

Redgram Outlook – February 2018

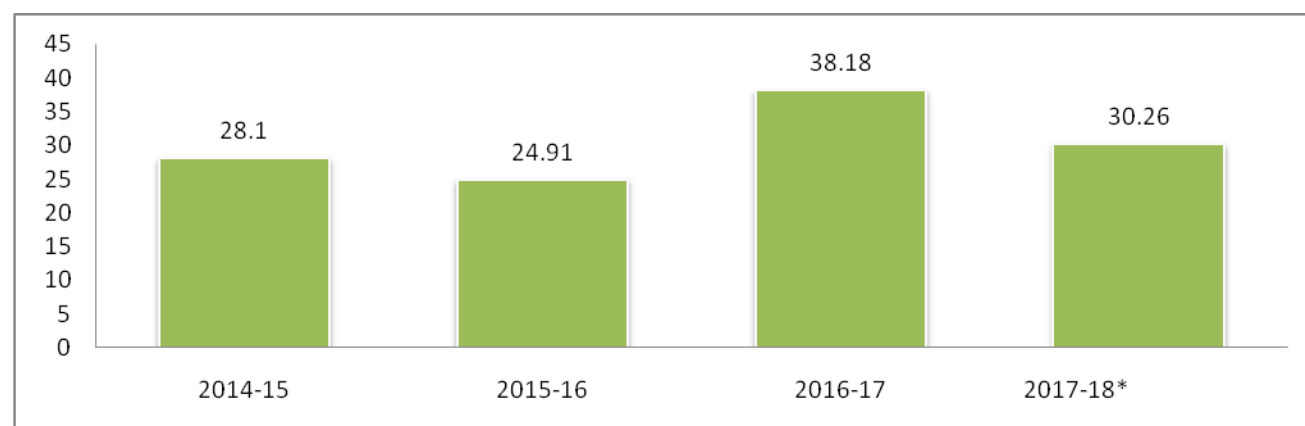
Redgram is commonly known as Tur or Arhar in India and is the second important pulse in the country after gram (chana). The ability of redgram to produce high economic yields under soil moisture deficit makes it an important crop in rainfed and dryland agriculture. India contributes for nearly 90% of world's total redgram production. However, it is gaining importance in African countries due to its adaptability to limited moisture conditions.

According to the all India crop situation report, kharif 2017-18, Ministry of Agriculture, Government of India, the area under redgram in the country has decreased to 43.00 lakh hectares in 2017-18 from 53.39 lakh hectares in 2016-17. In India, major redgram producing states are Maharashtra (12.72 lakh ha), Karnataka (8.79 lakh ha), Madhya Pradesh (6.51 lakh ha), Uttar Pradesh (3.36 lakh ha), Telangana (2.84 lakh ha), Gujarat (2.76 lakh ha) and Andhra Pradesh (2.24 lakh ha).

Table 1: Redgram Supply & Demand (in lakh tonnes)

	2016-17	2017-18
Opening Stocks	1.45	10.67
Production	39.18	30.26
Imports	7.04	2.00
Total Supply (O S+ Production+ Imports)	47.64	42.62
Exports	0.00	0.00
Consumption	37.00	38.25
Total Use(Export + Consumption)	37.00	38.25
Ending Stocks (Total Supply - Total Use)	10.67	4.68

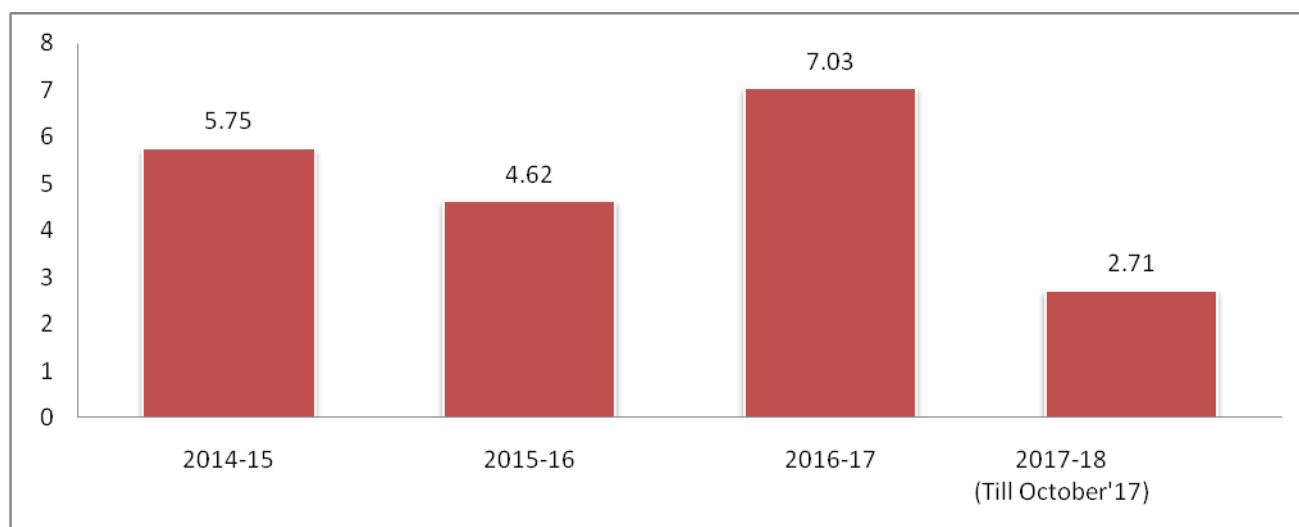
Source: www.agriwatch.com



Source: Directorate of Economics and Statistics (DES), *Advance Revised Estimate

Figure 1: Production of Redgram in India in lakh tonnes

This year opening stocks are very high compared to last year because of bumper crop harvest in extended area. However, production in 2017-18 is expected to decline to 30.26 lakh tonnes from 39.18 lakh tonnes last year due to reduced acreage.



Source: Department of Commerce

Figure 2: India's imports of redgram in lakh tonnes

Higher production coupled with imports, the major reasons for price fall during 2016-17 are still persisting and cause for lower prices in the current season also.

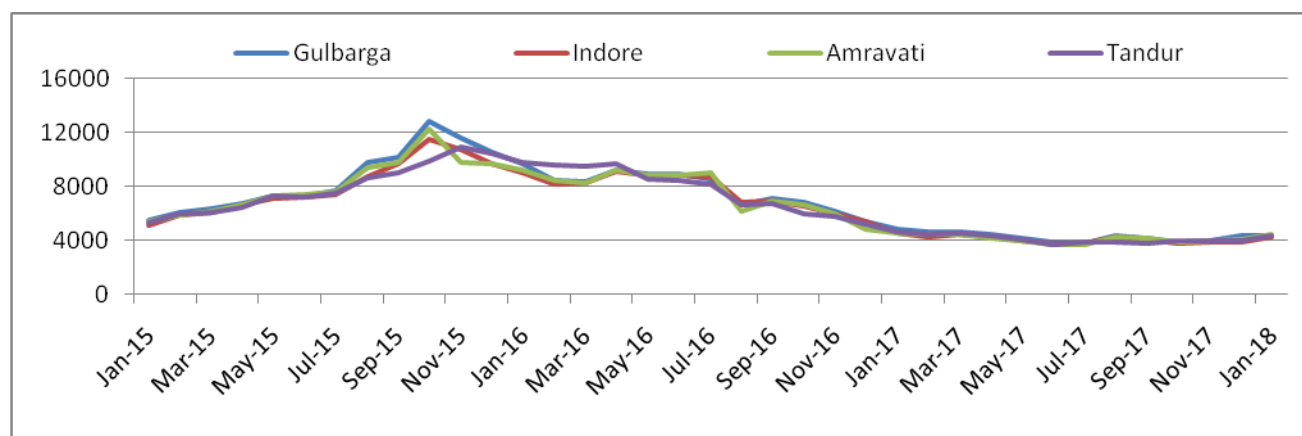


Figure 3: Average monthly prices of Redgram in major markets of India (Rs/q)

All major markets of redgram in the country were found to be integrated as indicated by the price movement in Figure 3. The prices which were about Rs. 5000 per quintal during January 2015 have risen to more than Rs. 12000 per quintal in October 2015 and then started declining. The current prices are moving around Rs. 4300 per quintal while, the MSP is Rs. 5450.

Table 2: Average monthly prices of Redgram in major markets of India(Rs/q)

	Gulbarga	Indore	Amravati	Tandur
Jan-15	5471	5119	5422	5250
Feb-15	6035	5813	5926	5900
Mar-15	6316	6088	6132	6000
Apr-15	6765	6632	6642	6400
May-15	7321	7105	7283	7232
Jun-15	7282	7184	7415	7181
Jul-15	7682	7328	7586	7453
Aug-15	9790	8684	9374	8566
Sep-15	10111	9614	9779	8972
Oct-15	12829	11453	12290	9863
Nov-15	11623	10708	9767	10891
Dec-15	10567	9678	9710	10425
Jan-16	9638	8959	9224	9745
Feb-16	8473	8142	8450	9514
Mar-16	8387	8238	8309	9418
Apr-16	9186	9095	9226	9658
May-16	8927	8757	8895	8495
Jun-16	8874	8821	8881	8403
Jul-16	8553	8723	9013	8129
Aug-16	6645	6767	6188	6586
Sep-16	7113	6924	6956	6670
Oct-16	6822	6536	6679	5926
Nov-16	6100	5921	5953	5698
Dec-16	5340	5396	4832	5185
Jan-17	4822	4574	4580	4606
Feb-17	4583	4275	4442	4427
Mar-17	4580	4418	4441	4465
Apr-17	4397	4253	4142	4321
May-17	4115	3976	3950	4030
Jun-17	3805	3789	3710	3641
Jul-17	3757	3784	3684	3801
Aug-17	4325	4205	4246	3875
Sep-17	4112	4010	4153	3756
Oct-17	3821	3770	3876	3889
Nov-17	3907	3884	3941	3951
Dec-17	4316	3875	4045	3915
Jan-18	4321	4258	4458	4356

Source: www.agriwatch.com, agrimarketing.telangana.gov.in

In Telangana State redgram was cultivated in an area of 2.84 lakh hectares in 2017-18 as against 4.85 lakh hectares in 2016-17. The major redgram growing districts in Telangana are Mahabubnagar, Medak, Nalgonda and Warangal. Even under normal rainfall the area under the crop has decreased in kharif 2017-18, because of sharp fall in its price during previous season.

The major markets for this crop in Telangana are Badepalli, Devarakadra, Gadwal, Mahabubnagar, Narayanpet, Sadasivpet, Zaheerabad, Suryapet, Tandur and Warangal. The major markets in neighboring states are Kadiri, Narsaraopet, Tiruvuru, Kurnool, Yeminiganur and Ongole in Andhra Pradesh, Gulbarga, Sedam, Yadgiri, Bidhar, Bijapura, Bellary and Bagalkote in Karnataka, and Akola, Latur, Jalgaon and Nagpur in Maharashtra.

Table 3: Prices and arrivals of Redgram in Tandur market during January 2018

Date	Arrival (Tonnes)	Minimum price Rs/quintal	Maximum price Rs/quintal	Model price Rs/quintal
2	186.2	4000	4525	4266
3	202.1	4000	4561	4230
4	196.6	3771	4601	4302
5	164.2	4095	4557	4255
6	177.2	3780	4605	4285
8	168.9	3900	4581	4311
10	310.0	3501	4652	4356
11	174.6	3708	4661	4411
12	158.5	4000	4711	4536
13	151.4	4000	4680	4360
17	156.1	4221	4669	4559
19	209.6	3800	4621	4351
20	272.0	4001	4612	4311
22	278.7	4001	4689	4389
23	207.3	4250	4683	4389
24	237.4	3861	4677	4401
25	224.1	4106	4615	4365
27	212.2	4005	4619	4356
29	269.9	4029	4626	4375
30	189.3	4182	4602	4359
31	232.7	3900	4571	4321

Source: agrimarketing.telangana.gov.in

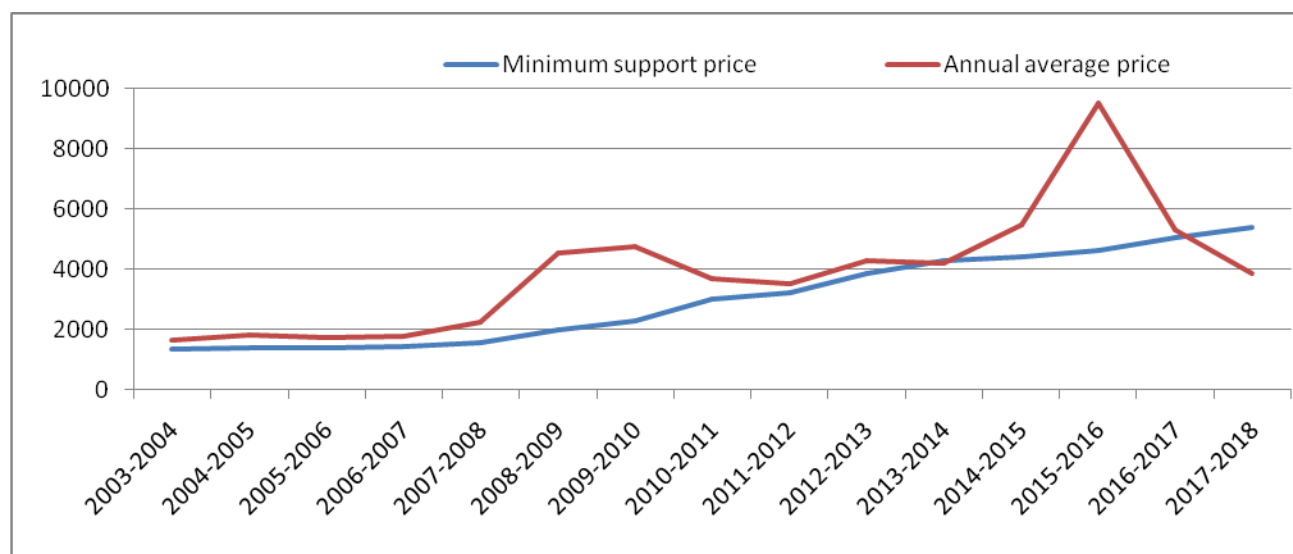


Figure 4: Minimum support price (vs) annual average market price of Redgram in Telangana state (Rs/q)

The annual average market (Tandur) price of Redgram in Telangana state has fallen below MSP from 2016-17 onwards (Fig 4). Presently, redgram is being traded in the price range of Rs. 4500 – 4700 per quintal in the major markets, while the same in MARKFED, HACA centres is being procured at MSP.