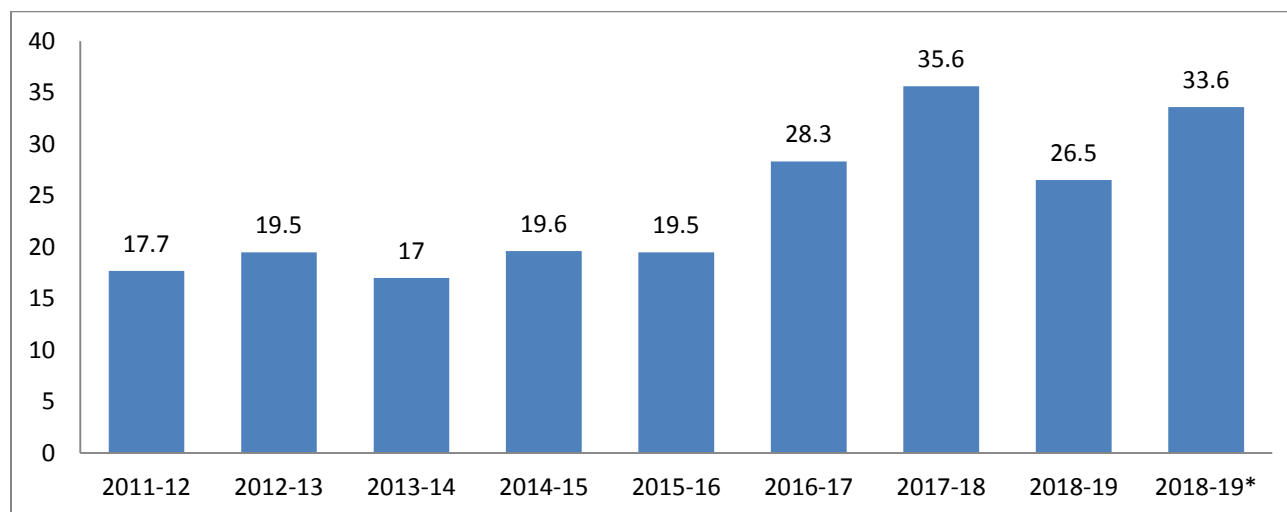


Black gram Outlook – April 2019

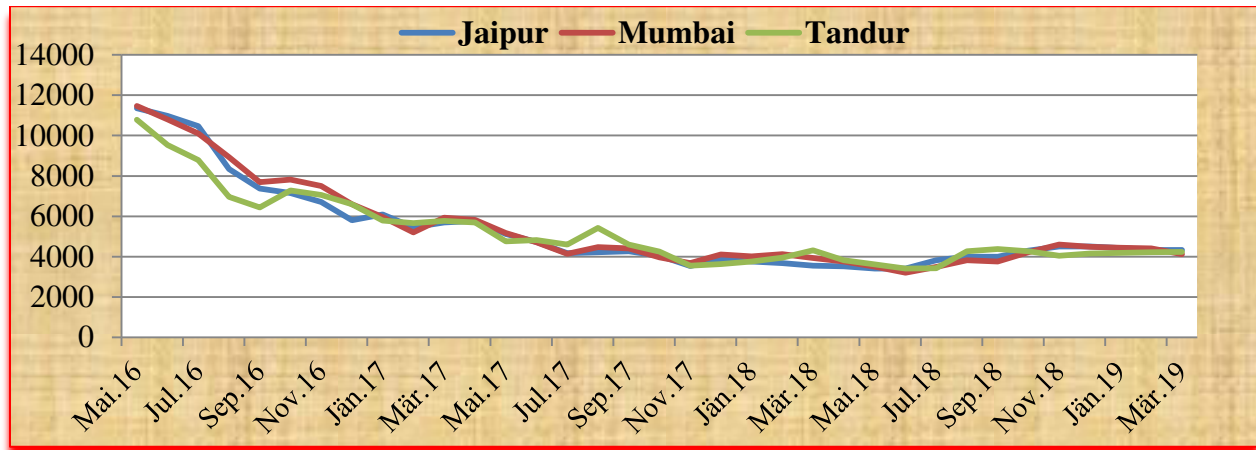
Black gram is a highly priced pulse, very rich in phosphoric acid. India currently represents the largest producer of black gram accounting for more than 70% of the global production. India is followed by Myanmar and Pakistan.

In India during rabi 2018-19, black gram area is lagging by 4.3% at 9.35 lakh ha 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 4754 ha and major growing districts are Jagtiyal (879 ha), Wanaparthi (1263ha), Mahabubabad (579 ha), Gadwal (245 ha), Nagarkurnool (412 ha), Koththagudem (253 ha) and Jayashankar (258 ha).



Source: Directorate of Economics and Statistics (DES), *2nd Advance Estimates

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



Source: agrimarketing.telangana.gov.in

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

It is shown 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. 4200-4400 per quintal.

Black gram cash market is bound to go up due to import cap at 1.5 lakh MT for the whole year, starting from 1st April-2019 to 31st March-2020. No new crop is due now. Next new arrival (big crop) is expected only in September. Before this green black gram (smaller crop size) would hit market from Madhya Pradesh and Uttar Pradesh but mostly would be consumed in Dhoja dal. Currently, there is no parity for Delhi from Kota and Chandausi line. So, FAQ moved up by Rs 100 to Rs 4550-4600 and SQ to Rs 5500-5550. After a slight downward correction black gram may move further up by Rs 200-300. Stake holders should buy on dip and hold stock.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Black gram is likely to trade in price range between Rs. 4200 - 4500 per quintal in the month of April 2019.