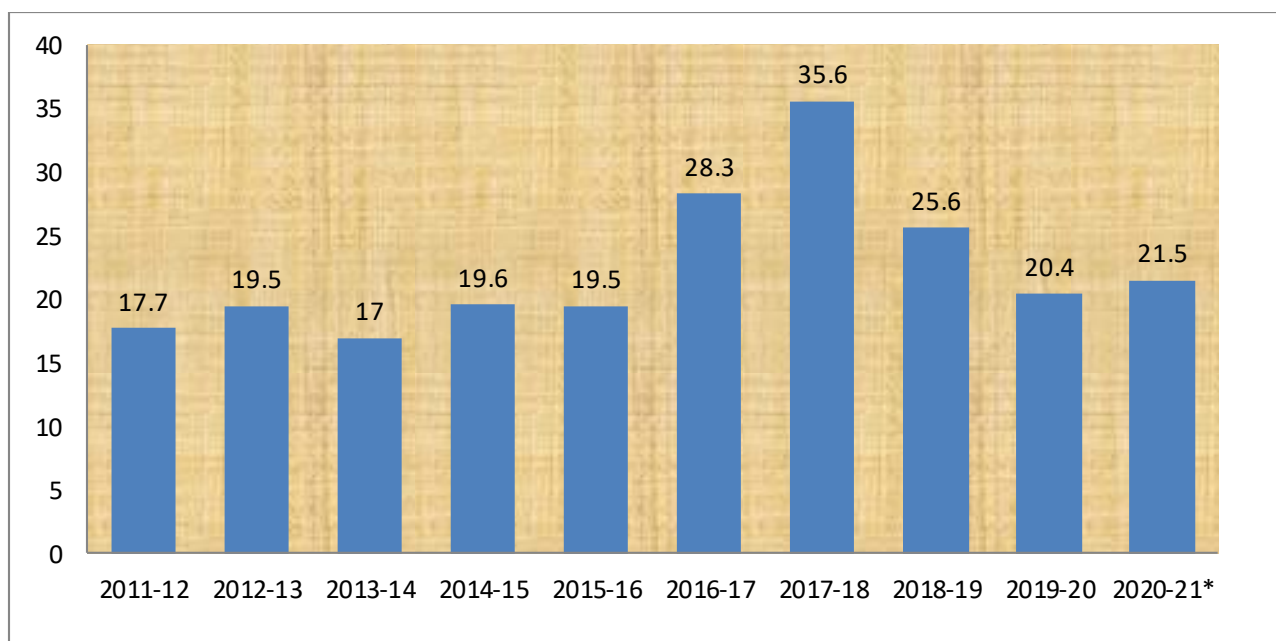


## Black gram Outlook – October 2020

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.

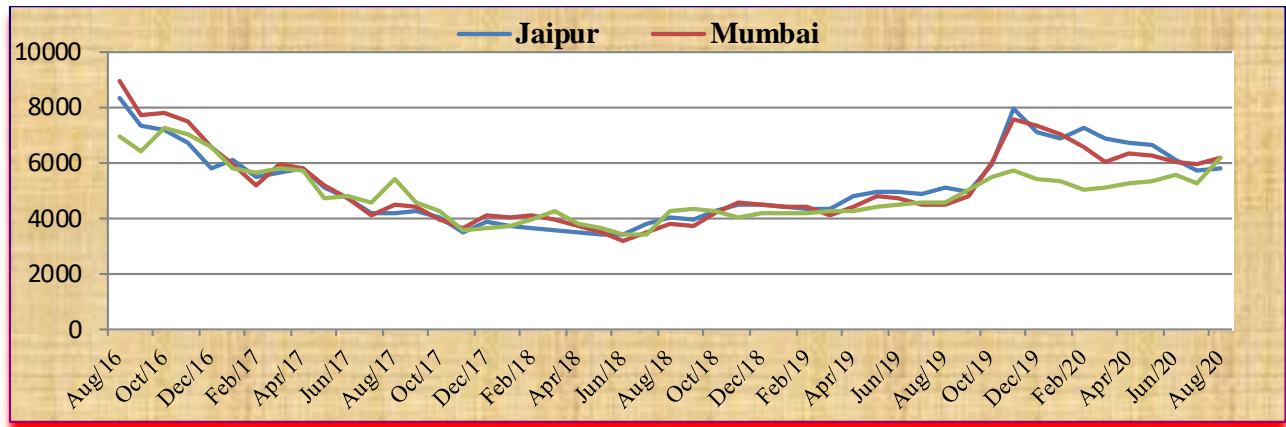
In India during kharif 2020-21, black gram area is up by 1.5% at 38.62 lakh ha (95.43 lakh acres) as against 38.03 lakh ha (97.97 lakh acres) last year. The major kharif growing states are Madhya Pradesh 16.01 lakh ha (39.56 lakh acres), Uttar Pradesh 6.92 lakh ha (17.10 lakh acres), Maharashtra 3.88 lakh ha (9.59 lakh acres), Rajasthan 3.76 lakh ha (9.29 lakh acres), Karnataka 1.09 lakh ha (2.69 lakh acres), Telangana 0.18 lakh ha (0.44 lakh acres) and Andhra Pradesh 0.18 lakh ha (0.44 lakh acres). In Telangana area coverage under black gram during kharif 2020-21 was 19005 ha (46963 acres) and major growing districts are Kamareddy 4243 ha (10485 acres), Sangareddy 5455 ha (13481 acres), Vikarabad 4413 ha (10905 acres), Nirmal 1804 ha (4459 acres), Medak 564 ha (1395 acres) and Adilabad 383 ha (947 acres).



Source: Directorate of Economics and Statistics (DES), \*1<sup>st</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. 5900-6600 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)**

Despite smart recovery in Black gram cash market, uptrend is unlikely to continue as new arrivals have started increasing in local markets now and should peak in mid-October. Rains have delayed arrival by a week. No major area loss has been reported so far except some quality losses in pockets of Satna, Nagour, Marathwara, Vidarbha and Jalgaon due to heavy rains. Total 30,000-35,000 ha is said to be destroyed. However, the loss is likely to be compensated by good crop condition and better yield in other regions.

Government has stopped Black gram import with commencement of new arrivals. Delay in arrival, restricted import for limited period (during arrival season) may cap Black gram price slipping below MSP this year (Rs. 6000/mt). Pipeline is almost vacant. So, stockiest/millers would be active once quality crop starts hitting the market. Black gram FAQ is being traded at Rs. 7500 in Mumbai and at Rs. 7600-7700 in Chennai. Black gram is expected to trade in the range of Rs. 7000-8000 this week. Quotes for FAQ Black gram moved up by \$25 to \$855 per MT, while SQ moved up by \$25 to \$975 per MT basis Indian port during the week. Import is not taking place as licenses have not yet been issued.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Black gram is likely to trade in price range between Rs. 5900 - 6300 per quintal in the month of October 2020.