

Bengalgram production this year likely exert pressure on prices.

During 2013-14 rabi season, when bengalgram production peaked at 9.5 million tonnes, the farm gate prices crashed by 20 per cent below Rs.3000/Q (MSP). There was no support measure to arrest falling prices through, for instance, procurement. Frustrated growers moved away from bengalgram in the following rabi season of 2014-15. It was worsened by unseasonal rains at harvest time as a result of which production declined to 7.3 million tonnes. The following year 2015-16 was even worse with harvest of 7.2 million tonnes and no opening stocks. In other words, bengalgram faced to back-to-back setbacks in production-rabi 2015 and 2016 with a total output loss of 4.5 million tonnes. Bengalgram planted area has reached a new high at 98 lakh hectares in the rabi season of 2016-17, as per the latest estimation from Weather Watch Group. The bengalgram production target set by the agricultural ministry is 96 lakh tonnes. Given the satisfactory weather so far and assuming normal condition in the next few weeks, there is hope that bengalgram harvest would touch 85 lakh tonnes. It is estimated that around 5 lakh tonnes of Australian Desi bengalgram have been contracted for.

To arrive at the prices likely to prevail at **rabi** harvest the Agricultural Market Intelligence Centre (AMIC) of S.V.Agricultural College, Tirupati attempted econometric analysis of modal prices of Kurnool market. The results coupled with traders' survey indicated that the prices at present are around RS.5500 to 6000. Farmers are advised to take appropriate decision on the disposal of bengalgram, as production this year is likely to exert pressure on prices.