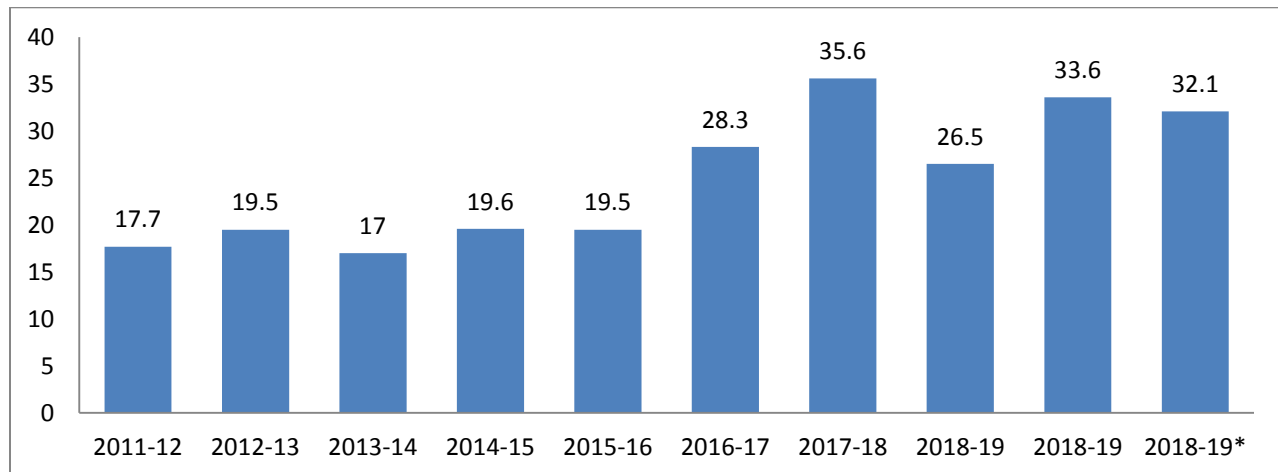


Black gram Outlook – June 2019

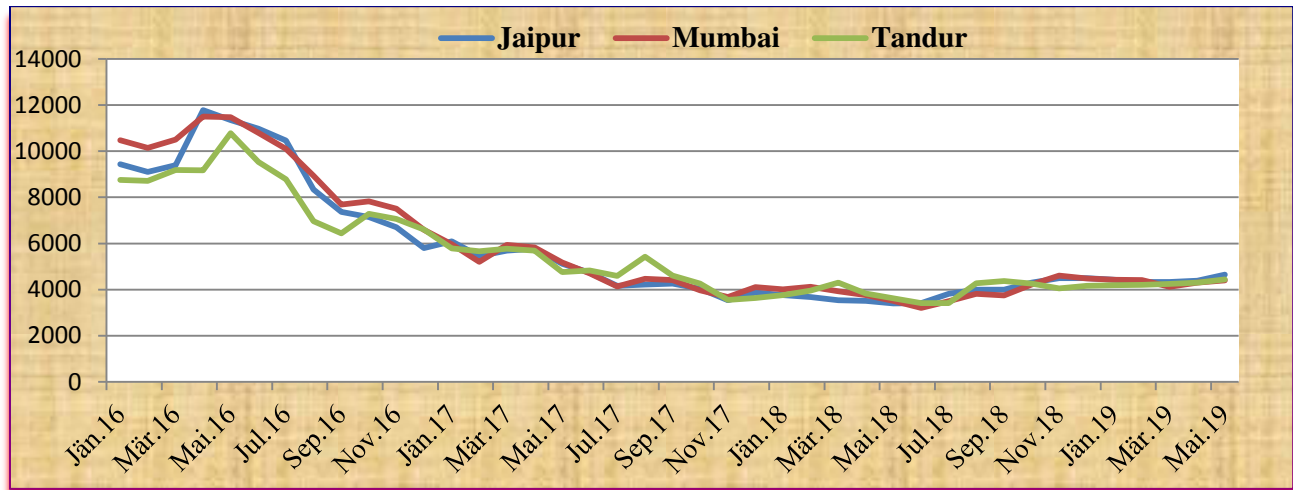
Black gram is a highly priced pulse, very rich in phosphoric acid. India currently represents the largest producer of black gram accounting for more than 70% of the global production. India is followed by Myanmar and Pakistan.

In India during rabi 2018-19, black gram area is lagging by 4.3% at 9.35 lakh ha as against 9.77 lakh ha last year. The states of Tamil Nadu (3.89 lakh ha), Andhra Pradesh (2.85 lakh ha), and Odisha (2.29 lakh ha) are the major producers of rabi black gram in India. In Telangana area coverage under black gram during rabi 2018-19 was 5907 ha and major growing districts are Jagtiyal (1476 ha), Wanaparthy (1690ha), Mahabubabad (579 ha), Gadwal (245 ha), Nagarkurnool (412 ha), Koththagudem (253 ha) and Jayashankar (258 ha).



Source: Directorate of Economics and Statistics (DES), *3rd Advance Estimates

Figure 1: Production of black gram in India (in lakh tonnes)



Source: www.agrimarketing.telangana.gov.in

Figure 2: Average monthly prices of black gram in major markets of India (Rs/q)

It is clear from Figure 2 that all major markets of black gram in the country were found to be highly integrated with regard to price movement. The black gram prices which were above Rs. 11000 per quintal in April 2016 observed continuous decline and fluctuating around Rs. 4000 since last one year. Currently black gram in major markets is being traded at a lower price of around Rs. 4300-4600 per quintal.

Black gram may move further up from current level as there is no crop in near future. Arrival of green black gram is expected in UP from next week. However, it is a small crop area. Crop from Shivpuri and Katni line has been exhausted now. Supply from Kota and Chandausi line is tight and it may push up black gram price once again. With fixed import quota of 1.5 lakh MT, black gram import flow would be limited too as stock at port is decreasing. It may push up black gram price by Rs 200-250 more from current level in coming weeks. In Mumbai market black gram FAQ is being traded at Rs 5000-5100. SQ is being traded at Rs 6000-6150 per quintal. Delayed monsoon may setback commencement of sowing in southern Indian states. It is expected that demand –supply gap to widen further.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Black gram is likely to trade in price range between Rs. 4400 - 4800 per quintal in the month of June 2019.