

VANAKALAM (KHARIF) 2020-21 PRE-SOWING PRICE FORECAST OF PADDY

Paddy Price per Quintal will be around Rs. 1650 – 1800 (Common) and Rs. 1800 – 2050 (Grade-A) at the Time of Harvesting (November to December 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.

In world during 2019-20, about 1616 lakh ha (3995 lakh acres) area was covered under paddy with production of 4993 lakh tonnes and yield 1818.85 Kg/acre. Top most cultivating countries of paddy in the world are India 386.92 lakh ha (956.03 lakh acres), China 304.60 lakh ha (752.69 lakh acres), Indonesia 159.95 lakh ha (395.24 lakh acres), Bangladesh 119.10 lakh ha (294.31 lakh acres), Thailand 104.07 lakh ha (257.16 lakh acres), Vietnam 75 lakh ha (187.07 lakh acres), Myanmar 67.05 lakh ha (165.69 lakh acres), Philippines 48 lakh ha (118.62 lakh acres), Cambodia 29.81 lakh ha (73.68 lakh acres) and Pakistan 28.10 lakh ha (69.44 lakh acres). Among the countries, China and India are the world's 1st and 2nd largest producers with approximately 2140 lakh tonnes and 1725 lakh tonnes production respectively.

World's rice production is estimated as 4993 lakh tonnes in 2019-20. With which total supply would increase from 7043.2 to 7167.0 lakh tonne. Export would decrease from 437 to 424 lakh tonne and consumption would increase from 4838 to 4901 lakh tonnes in 2019-20. Carryout stocks in the world in 2019-20 stood at 1842 lakh tonnes up by 4.2% from 1768.2 lakh tonnes recorded during the corresponding period of last year.

In India, during kharif 2019-20, area under paddy was 382.34 lakh ha (944.76 lakh acres) as compared to 386.92 lakh ha (956.07 lakh acres) during kharif 2018-19. The states of Uttar Pradesh 60.05 lakh ha (148.38 lakh acres), West Bengal 40.31 lakh ha (99.60 lakh acres), Chhattisgarh 38.33 lakh ha (94.71 lakh acres), Odisha 37.42 lakh ha (92.46 lakh acres), Punjab 30.42 lakh ha (75.16 lakh acres), Bihar 27.72 lakh ha (68.49 lakh acres), Madhya Pradesh 24.60 lakh ha (60.78 lakh acres), Assam 19.71 lakh ha (48.70 lakh acres), Telangana 16.31 lakh ha (40.30 lakh acres), Maharashtra 14.82 lakh ha (36.62 lakh acres), Jharkhand 13.57 lakh ha (33.53 lakh acres), Andhra Pradesh 13.70 lakh ha (33.85 lakh acres), Haryana 13.57 lakh ha (33.57 lakh acres), Karnataka 8.12 lakh ha (20.06 lakh acres) and Gujarat 8.48 lakh ha (20.95 lakh acres) are the major producers of paddy in India.

India's rice production is estimated as 1179.4 lakh tonnes according to third advance production estimate of 2019-20. Total supply would increase from 1351.3 to 1435.7 lakh tonnes in 2019-20. Export would increase from 105 to 108 lakh tonne. Consumption would increase from 990 to 1030 lakh tonnes in 2019-20. Carryout stocks in the central pool in 2019-20 stood at 297.7 lakh tonnes up by 16.15% from 256.3 lakh tonnes recorded during the corresponding period of last year. All-India progressive procurement of paddy for 2019-20 was at 428.26 lakh tonnes against the procurement of 395.05 lakh tonnes in the corresponding period of last year.

In Telangana during 2019-20 vanakalam (kharif) season about 16.31 lakh ha (40.31 lakh acres) area was covered under paddy. The major districts growing this crop are Nizamabad 1.27 lakh ha (3.14 lakh acres), Suryapet 0.93 lakh ha (2.29 lakh acres), Nalgonda 0.80 lakh ha (1.97 lakh acres), Khammam 0.69 lakh ha (1.70 lakh acres), Karimnagar 0.66 lakh ha (1.63 lakh acres), Peddapalli 0.59 lakh ha (1.46 lakh acres), Jagtiyal 0.62 lakh ha (1.53 lakh acres) and Badradri 0.47 lakh ha (1.16 lakh acres).

According to 3rd advance estimate of 2019-20 rice production in Telangana state is at 59.84 lakh tonnes, higher by 18.50 lakh tonnes, when compared to the previous year production of 41.34 lakh tonnes, showing an increase of 44.77% over previous 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 2020-21 kharif pre-sowing price forecast of paddy. Under expected normal rainfall and crop coverage, it is predicted that the paddy price per quintal will be around **Rs. 1650 – 1800 (Common) and Rs. 1800 – 2050 (Grade-A)** at the time of harvesting (Nov to Dec 2020). This price forecast is based on the monthly modal price of paddy obtained for 18 years from Suryapet and Jammikunta regulated markets 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.