Impact of price forecasting on Cotton farmers income in Krishna Zone of Andhra Pradesh

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ABSTRACT

Market information and intelligence inputs are crucial for farmers who wish to become fully market orientated and ensure that their production programmes are tuned with changing market demand and conditions. The availability of predicted reliable market information can assist farmers in optimizing their resources to reduce the risks associated with marketing and decide where to sell the produce, check whether or not the prices they are offered are in line with market prices, decide whether or not to store, decide whether to grow produce "out-of-season", decide whether or not to grow different products The Agricultural Market Intelligence Centre (AMIC) of S.V .Agricultural college, Tirupati has been releasing price forecasts during pre-sowing and pre-harvesting periods of mandatory crops of the state of Andhra Pradesh. The percentage validation of price forecasts are from 81 to 96 percent. Impact of forecasted prices on cotton farmers income during 2013-14 to 2015-16 was carried out in 5 mandals of Krishna zone in Andhra Pradesh given by the Agricultural Market Intelligence Center (AMIC) under Acharya N.G.Ranga Agricultural University. A sample of 50 farmers from 5 mandals was randomly selected for the purpose of the study. 56.25 per cent of the farmers could able to know the price forecast through media released by AMIC. About 31.25 per cent depended on telephone enquiries from AMIC and farmers' training programmes conducted in the districts. The Department of Agriculture and marketing was the source of information for 12.5 per cent of the farmers. The farmers realised Rs.20547/- as additional revenue / hectare by adopting the forecasted prices in their selling decisions cotton. The benefit cost ratio of adopted farmers was 0.32 when compared to non adopted farmers of 0.11