvested</b>	5300	5300	5750	5660	5800	5800
<b>Beginning Stocks</b>	364	364	593	593	143	153
<b>Production</b>	5450	5450	4600	4410	5500	5500

<b>MY Imports</b>	0	0	0	0	0	0
<b>TY Imports</b>	0	0	0	0	0	0
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	5814	5814	5193	5003	5643	5653
<b>MY Exports</b>	121	121	50	50	50	50
<b>TY Exports</b>	121	121	50	50	50	50
<b>Feed and Residual</b>	700	700	600	600	800	800
<b>FSI Consumption</b>	4400	4400	4400	4200	4600	4600
<b>Total Consumption</b>	5100	5100	5000	4800	5400	5400
<b>Ending Stocks</b>	593	593	143	153	193	203
<b>Total Distribution</b>	5814	5814	5193	5003	5643	5653

**Table 7. India: Commodity, Barley PSD**

Area in thousand hectares, quantity in thousand metric tons and yield in MT/hectare

<b>Barley</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
	<b>Apr 2014</b>		<b>May 2015</b>		<b>Apr 2016</b>	
<b>Market Begin Year</b>						
<b>India</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	674	674	705	705	700	590
<b>Beginning Stocks</b>	229	229	231	231	245	245
<b>Production</b>	1831	1831	1610	1610	1700	1510
<b>MY Imports</b>	2	2	5	5	5	50
<b>TY Imports</b>	2	2	5	5	5	50
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	2062	2062	1846	1846	1950	1805
<b>MY Exports</b>	431	431	81	81	200	100
<b>TY Exports</b>	97	97	100	100	200	100
<b>Feed and Residual</b>	200	200	200	200	250	250
<b>FSI Consumption</b>	1200	1200	1320	1320	1300	1300
<b>Total Consumption</b>	1400	1400	1520	1520	1550	1550
<b>Ending Stocks</b>	231	231	245	245	200	155
<b>Total Distribution</b>	2062	2062	1846	1846	1950	1805

