

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

Paddy Price per Quintal will be around Rs. 1600 – 1900(Common) and Rs. 1850– 2150 (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 1st and 2nd largest producers with approximately 2114 lakh tonnes and 1776 lakh tonnes production respectively.

World's rice production is estimated as 5048 lakh tonnes in 2020-21. With which total supply would increase from 674.3 lakh tonnes to 677.3 lakh tonnes. Export would increase from 440 lakh tonnes to 458 lakh tonnes and consumption would increase from 5005 lakh tonnes to 5040 lakh tonnes in 2020-21. Carryout stocks in the world in 2020-21 stood at 1738 lakh tonnes down by 0.28% from 1733 lakh tonnes recorded during the corresponding period of last year.

In India, during kharif 2020-21, area under paddy was 406.97 lakh ha (1005.64 lakh acres) as compared to 382.34 lakh ha (944.76 lakh acres) during kharif 2019-20. The states of Uttar Pradesh 60.14 lakh ha (148.61 lakh acres), West Bengal 43.34 lakh ha (107.10 lakh acres), Chhattisgarh 37.84 lakh ha (93.50 lakh acres), Odisha 37.02 lakh ha (91.48 lakh acres), Punjab 27.36 lakh ha (67.67 lakh acres), Bihar 33.07 lakh ha (81.72 lakh acres), Madhya Pradesh 28.71 lakh ha (70.94 lakh acres), Assam 21.22 lakh ha (52.44 lakh acres), Telangana 20.74 lakh ha (51.25 lakh acres), Jharkhand 17.38 lakh ha (42.95 lakh acres), Andhra Pradesh 14.02 lakh ha (34.64 lakh acres), Haryana 13.28 lakh ha (33.82 lakh acres) and Karnataka 9.98 lakh ha (24.66 lakh acres) are the major producers of paddy in India.

India's rice production is estimated as 1203.2 lakh tonnes according to second advance production estimate of 2020-21. Total supply would increase from 1449.8 lakh tonnes to 1508 lakh tonnes in 2020-21. Export would increase from 104 lakh tonnes to 120 lakh tonnes. Consumption would decrease from 1040.6 lakh tonnes to 1040.4 lakh tonnes in 2020-21. Carryout stocks in the central pool in 2020-21 stood at 347.6 lakh tonnes up by 12.31% from 304.6 lakh tonnes recorded during the corresponding period of last year. All-India progressive procurement of paddy for 2020-21 was at 688.02 lakh tonnes against the procurement of 605.94 lakh tonnes in the corresponding period of last year.

In Telangana during 2020-21 vanakalam (kharif) season about 21.26 lakh ha (52.55 lakh acres) area was covered under paddy. The major districts grown this crop include Nizamabad 1.59 lakh ha (3.94 lakh acres), Suryapet 1.60 lakh ha (3.95 lakh acres), Nalgonda 1.61 lakh ha (3.97 lakh acres), Khammam 1.11 lakh ha (2.76 lakh acres), Karimnagar 1.01 lakh ha (2.50 lakh acres), Jagtial 1.13 lakh ha (2.81 lakh acres) and Siddipet 0.92 lakh ha (2.27 lakh acres). According to 1st advance estimate of 2020-21 rice production in Telangana state is at 125.46 lakh tonnes.

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 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. 1600 – 1900 (Common) and Rs. 1850 – 2150 (Grade-A)** at the time of harvesting (Nov to Dec 2021). This price forecast is based on the monthly modal price of paddy obtained for 19 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.