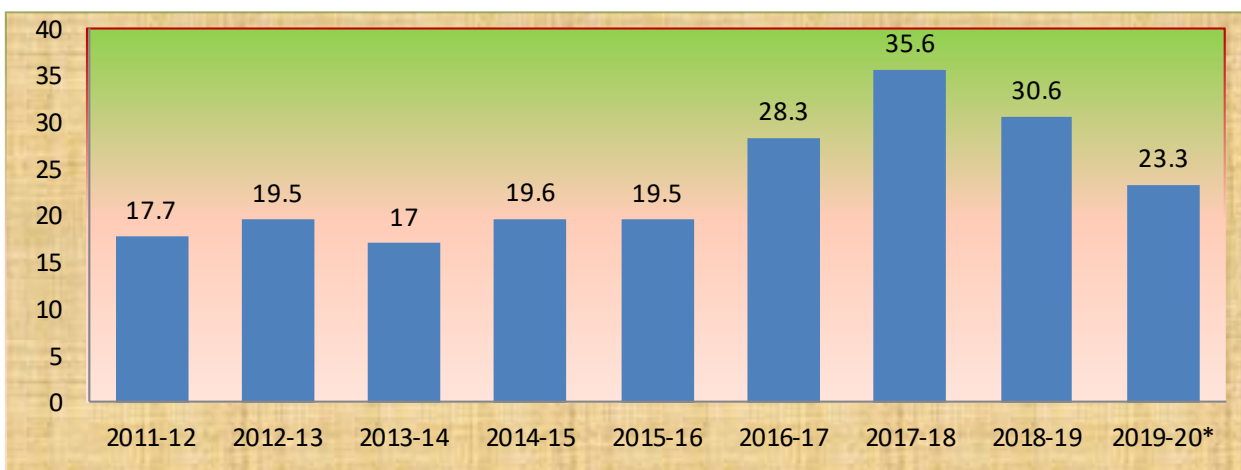


## Black gram Outlook – August 2020

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 black gram production.

In India during kharif 2020-21, black gram area is up by 120.77% at 33.37 lakh ha (82.46 lakh acres) as against 27.63 lakh ha (68.28 lakh acres) last year. The major kharif black gram growing states are Madhya Pradesh 15.25 lakh ha (37.68 lakh acres), Maharashtra 3.61 lakh ha (8.92 lakh acres), Rajasthan 3.17 lakh ha (7.83 lakh acres), Karnataka 0.94 lakh ha (2.32 lakh acres), Telangana 0.16 lakh ha (0.40 lakh acres) and Andhra Pradesh 0.10 lakh ha (0.25 lakh acres). In Telangana area coverage under black gram during kharif 2020-21 was 16997 ha (42001 acres) and major growing districts are Kamareddy 3738 ha (9237 acres), Sangareddy 4995 ha (12344 acres), Vikarabad 4110 ha (10158 acres), Nirmal 1728 ha (4270 acres), Medak 496 ha (1228 acres) and Adilabad 375 ha (929 acres).

According to 3rd advance estimates black gram production in India during 2019-20 is estimated as 23.3 lakh tonnes.

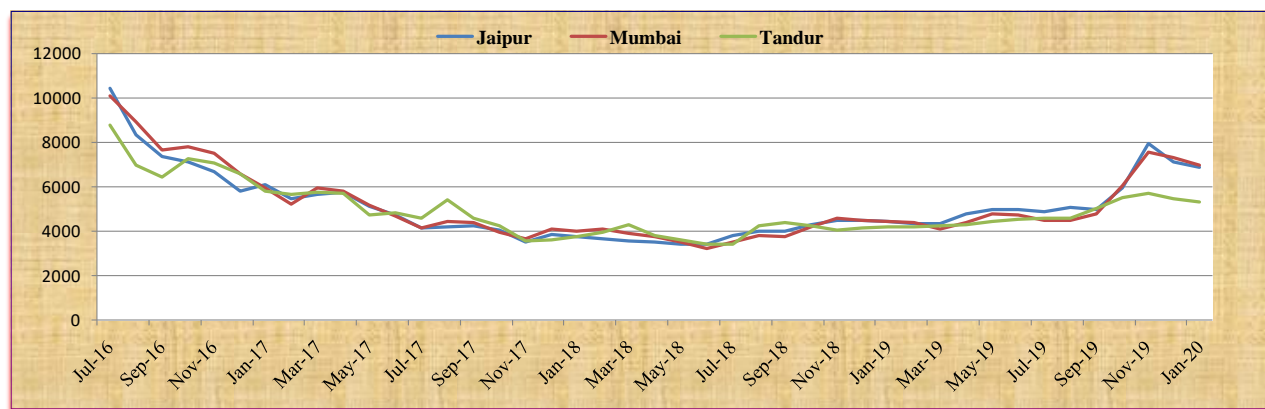


Source: Directorate of Economics and Statistics (DES), \*3<sup>rd</sup> Advance Estimates

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

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. 4000-5000 since last one year. Currently black gram in major markets is being traded at a normal price of around Rs. 5759-6350 per quintal.



Source: [www.agrimarketing.telangana.gov.in](http://www.agrimarketing.telangana.gov.in)

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

Cash black gram market traded steady to slightly weak after some improvement last week. Supply increased at higher levels in the domestic market while increasing possibility of higher import in July and August has affected the inner stocks negatively in the market.

Government has fixed import quota of Black gram at 4 lakh MT for 2020-21 and import time line has been decreased from Mar-2021 to Aug-2020 now. So higher volume in next two months is expected. Increasing kharif Black gram area may also drag down prices in coming weeks. Stockiest are also expected to offload stocks in July and August as the new crop may hit the markets by the end of August. Demand is normal and south Indian millers are waiting for bulk import. Black gram price may decrease at least by Rs. 200 in coming weeks.

NAFED has started intervening in the market with government's consent as it has around 1.74 lakh MT old stock. Import would increase supply into the market and price is bound to decrease in coming days. Even kharif area is expected to increase by 10% this year due to higher MSP. Early start of monsoon rains are beneficial for kharif sowing and early arrival is expected this year.

Farmers have covered 30.14 lakh ha area so far under kharif Black gram against 25.51 lakh ha last year till 24<sup>th</sup> July -2020. It is running higher by 18% so far.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Black gram is likely to trade in price range between Rs. 5300 - 5600 per quintal in the month of August 2020.