

# PROSPECTS OF THE FORTHCOMING TUR CROP JUNE 2022

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## FACTOR AFFECTING PROSPECTUS OF TUR

- ▶ MONSOON STATUS
- ▶ SOWING STATUS
- ▶ HISTORICAL PRODUCTION ANALYSIS
- ▶ CARRY FORWARD TUR STOCK ANALYSIS
- ▶ IMPORT POLICIES

## HISTORICAL MONSOON POSITION AND ITS IMPACT ON PRODUCTION

Particulars	01.06.22 to 28.06.22	01.06.21 to 23.06.21	01.06.20 to 24.06.20	01-06-19 to 26-06-19	01-06-18 to 22-06-18
Maharashtra	-29%	+59%	+36%	-57%	-18%
Karnataka	-22%	+35%	+2%	-25%	+44%
Overall	-10%	+28%	+22%	-36%	-7%
Production	?	43.50	43.32	38.92	33.25
Sowing Area	?	48.24	47.24	45.32	45.50

- ✓ In the Month of Jun 22 there is shortfall in rainfall of 10%
- ✓ Shortfall in rainfall has direct impact on the Sowing area
- ✓ Overall Shortfall in rainfall in the month of June in any year has end up with declined production of that year to the extent of 10 to 20%
- ✓ Overall Surplus in rainfall in the month of Jun in any year has end up with fair production figures.

# CURRENT SOWING STATUS

AS ON 24-06-2022

Product	Area Sown (Lac Ha)		Difference in Area Coverage Over 2021	% of Increase(+) / Decrease(-) Over 2021
	2022	2021		
Tur	2.35	5.21	-2.86	- 54.87%

- Government figure shows shortfall in sowing around 55% as compared to last year

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## Comparative Sowing status in 3<sup>rd</sup> Week of June for last more than 5 years

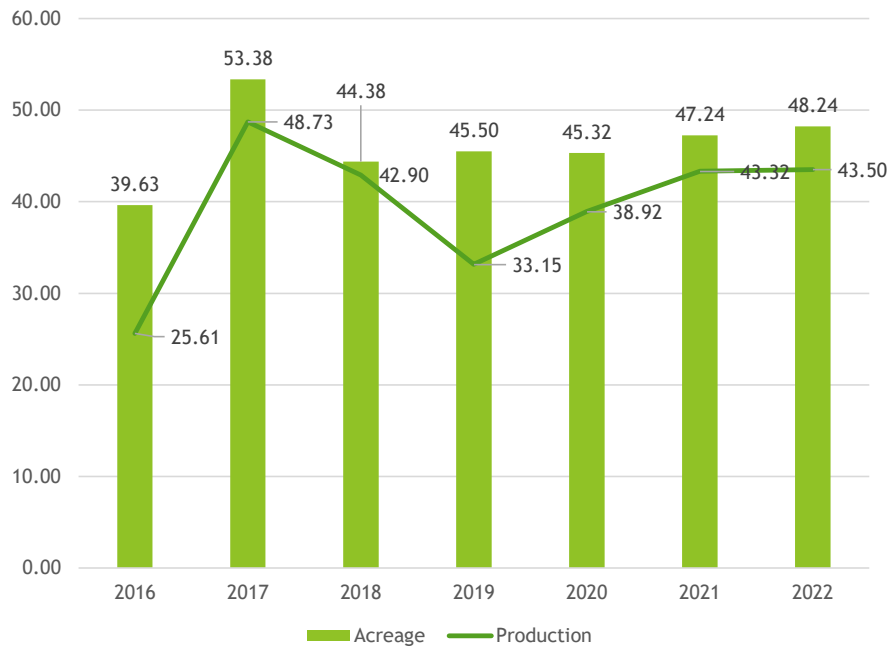
Particulars	24.06.16	23.06.17	22.06.18	21.06.19	26.06.20	25.06.21	24.06.22
Sowing Area in 3 <sup>rd</sup> week of Jun	4.21	1.25	1.70	0.41	9.87	5.57	2.35
Area Sown	53.38	44.38	45.50	45.32	47.24	48.24	?
Lac Ha Production	48.73	42.90	33.15	38.92	43.32	43.50	?
Lac Tons							

- ✓ Shortfall in sowing in the month of Jun of any year, the production of Tur shows decline trend
- ✓ Where sowing figures in Jun are near to normal then the production of that year is fair

If **monsoon deficit continues for next 15 days** then the sowing will get affected and have directly negative impact on sowing by around 25%

If **monsoon comes properly from now onwards**, still we expect their will be **shortfall in sowing around 7 to 10 %**.

# HISTORICAL TUR PRODUCTION ALONG WITH AVERAGE



Particulars	2016	2017	2018	2019	2020	2021	2022	Average
Acreage	39.63	53.38	44.38	45.50	45.32	47.24	48.24	46.24
Production	25.61	48.73	42.90	33.15	38.92	43.32	43.50*	39.45
Yield	646	913	967	729	859	914	902	847

Expected Production 2023 - ?

- ✓ Average production of last five year - 40.36 Lac Tns
- ✓ Average Acreage of last five years - 46.14 Lacs Ha

## TUR STOCK POSITION OF PAST 5 YEARS

Particulars	K 16-17	K 17-18	K 18-19	K 19-20	K 20-21
Gross Production (a)	48.70	42.90	33.15	38.92	43.32
Less: FSR & Other (b)	6.09	5.36	4.14	4.87	5.42
<b>Net Production (a-b)</b>	<b>42.61</b>	<b>37.54</b>	<b>29.01</b>	<b>34.06</b>	<b>37.91</b>
Brought Forward Stock	1.00	9.65	13.19	6.30	2.85
Imports ( Jan - Dec)	4.04	4.00	4.10	4.50	6.72
<b>Total Availability</b>	<b>47.65</b>	<b>51.19</b>	<b>46.30</b>	<b>44.85</b>	<b>47.48</b>
Consumption	38.00	38.00	40.00	42.00	42.00
<b>Carry Forward Stock</b>	<b>9.65</b>	<b>13.19</b>	<b>6.30</b>	<b>2.85</b>	<b>5.48</b>

## TUR STOCK POSITION OF KHARIF 2021-22

<b>Particulars</b>	<b>K 21-22</b>
Gross Production (a)	<b>39.00 *</b>
Less: FSR & Other (b)	4.88 *
<b>Net Production (a-b)</b>	<b>34.13</b>
Brought Forward Stock	5.48
Imports ( Jan - Jun)	3.90
Expected Imports ( Jul - Dec)	4.00
<b>Total Availability</b>	<b>47.50</b>
Consumption	<b>44.00*</b>
<b>Carry Forward Stock</b>	<b>3.50</b>

- ✓ Third advance estimate of Production is 43.50 Lac Tons, but in my opinion Govt. has not considered the loss due to heavy rain during harvesting. This impact Government may consider before fourth advance estimate published by government.
- ✓ As per the Economic Survey 2021-22, Out of Gross Production there is 12.5% is seed, feed & Wastage. Thus net production after reducing 12.5% has been considered for carry forward calculations
- ✓ Consumption has been considered on higher side as compared to last year because of opening of Travel & Tourism industries during last 4 to 5 months



## IMPORT POLICIES RELATED TO TUR

- ✓ Import Policy is a tool for Government to curb the prices of Tur
- ✓ Govt has come into action in last quarter of 2020
- ✓ Govt has come up with more than 20 notifications/guidelines to reduce the prices of tur.
- ✓ Major Import related action take by government
  - Import status of “Tur” has been changed from “restricted” to “free” and has been extended till 31.03.2023
  - Extended MOU with Mozambique of two lakh tonne annually for 5 years
  - New MOUs with Malawi and Myanmar for import of 50000 tonne and 100000 tonne per annum till 2025

*Thus considering the above facts into consideration I expect around 4.0 lacs ton for remaining period of year 2022, which has been considered in my carry forward stock working*

# TECHNICAL PRICE ANALYSIS



## The main three phases of commodities are

Accumulation – Wait and Watch – Distribution

This are the main phases of Agri Commodities because it has yearly cycle and on this factor we are going to present our conviction

We observed that **Average price** while Accumulation is greater than average price while distribution and

High shown during accumulation has not broken during distribution phase, it clear cut indicates bearish trend

## Fibonacci retracement level

Low	23.5%	38.2%	61.8%	100%
3500	6202	7895	10600	15000

# PRICE IMPACT ANALYSIS

## ► BULLISH FACTOR

- ✓ The surge in prices of competing crops like soyabean and cotton has made Tur less favourable among the farmers.
- ✓ Delayed or Negative monsoon in the Major tur growing State Like Maharashtra and Karnataka resulting in low sowing
- ✓ Low Carry Forward stock of Tur
- ✓ Increasing in consumption due to opening of travel & tourism industries

## ► BEARISH FACTOR

- ✓ Free Import Policy for Tur upto March 2023
- ✓ Inconsistent government policy related to Pulses
- ✓ Low Prices of other commodities making people to shift consumption from tur to that low price commodities
- ✓ Free Distribution of Pulses by Government

## CONCLUSION & PROSPECTS

- ▶ Going forward IMD has forecasted normal monsoon, so as of now we expect 7 to 10 % shortfall in production figures
- ▶ Possibility of farmer shifting to lucrative crops like cotton, soyabean cannot be denied considering the past experiences
- ▶ India is still tight on Tur inventory
- ▶ Import Policy for Tur is open as of now, but in future change in policy by govt will have impact on the prices of Tur
- ▶ Long term price forecast depends on the import from African countries and forthcoming monsoon
- ▶ Our expectation towards Price range may be between 6700 to 7200 for medium term

*Thank you*

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