

KHARIF 2019-20 PRE-SOWING PRICE FORECAST OF PADDY

Paddy Price per Quintal will be around Rs. 1600 – 1750 (Common) and Rs. 1800 – 2000 (Grade-A) at the Time of Harvesting (November to December 2019)

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.

Top most cultivating countries of paddy in the world are India (43.20 m ha), China (30.35 m ha), Indonesia (12.16 m ha), Bangladesh (12.00 m ha), Thailand (9.65 m ha), Vietnam (7.66 m ha), Burma (6.80 m ha), Philippines (4.50 m ha), Cambodia (2.90 m ha) and Pakistan (2.85 m ha). Among the countries, China and India are the world's 1st and 2nd largest producers with approximately 148.50 and 111.50 million tonnes production respectively.

In India during kharif 2018-19, about 385.92 lakh ha area was covered under paddy. The states of Uttar Pradesh (59.73 lakh ha), West Bengal (42.71 lakh ha), Chhattisgarh (37.54 lakh ha), Odisha (37.04 lakh ha), Bihar (32.56 lakh ha), Punjab (30.42 lakh ha), Madhya Pradesh (21.65 lakh ha), Assam (19.56 lakh ha), Jharkhand (15.15 lakh ha), Maharashtra (15.21 lakh ha), Andhra Pradesh (13.48 lakh ha), Haryana (13.29 lakh ha), Karnataka (11.35 lakh ha), Telangana (10.38 lakh ha) and Gujarat (8.05 lakh ha) are the major producers of paddy in India.

In Telangana during 2018-19 kharif season about 10.38 lakh ha area was covered under paddy. The major districts producing this crop are Nizamabad (94,308 ha), Suryapet (71,945 ha), Nalgonda (68,907 ha), Khammam (68,848 ha), Jayashankar (60,722 ha), Peddapalli (53,913 ha), Jagtiyal (48,998 ha) and Badradri (43,575 ha).

India's paddy stocks in the central pool in 2018-19 stood at 39.81 million tonnes up by 32.52% from 30.04 million tonnes recorded during the corresponding period of last year. All-India progressive procurement of paddy for 2018-19 was at 385.21 lakh tonnes against the procurement of 302 lakh tonnes in the corresponding period of last year. The Government has set an ambitious food grain target of 291.1 million tonnes for 2019-20, nearly 2.6% more than previous year's 283.7 million tonnes, as favorable monsoon is anticipated this season. The target set for rice is 116 million tonnes i.e., 3 million tonnes more than that in 2018-19.

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 2019-20 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 – 1750 (Common) and Rs. 1800 – 2000 (Grade-A)** at the time of harvesting (Nov to Dec 2019). This price forecast is based on the monthly modal price of paddy obtained for 17 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.