

## VANAKALAM (KHARIF) 2021-22 PRE-HARVESTING PRICE FORECAST OF PADDY

**Paddy Price per Quintal will be around Rs. 1500 – 1900 (Common) and Rs. 1800 – 2100 (Grade-A) at the Time of Harvesting (November to December 2021)**

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 1623 lakh ha (4011 lakh acres) area was covered under paddy with production of 5048 lakh tonnes and yield 1886 Kg/acre. Top most cultivating countries of paddy in the world are India 437.8 lakh ha (1081 lakh acres), China 304.60 lakh ha (752.69 lakh acres), Indonesia 106.7 lakh ha (284 lakh acres), Bangladesh 115 lakh ha (284 lakh acres), Thailand 97.1 lakh ha (240 lakh acres), Vietnam 74 lakh ha (184 lakh acres), Myanmar 69 lakh ha (171 lakh acres), Philippines 46 lakh ha (114 lakh acres), Brazil 17.1 lakh ha (42 lakh acres) and Pakistan 30.3 lakh ha (74 lakh acres). Among the countries, China and India are the world's 1<sup>st</sup> and 2<sup>nd</sup> largest producers with approximately 2114 lakh tonnes and 1776 lakh tonnes production respectively.

World's rice production is estimated as 5119 lakh tonnes in 2021-22. With which total supply would increase from 6852 lakh tonnes to 6912 lakh tonnes. Export would increase from 473 lakh tonnes to 475 lakh tonnes and consumption would increase from 5059 lakh tonnes to 5093 lakh tonnes in 2021-22. Carryout stocks in the world in 2020-21 stood at 1819 lakh tonnes up by 1.42% from 1793 lakh tonnes recorded during the corresponding period of last year.

In India during 2021-22 *vanakalam* (kharif) acreage was increased by 0.20 % to 414.18 lakh hectares (1023.46 lakh acres) as compared to 413.34 lakh hectares (1021.38 lakh acres) during the same period of last year. Higher acreage was covered in Uttar Pradesh 60.26 lakh ha (148.91 lakh acres), West Bengal 42.51 lakh ha (105.04 lakh acres), Chhattisgarh 37.50 lakh ha (92.66 lakh acres), Odisha 35.13 lakh ha (86.81 lakh acres), Madhya Pradesh 34.07 lakh ha (84.19 lakh acres), Punjab 30.68 lakh ha (75.81 lakh acres), Bihar 32.64 lakh ha (80.66 lakh ha), Telangana 25.06 lakh ha (61.92 lakh acres) and Andhra Pradesh 13.86 lakh ha (34.25 lakh acres). Export prices for rice in major Asian market remains steady this week, with Indian market experiencing lower supplies while Thai markets struggling with shipping constraints

In Telangana during 2020-21 *Vanakalam* (kharif) season about 25.06 lakh hectares (61.92 lakh acres) as on 29<sup>th</sup> September 2021 which is higher than 21.24 lakh hectares (52.50 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Suryapet 1.89 lakh ha (4.69 lakh acres), Nalgonda 1.86 lakh ha (4.59 lakh acres), Nizamabad 1.58 lakh ha (3.92 lakh acres), Kamareddy 1.12 lakh ha (2.77 lakh acres), Karimnagar 1.10 lakh ha (2.79 lakh acres), Medak 1.03 lakh ha (2.56 lakh acres), Siddipet 1.27 lakh ha (3.14 lakh acres), Jagityal 1.18 lakh ha (2.92 lakh acres), Yadadri 1.12 lakh ha (2.78 lakh acres) and Khammam 1.19 lakh ha (2.92 lakh acres).

In Telangana paddy output in this kharif season is expected to be 43% more than previous year. However, FCI has announced only 60 lakh tonnes of rice to be procured while, a yield of 1.38 crore tonnes is projected.

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 2021-22 *vanakalam* (kharif) pre-harvesting price forecast of paddy. Under good rainfall and crop conditions, it is predicted that the paddy price per quintal will be around **Rs. 1500 – 1900 (Common) and Rs. 1800 – 2100 (Grade-A)** at the time of

harvesting (Nov to Dec 2021). These price forecasts are based on the monthly modal prices obtained for 19 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.***