

VANAKALAM (KHARIF) 2022-23 PRE-HARVESTING PRICE FORECAST OF PADDY

Paddy Price per Quintal will be around Rs. 1960 – 2060 (Common) and Rs. 2060 – 2350 (Grade-A) at the Time of Harvesting (November to December 2022)

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 the world during 2020-21, about 1644.5 lakh ha (4063 lakh acres) area was covered under paddy with production of 5059 lakh tonnes and yield 1865 Kg/acre. Top most cultivating countries of paddy in the world are India 450 lakh ha (1112 lakh acres), China 303.41 lakh ha (749.8 lakh acres), Bangladesh 114.17 lakh ha (282.1 lakh acres), Indonesia 106.57 lakh ha (263.3 lakh acres), Thailand 104.01 lakh ha (257 lakh acres), Vietnam 72.22 lakh ha (178.5 lakh acres), Myanmar 66.55 lakh ha (164.5 lakh acres), Philippines 47.18 lakh ha (116.6 lakh acres), Pakistan 33.35 lakh ha (82.4 lakh acres) and Brazil 16.77 lakh ha (41.5 lakh acres). Among the countries, China and India are the world's 1st and 2nd largest producers with approximately 1424.7 lakh tonnes and 1189.2 lakh tonnes production respectively.

World's rice production is estimated as 5078 lakh tonnes in 2022-23, with which total supply would decrease from 6981 lakh tonnes to 6880 lakh tonnes. Export would decrease from 514 lakh tonnes to 488 lakh tonnes and consumption would decrease from 5180 lakh tonnes to 5147 lakh tonnes in 2022-23. Carryout stocks in the world in 2022-23 would be at 1733 lakh tonnes down by 3.88% from 1801 lakh tonnes recorded during the corresponding period of last year.

In India during 2022-23 *Vanakalam* (kharif) paddy acreage was decreased by 4.76 % to 402.88 lakh hectares (995.54 lakh acres) as compared to 423.04 lakh hectares (1045.35 lakh acres) during the same period of last year. Higher acreage was covered in Uttar Pradesh 57.78 lakh ha (142.78 lakh acres), West Bengal 38.52 lakh ha (95.18 lakh acres), Punjab 31.33 lakh ha (77.42 lakh acres), Chhattisgarh 36.99 lakh ha (91.40 lakh acres), Madhya Pradesh 32.22 lakh ha (79.57 lakh acres), Bihar 30.67 lakh ha (75.79 lakh acres), Odisha 35.16 lakh ha (86.88 lakh acres), Haryana 14.58 lakh ha (36.03 lakh ha), Assam 19.54 lakh ha (47.05 lakh ha), Maharashtra 15.55 lakh ha (38.42 lakh acres), and Telangana 26.12 lakh ha (64.54 lakh acres).

India's rice production is estimated as 1049.9 lakh tonnes according to first advance production estimate of 2022-23. Total supply was increased from 1548.5 lakh tonnes to 1635.9 lakh tonnes in 2021-22. And export was increased from 144.5 lakh tonnes to 173.8 lakh tonnes. Consumption was increased from 1050 lakh tonnes to 1062 lakh tonnes in 2021-22. Carryout stocks in the central pool in 2021-22 stood at 400.1 lakh tonnes up by 13.02% from 354 lakh tonnes recorded during the corresponding period of last year.

The world rice estimated global output for 2022–2023 has been reduced by 6 million tonnes per month due to lower expectations for Asian countries, particularly India due to lower production, and export restrictions. Global carryovers are reduced by 7 million to 173 MMT, including decreases for China and top exporters, along with a decreased prediction for food use. The 2023 trade projection has been reduced by about 3 MMT month on month basis due to anticipated tighter supply from major suppliers. Market prices for basmati grades are going to be low due to depressed export demand and for non-basmati grades also it is going to be weak because of increased distribution under PMGKAY scheme and low demand due to export restrictions.

In Telangana during 2022-23 *Vanakalam* (kharif) season paddy crop coverage is about 26.12 lakh hectares (64.54 lakh acres) which is higher than 25.14 lakh hectares (62.13 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 2.02 lakh ha (5.01 lakh acres), Suryapet 1.90 lakh ha (4.71 lakh acres), Nizamabad

1.69 lakh ha (4.18 lakh acres), Siddipet 1.47 lakh ha (3.63 lakh acres), Medak 1.19 lakh ha (2.95 lakh acres), Kamareddy 1.14 lakh ha (2.83 lakh acres), Jangoan 0.86 lakh ha (2.13 lakh acres), Mahabubabad 0.86 lakh ha (2.12 lakh acres) and Karimnagar 1.09 lakh ha (2.69 lakh acres). According to 4th Advance Estimates of Food grains Production for 2021-22, rice production estimate was 133.59 lakh tonnes as against 145.65 lakh tonnes in 2020-21 in Telangana State.

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 2022-23 *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. 1960 – 2060 (Common) and Rs. 2060 – 2350 (Grade-A)** at the time of harvesting (Nov to Dec 2022). These price forecasts are based on the monthly modal prices obtained for 20 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.