

Acharya N.G. Ranga Agricultural University

Crop Outlook Reports of Andhra Pradesh

BLACKGRAM – January to December 2021

Blackgram is scientifically known as *Phasiolus mungo* and commonly called as Urad in India. India is its primary origin and is mainly cultivated in Asian countries including Pakistan, Myanmar and parts of Southern Asia. India is the world's largest producer as well as consumer of blackgram. It produces about 23.4 lakhtonnes of blackgram annually from 46.7 lakh hectares of area, with an average productivity of 501Kg per hectare in2020-21 (agricoop.nic.in). Blackgram area accounts for about 15.7 per cent of India's total pulse acreage and contributes 9.09 per cent of total pulse production. In Kharif 2021-22, blackgram production was 20.5 lakh tonnes (1st advance estimates) in an area of 39.43 lakh hectares (agricoop.nic). Andhra Pradesh produced 3.65 lakh tonnes of blackgram in an area of 3.93 lakh ha during 2020-21(des.ap.gov.in). According to 2nd advance estimates during 2021-22, blackgram was grown in 3.93 lakh hectares with a production of 3.65 lakh tonnes and productivity was 929 kg/ha.

Table 1: Balance sheet of blackgram(in lakh tonnes)

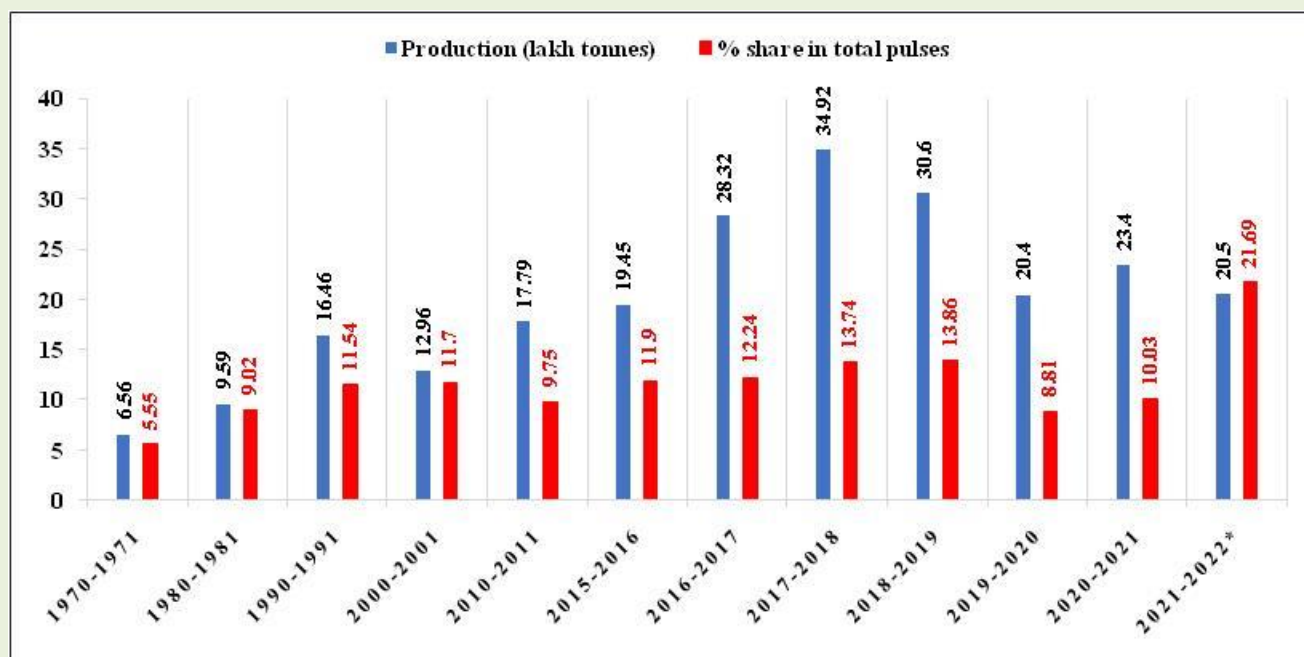
Marketing Year (March to February)	2019-20	2020-21	2021-22*
Opening stocks	8.75	2.37	1.77
Production	19.39	23.4	24.03
Imports	3.95	4	4.5
Total Supply	32.09	29.77	30.3
Exports	1.72	0.5	0.6
Consumption	28	27.5	28
Total Demand	29.72	28	28.6
Ending stocks	2.37	1.77	1.7

Source: agriwatch.com * Advance Estimates

As per some private sources (Table 1)in the marketing year 2021-22, the consumption of blackgram was 28 lakh tonnes against the production of 24.03 lakh tonnes with the rest of the demand-supply gap was covered by importing around 4.50 lakh tonnes along with the opening stocks 1.77 lakh tonnes.

Figure 1:Percentshare of blackgram production in total pulses production in India

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Source: indiastat.com* Kharif 2021

The blackgram contribution to total pulse production in 2020-21 is 10.03 percent and in Kharif 2021 blackgram contributed 21.69% (Figure 1). The production has been decreasing since 2017-18 from 34.92 lakh tonnes to 23.4 lakh tonnes in 2020-21. The production of pulses has risen from 1970-71 to 2017-18, primarily due to the governments' effort to strengthen seed production and distribution, and the continuous increase of MSP. But this spurt in pulse production is not enough to meet the demand as the import of pulses has also risen. The reason behind the decline in pulse production is improved irrigation facilities, which allows to grow-intensive crops such as rice/wheat and commercial crops. So, the government is incentivizing MSP of blackgram which increased from Rs. 4350 in 2014-15 to Rs. 6000 in 2020-21.

Table 2: Procurement of blackgram under Price Support Scheme (PSS)

Commodity /year	Support price (Rs per quintal for FAQ)	Quantity procured in tonnes	Value in million	Major states of procurement
2017-18	5400 (Kharif) and 5000 (Rabi)	292414	157274	Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, West Bengal, Uttar Pradesh and Telangana
2018-19	5700 (Kharif) and 5400 (Rabi)	560981	312411	Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Uttar Pradesh and Telangana

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2019-20	5700 (Kharif) and 5600 (Rabi)	18284.4	10239	Andhra Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu and Telangana
2020-21*	6000 (Kharif) and 5600 (Rabi)	137.16	82.30	Andhra Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu and Telangana

Source: Agricultural statistics at a Glance 2020, eands.dacnet.nic.in, *As of 04.03.2021. 'FAQ: Fair and Average Quality

The procurement of blackgram under Price Support Scheme by Government of India is presented in Table 2. In 2020-21, a total of 137.16 tonnes was procured at a price of Rs. 6000 per quintal in kharif and Rs. 5600 in Rabi which has a value of Rs. 82.30 million.

Table 3: Area, production and yield of blackgram before and after bifurcation of AP

Before Bifurcation		After Bifurcation					
2010-11		2015-16		2020-21		2021-22*	
AP	India	AP	India	AP	India	AP	India
Area (in '000 Ha)							
464 (14.20%)	3267	455 (12.56%)	3624	392 (8.67%)	4672	393 (9.89%)	3943
Production (in '000 tonnes)							
253 (14.22%)	1,779	411 (21.12%)	1,945	365 (15.59%)	2340	365 (17.80%)	2050
Yield in Kg/Hectare							
546	545	902	537	929	501	929	519

Source: agricoop.nic.in and des.ap.gov.in

*1st advance estimates of India and 2nd advance estimates of AP.

The contribution of blackgram acreage in Andhra Pradesh before bifurcation was 14 per cent to total blackgram production of India and after bifurcation it was 12.56 per cent which further decreased to 9.89 per cent in 2021-22. The productivity has increased from 546 kg/ha to 929 kg/ha after the bifurcation so there was an increase in the production though there was a decline in the area cultivated (Table 3).

Table 4: Major blackgram producing districts in Andhra Pradesh (2019-20)

District	Area ('000 hectares)			Rank	Production ('000 tonnes)			Rank	Yield (Kg/ha)	Rank
	Kharif	Rabi	Total		Kharif	Rabi	Total			
Krishna	2	126	128	1	3	175	178	1	1396	1
Guntur	2	31	33	3	1	40	41	2	1267	3
Kurnool	4	15	19	4	3	22	25	3	1271	2
Srikakulam	0	41	41	2	0	20	20	4	479	12
Other districts	7	75	82		7	58	65			
Andhra Pradesh	15	288	303		14	315	329		1086	

Source: apagrisnet.gov.in

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District wise blackgram production in Andhra Pradesh is presented in Table 4. Blackgram crop in Andhra Pradesh is cultivated mainly in rabi season. The results shows that Krishna district has highest area and production as the farmers in the region practice paddy followed by blackgram and its soil is best suited for blackgram cultivation. Generally, the crop donot face with drought conditions, leaving to better productivity.

Table 5: Cost-return structure of blackgram in Krishna Zone 2020-21 (Rs./ha)

S NO	Particulars	Blackgram
1	Labour costs (Rs/ha)	18112(32.89)
2	Material costs(Rs/ha)	16475(29.92)
3	Variable costs(Rs/ha)	34587(62.81)
4	Fixed costs(Rs/ha)	20483(37.19)
5	Total cost(Rs/ha)	55070(100)
6	Yield (Qtl/ha)	9.24
7	Price (Rs./qtl)	6900
8	Gross returns (Rs/ha)	63756
9	Net returns (Rs/ha)	8686
10	Gross Margin (Rs/ha)	29169
11	Return on rupee BCR	1.16
12	Return on variable costs	1.84
13	Cost of Production (Rs./qtl)	5959.96

Source: Survey Data, Figures in the parentheses indicate the per cent of the item to the total cost
BCR – Benefit Cost Ratio, VC – Variable Costs

The cost-return structure of rabi grown blackgram in Krishna Zone (Guntur, Prakasam and Krishna districts) of Andhra Pradesh for the year 2020-21 was presented in Table 5. Cost of Production in blackgram was Rs. 5959.96/quintal. Gross margin implies the returns over variable cost which is pertained to owner farmers and net returns implies returns over the total costs which is pertained to tenant owners. Gross margin and net returns were Rs. 29169 per ha and Rs. 8686 per ha respectively. Return on rupee BCR was 1.16which is concerned to tenant farmers and return on variable costs was 1.84which owner farmers considers.

Blackgram Price Outlook:

During Kharif Marketing Season (KMS) 2020-21 market prices stayed above MSP on all days except for a day in Uttar Pradesh, with an average gap of 12.1 percent (Table 2.8).

Table 2.8: Market Prices vis-à-vis MSP of Blackgram in Major Producing States in KMS 2020-21 (Oct 2020 to Feb 2021)

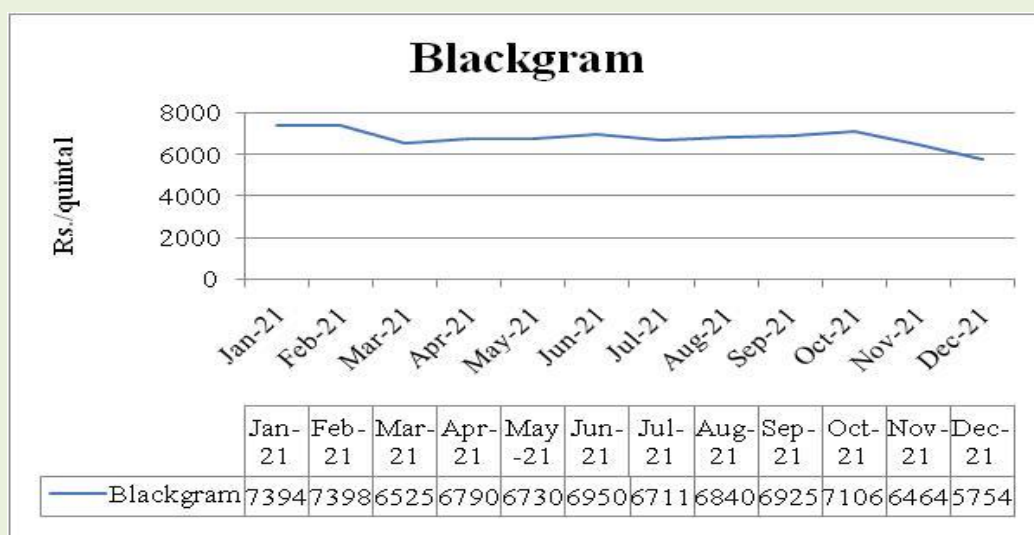
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States	No. of days market prices reported	No. of days market prices were above MSP	No. of days market prices were below MSP				Average difference (%) between MSP & market price
			<5%	5%-10%	10%-15%	>15%	
Madhya Pradesh	128	35	35	30	15	13	-4.8
Maharashtra	79	32	23	11	8	2	-1.7
Rajasthan	137	119	14	1	1	1	6.2
Tamil Nadu	87	65	10	6	0	5	7.7
Uttar Pradesh	151	150	1	0	0	0	12.1

Source: 1. AGMARKNET, Directorate of Marketing & Inspection (DMI), Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare
 2. Directorate of Economics & Statistics, Ministry of Agriculture and Farmers Welfare

In Maharashtra, market prices were less than MSP on 59.4 percent of the reported days and the average gap between them was (-)1.7 percent. In Rajasthan, market prices were above MSP on 87 percent of the days while in Tamil Nadu market prices were higher than MSP on almost 75 percent of days. The average market prices of blackgram were higher than MSP in Rajasthan (6.2%), Tamil Nadu (7.7%) and Uttar Pradesh (12%).

Figure 2: Average monthly prices of blackgram from January 2021 to December 2021 in Andhra Pradesh



Source: Data Obtained from napanta.com

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Average monthly prices of maize in Andhra Pradesh showed a consistent trend. In December average monthly price is Rs. 5754 (Figure 2). As per the information shared by Agricultural Market Intelligence Centre, ANGRAU, sowing activities were hampered due to recent rainfall and cloudy weather. As sowing was delayed, it may limit acreage increase by 4 to 5 %. India imported around 3,48,505 MT blackgram from April to October 2021. To control the continuously increasing prices of pulses, government changed pulses imports from restricted to open category. The Open General License (OGL) under the free import policy will enable the traders to quickly import the required quantity of redgram, greengram and blackgram to fulfil the shortage of the pulses. As Import flow is free now and when parity turns in favour of India, the volume of import may increase. Myanmar is offering blackgram FAQ at \$915 and SQ at \$1020. In view of current weather conditions and prices, traders expect the acreage in Madhya Pradesh and Bihar to increase for the rabi season. As on 3rd December 2021, 42.65 lakh hectares of blackgram was sown compared to 42.15 lakh hectares last year in India (agricoop.nic.in). In Andhra Pradesh as on 29th December 2021, 2.7 lakh hectares of blackgram was sown compared to 2.69 lakh hectares last year (apagrisnet.gov.in). So sticky prices are expected in the coming season.

Under these circumstances, the AMIC, ANGRAU here with providing the latest information with regard to forecast price range of Rs. 6000 - 6400 for blackgram in this rabi marketing / harvesting season 2021-22.
