



Forecasting Prices of Paddy in Nalgonda District of Andhra Pradesh

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ABSTRACT

An attempt was made to forecast the congenial time for marketing paddy in Nalgonda district of Andhra Pradesh. Secondary data of monthwise weekend prices of rice from important market yards for the past five years *i.e.*, 2003 to 2007 of Nalgonda district was collected. Average of the data from all the important market yards was worked out to calculate the average monthwise weekend whole sale price of the district. Weekend average price and their standard deviation (S.D) were calculated and arranged in descending order from highest average price, lowest S.D to lowest average price, highest S.D. The congenial time for marketing of Kharif paddy in Nalgonda district would be 3rd week of December followed by 1st week of January to realize remunerative prices by the farming community. The congenial time for marketing of *Rabi* paddy would be first week followed by 2nd week of June. For farmers who can store and market the *Kharif* and *Rabi* produce together the congenial time would be 1st followed by 2nd week of June. This sort of commoditywise and area wise forecasting could also be useful for managers of public and private sectors engaged in farm business for marketing purposes.

Key words : Paddy, Price Forecasting

Farming will be remunerative only when farmers would realize better prices for their produce. Realization of remunerative prices is possible only when they will be forecasted well in advance about the prices of the major crops in the area. Scientific analysis is required for timely, proper and reliable forecast. Nalgonda district is peculiar among all the districts of Andhra Pradesh in exhibiting stable growth rates in all the principal crops of the district (Parthasarathy, 1984) during the early periods of green revolution. With the expansion of irrigation facilities, advent of improved production technologies and also the new crops the growth of the principal crops of the district has become comparatively instable in terms of area, production and productivity. In this context realization of remunerative prices for the farm produce gained importance in these days. At this juncture forecasting of prices has become imminent for realization of remunerative prices by the farming community.

MATERIAL AND METHODS

The study was restricted to the objective of forecasting appropriate time to market the paddy grain by the farmers in Nalgonda district as rice is the principal crop grown in the district. Secondary data of monthwise weekend prices of rice from important market yards was collected for the past five years *i.e.*, 2003 to 2007 of Nalgonda district. Average of the data from all the important market

yards was worked out to arrive to the average month wise weekend whole sale price of the district. Weekend average price and the standard deviation (S.D) were calculated and arranged in descending order from highest average price, lowest S.D to lowest average price, highest S.D.

RESULTS AND DISCUSSIONS

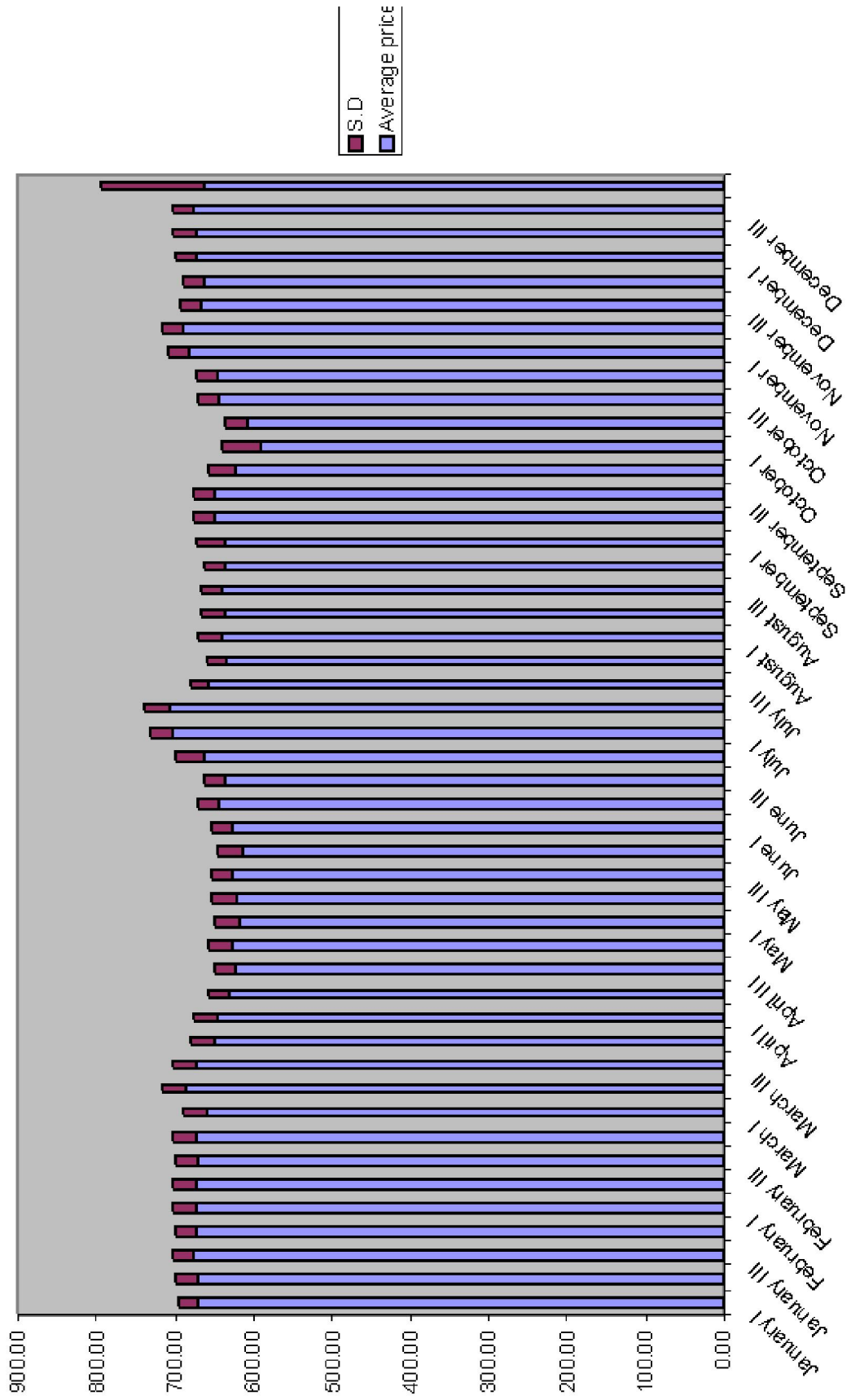
Monthwise, year wise average weekend prices of selected markets in Nalgonda district from 2003 to 2007 along with their calculated averages and S.D are presented in the Table.

The weekend whole sale prices ranged from Rs.542.08 to Rs.666.92 with an average of Rs.596.68 in 2003, from Rs.550.00 to Rs.712.00 with an average of Rs.603.76 in 2004 and from Rs.538.26 to Rs.676.36 with an average of Rs.744.45 during 2007. Out of the five years under study intra-year fluctuation in prices expressed in terms of S.D was highest in 2007 followed by 2006. The highest average prices coupled with lowest S.D reflects comparatively high prices with lowest fluctuation during the period. Generally *Kharif* harvestings would be finished by November. Farmers could able to market the *Kharif* produce if necessary from December 2nd fortnight onwards as well as *Rabi* produce from May onwards. Hence, the weekend prices exhibiting highest average price along with lowest value of their S.D. So marketing of paddy after December month for *Kharif* produce

Table. Average and standard deviation (S.D) of month wise weekend prices of paddy in Nalgonda district.

Month	Week	2003	2004	2005	2006	2007	Average Price	Standard deviation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
June	II	542.08	635.67	538.26	610.00	891.24	643.45	25.37
June	I	542.08	570.00	545.56	633.05	843.00	626.74	25.62
April	II	561.32	568.00	619.28	591.49	775.00	623.02	25.62
October	IV	602.82	612.57	620.62	747.51	645.88	645.88	25.52
July	III	611.36	712.00	557.27	737.53	654.54	654.54	25.80
December	III	616.32	627.36	676.36	787.04	676.77	676.77	26.10
November	III	616.32	601.88	657.36	789.32	666.22	666.22	26.15
November	IV	616.32	598.84	657.54	782.94	663.91	663.91	26.38
April	III	555.90	575.00	615.60	641.00	765.00	630.50	26.65
November	I	638.65	621.67	660.15	807.83	682.08	682.08	26.77
October	III	611.00	589.09	580.91	786.43	641.86	641.86	26.68
January	I	631.00	647.37	618.40	670.99	775.45	668.64	27.00
July	IV	611.36	626.15	561.16	733.66	633.08	633.08	27.23
January	II	616.35	656.35	618.40	670.99	790.00	670.42	27.44
November	II	666.92	617.63	673.13	791.33	687.25	687.25	27.66
December	I	616.32	616.68	667.77	787.24	672.00	672.00	27.35
April	IV	551.27	575.00	592.43	660.04	755.00	626.75	27.51
December	II	616.32	627.36	669.38	779.62	673.17	673.17	27.63
January	IV	602.00	655.00	616.04	677.96	809.72	672.14	27.78
August	I	611.36	626.15	582.86	740.54	640.23	640.23	27.94
August	II	634.47	626.89	565.80	722.33	637.37	637.37	28.40
October	II	606.00	596.00	572.66	648.79	605.86	605.86	28.84
January	III	616.35	655.00	608.21	690.56	807.34	675.49	28.03
February	I	615.92	657.45	608.31	685.15	802.00	673.77	28.16
February	III	593.17	597.00	611.73	717.18	827.92	669.40	28.33
February	II	601.95	624.06	630.72	685.15	825.33	673.44	28.64
March	IV	547.39	587.50	638.88	661.24	818.00	650.60	28.78
July	I	614.18	640.41	574.80	787.00	897.00	702.68	29.49
August	III	626.29	600.50	580.23	752.21	639.81	639.81	27.31
September	II	616.65	632.54	571.98	769.00	647.54	647.54	28.03
May	III	542.08	603.00	562.99	650.00	765.00	624.61	28.84
March	I	590.37	592.80	628.38	673.51	814.31	659.87	29.27
May	II	545.99	600.93	575.23	608.05	775.00	621.04	30.00
March	II	589.58	575.50	673.68	683.51	903.00	685.05	30.35
February	IV	589.35	627.83	611.73	682.17	843.00	670.82	29.48
August	IV	626.29	604.90	568.29	738.59	634.52	634.52	29.60
March	III	557.62	589.21	628.19	683.51	903.00	672.31	30.83
April	I	558.17	587.50	630.24	675.49	775.00	645.28	30.77
September	IV	623.69	608.40	628.79	628.79	622.42	622.42	32.38
May	IV	542.08	570.00	550.00	650.00	755.00	613.42	33.78
July	II	610.00	550.00	557.31	656.88	1150.50	704.94	34.41
June	III	542.08	627.53	553.66	620.00	834.40	635.53	26.05
September	III	631.55	621.00	576.66	762.95	648.04	648.04	28.54
May	I	544.76	595.70	580.90	585.00	775.00	616.27	31.16
June	IV	608.36	640.41	569.89	695.96	800.00	662.92	34.32
September	I	618.77	604.90	568.96	745.36	634.50	634.50	36.41
October	I	594.36	614.63	574.79	574.79	589.64	589.64	50.99
December	IV	616.32	621.54	649.17	760.00	661.75	661.76	132.35
Average		596.68	612.77	603.76	700.41	744.45		
S.D		32.53	29.56	39.57	63.81	108.19		

Yearwise, monthwise weekend average whole sale prices and thier S.D in Nalgonda District



after May for *Rabi* produce would be congenial for realizing remunerative prices by the farming community in Nalgonda. A perusal of the Table revealed that June II, I weekend whole sale prices of paddy after completion of *Rabi* harvesting and December III, January I weekend whole prices exhibited comparatively higher average price coupled with lower S.D.

The congenial time for marketing of *Kharif* paddy in Nalgonda district would be 3rd week of December followed by 1st week of January to realize remunerative prices by the farming community

The congenial time for marketing of *Rabi* paddy would be 1st were followed by 2nd week of June.

For farmers who can store and market the *Kharif* and *Rabi* produce together the congenial time would be 1st week followed by 2nd week of June.

This sort of commodity wise and area wise forecasting could be useful for managers of public and private sectors engaged in farm business for marketing purposes.

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