

YASANGI (RABI) 2020-21 PRE-SOWING PRICE FORECAST OF BENGALGRAM

Bengalgram Price per quintal will be around Rs. 4400 – 4600 at the Time of Harvesting (January to February 2021)

India is the largest producer of bengalgram followed by Pakistan, Turkey and Iran. India produces around 10 to 11 million tonnes and contributes around 70 percent of the total world production. Bengalgram is the most largely produced pulse crop in India accounting for a share of 40% of the total pulse production. India imports around 8-9 lakh tonnes of bengalgram annually from Canada, Australia, Iran and Myanmar.

In India about 107.21 lakh ha (264.92 lakh acres) area coverage was reported under bengalgram during rabi 2019-20. The states of Madhya Pradesh 27.38 lakh ha (67.66 lakh acres), Maharashtra 21.78 lakh ha (53.82 lakh acres), Rajasthan 21.38 lakh ha (52.83 lakh acres), Karnataka 12.56 lakh ha (31.04 lakh acres), Uttar Pradesh 5.87 lakh ha (14.51 lakh acres) and Andhra Pradesh 4.56 lakh ha (11.27 lakh acres) are the major producers of bengalgram in India. According to Government 4th advance estimates, all India bengalgram production in 2019-20 is at 11.35 million tonnes. The central government has increased the minimum support price of bengalgram for the year 2020-21 by Rs.225 from Rs. 4875 to Rs. 5100 per quintal.

Cash bengalgram market started moving up from the second fortnight of August and may continue to trade firm in September too. The reasons for uptrend are mainly attributed to poor arrival, selling by NAFED at higher price (around Rs. 4850-4950), firm futures and restricted sale by stockists during festive season. Bulls are active under emerging scenario. Apart from this, the burden of old stock with NAFED is over now as it has been distributed through various government schemes. At present only new stock (around 2.2 lakh MT) is available with NAFED. Government would prefer to distribute/sale bengalgram at slower pace now, so that prices could sustain above MSP and farmers could maintain same area as last year. Sowing would start from the end of October. Even millers may start fresh buying with increasing demand for dal. Import pace would be limited as government has not given any relaxation in import duty, 60% is applicable right now, barring LDC (least developed countries). India has imported around 2.38 lakh MT bengalgram from April to July-2020. Thus, fundamental remains supportive for bengalgram market presently.

In Telangana state, area covered under bengalgram during rabi 2019-20 was about 1.34 lakh ha (3.31 lakh acres). The major districts producing this crop in Telangana are Adilabad 34,481 ha (85,203 acres), Kama Reddy 29,654 ha (73,274 acres), Nirmal 24,505 ha (60,551 acres), Nizamabad 12,188 ha (30,117 acres) and Gadwal 7,324 ha (18,094 acres). According to State Government 3rd advance estimates, bengalgram production in 2019-20 is at 2.05 lakh tonnes with a productivity of 1532 Kg/ha (620 Kg/acre).

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, Professor Jayashankar Telangana State Agricultural University Rajendranagar, Hyderabad with the financial support of Agricultural Marketing Department, Telangana State has assessed pre-sowing price forecast of bengalgram for rabi 2020-21. Under expected normal weather and crop acreage, it is predicted that the bengalgram price per quintal will be around **Rs. 4400 – 4600** at the time of harvesting (**January to February 2021**). This price forecast is based on the monthly modal price of bengalgram obtained for 18 years from Narayanpet regulated market using econometric models like ARIMA, SARIMA, ARIMAX, ARCH and GARCH 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.