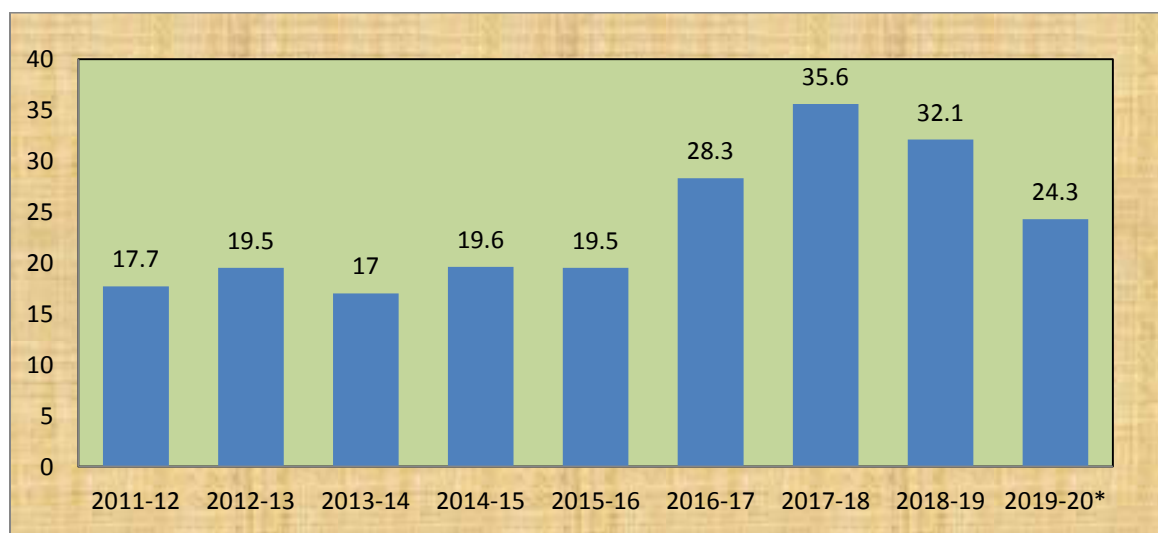


Black gram Outlook – October 2019

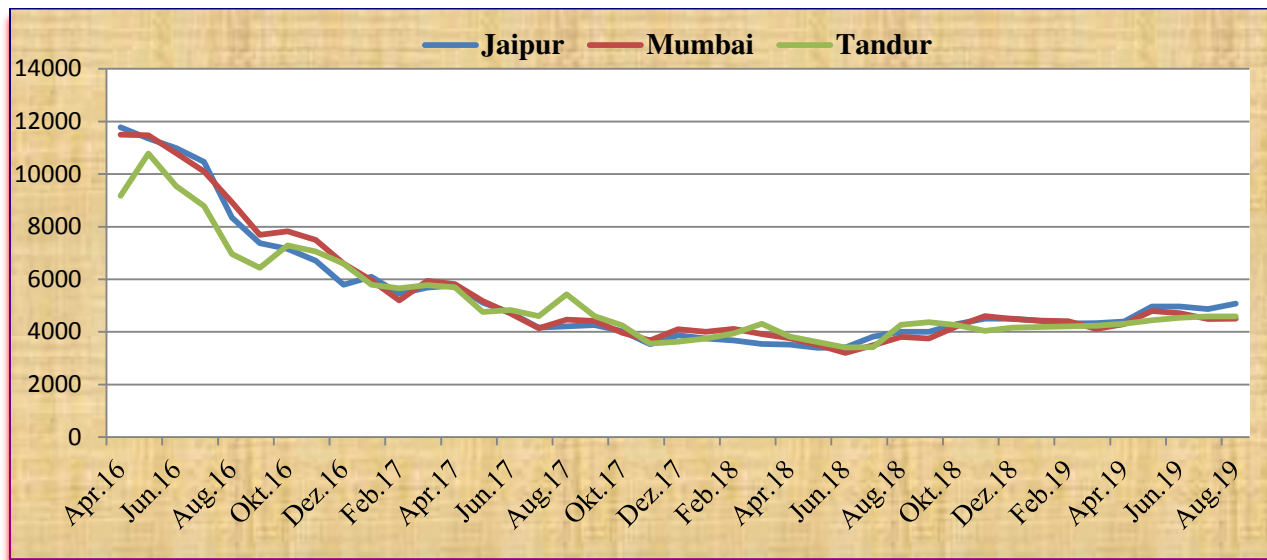
Black gram is a highly priced pulse, very rich in phosphoric acid. India currently represents the largest producer of black gram accounting for more than 70% of the global production. India is followed by Myanmar and Pakistan.

In India during kharif 2019-20, black gram area is 38.82 lakh ha as against 39.56 lakh ha in last year. The states of Madhya Pradesh (16.50 lakh ha), Uttar Pradesh (7.01 lakh ha), Rajasthan (4.60 lakh ha), Maharashtra (2.98 lakh ha), Karnataka (0.69 lakh ha) and Andhra Pradesh (0.09 lakh ha) are the major producers of black gram in India during Kharif. In Telangana area coverage under black gram during kharif 2019-20 was 18725 ha and major growing districts are Sangareddy (4407 ha), Vikarabad (3245 ha), Nirmal (3686 ha), Kamareddy (3883 ha), Medak (729 ha) and Adilabad (1254 ha).



Source: Directorate of Economics and Statistics (DES), *1st 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. 5300-5550 per quintal.

Black gram market is likely to trade firm due to crop and quality loss in Madhya Pradesh, Rajasthan, Maharashtra and Gujarat. Total area loss is around 1.25 lakh ha while, 30 to 40% quality loss is expected in Madhya Pradesh and Rajasthan. Black gram production is likely to decrease by 5.35% from 24.58 to 23.33 lakh tonnes in new season (2019-20). Import is expected to decrease by 1.5 lakh tonnes to 1.5 lakh tonnes due to quantitative restriction. Total supply would decrease slightly from 36.55 to 33.58 lakh tonne in 2019- 20. Export would decrease from 0.3 to 0.2 lakh tonnes due to disparity. Consumption would increase from 27.5 to 28 lakh tonnes in 2019-20. So, carryout out would decrease from 8.75 to 5.38 lakh tonnes. As carryout has declined considerably, supply side is expected to be tight this year. So, prices are likely to rule at higher level.

Black gram in Chennai market is being traded at Rs 5550 and in Mumbai at Rs 5300-5350. It may move up to MSP level soon. Arrival is likely to increase with favourable weather. Lower availability of quality crop may encourage stockiest to retain stock.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Black gram is likely to trade in price range between Rs. 4950 - 5300 per quintal in the month of October 2019.