

RABI 2019-20 PRE-SOWING PRICE FORECAST OF PADDY

Paddy Price per Quintal will be around Rs. 1500 – 1700 (Common) and Rs. 2000 – 2100 (Grade-A) at the Time of Harvesting (March to May 2020)

Paddy is the most important human food crop in the world, directly feeding more people than any other crop. It is also the staple food across Asia where around half of the world's poorest people live and is becoming increasingly important in Africa and Latin America. Paddy production in India is an important part of the national economy.

Top most cultivating countries of paddy in the world are India (43.20 m ha), China (30.35 m ha), Indonesia (12.16 m ha), Bangladesh (12.00 m ha), Thailand (9.65 m ha), Vietnam (7.66 m ha), Burma (6.80 m ha), Philippines (4.50 m ha), Cambodia (2.90 m ha) and Pakistan (2.85 m ha). Among the countries, China and India are the world's 1st and 2nd largest producers with approximately 148.50 and 111.50 million tonnes production respectively.

In India during Rabi 2018-19, about 33.96 lakh ha area was covered under paddy. The states of Tamil Nadu (9.32 lakh ha), Telangana (6.11 lakh ha), Andhra Pradesh (6.10 lakh ha), West Bengal (5.15 lakh), Assam (2.45 lakh ha), Kerala (1.11 lakh ha) and Chhattisgarh (1.10 lakh ha) are the major producers of paddy in India.

In Telangana during 2018-19 Rabi season about 6.11 lakh ha area was covered under paddy. The major districts producing this crop are Nizamabad (61,126 ha), Suryapet (79,392 ha), Nalgonda (70,644 ha), Karimnagar (45,860 ha), Jayashankar (23,051 ha), Peddapalli (53,913 ha), Jagtial (49,921 ha) and Siddipet (23,776 ha). There is scope for further increase in rabi paddy acreage during 2019-20 because of increased irrigation potential in Telangana State.

India's paddy stocks in the central pool in 2018-19 stood at 40.67 million tonnes up by 33.96% from 33.96 million tonnes recorded during the corresponding period of last year. All-India progressive procurement of paddy for 2018-19 was at 360.29 lakh tonnes against the procurement of 276.12 lakh tonnes in the corresponding period of last year.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2019-20 rabi pre-sowing price forecast of paddy. Under expected normal crop coverage, it is predicted that the paddy price per quintal will be around **Rs. 1500 – 1700 (Common) and Rs. 2000 – 2100 (Grade-A)** at the time of harvesting (Mar to May 2020). These price forecasts are based on the monthly modal prices obtained for 17 years from Suryapet regulated market for paddy (common) and Jammikunta regulated market for paddy (Grade-A) using econometric models like ARIMA, ARIMAX, SARIMA, ARCH, GARCH and ANN and also the market survey.

Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.