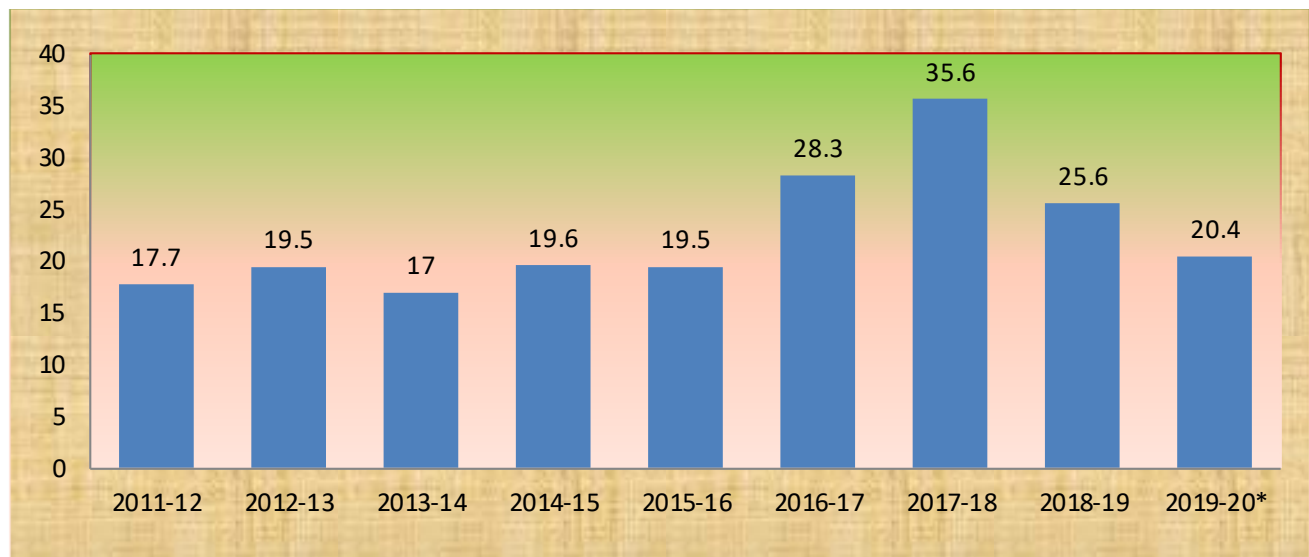


Black gram Outlook – September 2020

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 0.93% at 37.92 lakh ha (93.70 lakh acres) as against 37.57 lakh ha (92.84 lakh acres) last year. The major kharif growing states are Madhya Pradesh 16.00 lakh ha (39.54 lakh acres), Maharashtra 3.80 lakh ha (9.39 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 0.16 lakh ha (0.40 lakh acres). In Telangana area coverage under black gram during kharif 2020-21 was 18506 ha (45730 acres) and major growing districts are Kamareddy 4148.84 ha (10252 acres), Sangareddy 5394 ha (13329 acres), Vikarabad 4377 ha (10817 acres), Nirmal 1779 ha (4398 acres), Medak 548 ha (1355 acres) and Adilabad 381 ha (943 acres).

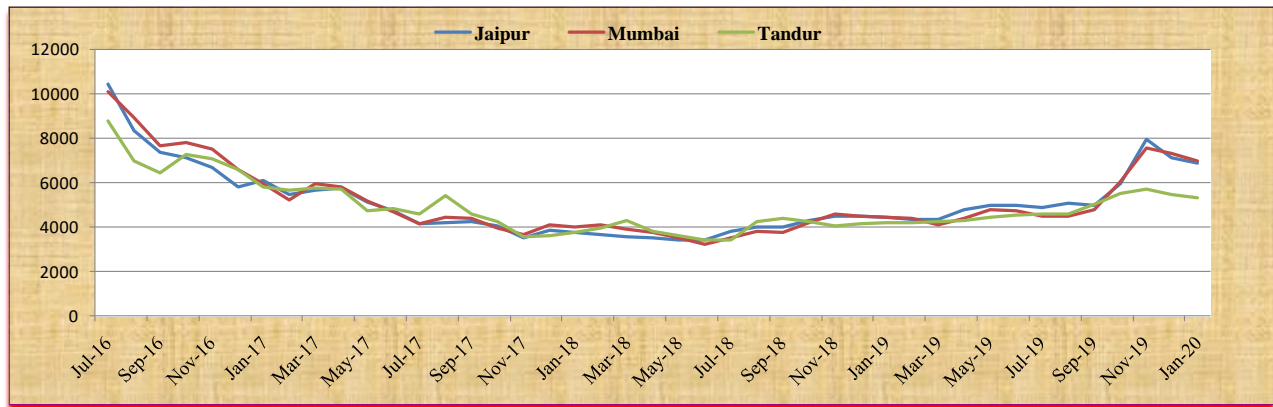


Source: Directorate of Economics and Statistics (DES), *4th Advance Estimates

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

It is clear that all major markets of black gram in the country were found to be highly integrated with regard to price movement (Figure 2). 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

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

Import flow of black gram remained slow in August as margin for import is decreasing with declining prices in the domestic market and prospects of good kharif crop this year. The allocated 4 lakh MT black gram imports were not utilized by 31st August, given the current pace of imports. So, if the time line is not extended beyond August, prices of black gram may move up again.

Quotes for FAQ black gram moved up by \$10 to \$785 per MT while SQ moved up to \$885 per MT basis at Indian port. Prices in domestic market too improved by Rs. 200 to Rs. 6200 for FAQ and Rs. 6900 for SQ. If demand improves and government maintains status quo for import deadline, prices could increase against normal expectation. So, the government decision on extending the deadline remains crucial in deciding the price trend in the coming weeks too.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Black gram is likely to trade in price range between Rs. 5800 - 6100 per quintal in the month of September 2020.