

## **YASANGI (RABI) 2022-23 PRE-HARVEST PRICE FORECAST OF PADDY**

**Paddy Price per Quintal will be around Rs. 1960 – 2110 (Common) and Rs. 2170 – 2390 (Grade-A) at the Time of Harvesting (March to May 2023)**

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 1<sup>st</sup> and 2<sup>nd</sup> largest producers with approximately 1424.7 lakh tonnes and 1189.2 lakh tonnes production respectively.

World's rice production is estimated as 5041 lakh tonnes in 2022-23, with which total supply would decrease from 6985 lakh tonnes to 6829 lakh tonnes. Export would decrease from 536 lakh tonnes to 509 lakh tonnes and consumption would decrease from 5197 lakh tonnes to 5145 lakh tonnes in 2022-23. Carryout stocks in the world in 2022-23 would be at 1788 lakh tonnes down by 6.17% from 1684 lakh tonnes recorded during the corresponding period of last year.

In India, during Rabi 2022-23, area under Paddy acreage as on 03<sup>rd</sup> February 2023 has increased by 31.95% to 46.25 lakh hectares (114.29 lakh acres) as compared to 35.05 lakh hectares (86.61 lakh acres) during same period of last year. The major cultivating states are Telangana 18.07 lakh ha (44.65 lakh acres), Tamil Nadu 12.21 lakh ha (30.17 lakh acres), Andhra Pradesh 5.51 lakh ha (13.62 lakh acres) and Assam 1.84 lakh ha (4.55 lakh acres). According to 2<sup>nd</sup> Advance Estimates of Production of Food grains for 2022-23, all India rice production estimate was 130.83 million tonnes.

As per 2<sup>nd</sup> advance estimates India's paddy production is likely to increase by 0.43% from 130.29 in 2021-22 to 130.83 million tonnes in 2022-23. Total supply would increase from 165.69 to 172.98 million tonnes, export would decrease from 17.38 to 12.5 million tonnes and consumption would increase from 106 to 109 million tonnes in 2022-23. Paddy ending stock is at 51.48 lakh tonnes in 2022-23 as compared to 42.11 lakh tonnes in 2021-22. Arrivals are almost over in most of the markets of the country. Export demand has also cooled down since last few days. In the coming weeks, market will show the same sentiments until the arrivals from new crop expected in March-April.

In Telangana during yasangi (*Rabi*), it has been sown in 18.07 lakh hectares (44.65 lakh acres) as on 1<sup>st</sup> February 2023 which is higher than 7.14 lakh hectares (17.64 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 1.93 lakh ha (4.77 lakh acres), Suryapet 1.83 lakh ha (4.54 lakh acres), Nizamabad 1.55 lakh ha (3.83 acres), Jagityal 1.18 lakh ha (2.92 lakh acres), Siddipet 1.13 lakh ha (2.79 lakh acres), Kamareddy 1.05 lakh ha (2.61 lakh acres), Karimnagar 1.05 lakh ha (2.59 lakh acres) and Yadadri 1.03 lakh ha (2.56 lakh acres). According to 1<sup>st</sup> Advance Estimates of Production of Food grains for 2022-23, rice production estimate was 76.83 lakh tonnes 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 rabi pre-harvest price forecast of paddy. Under increased crop coverage and production, it is predicted that the paddy price per quintal will be around **Rs. 1960 – 2110 (Common) and Rs. 2170 – 2390 (Grade-A)** at the time of harvesting (March to May 2023). This price forecast is based on the monthly modal price of paddy obtained for 21 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.*