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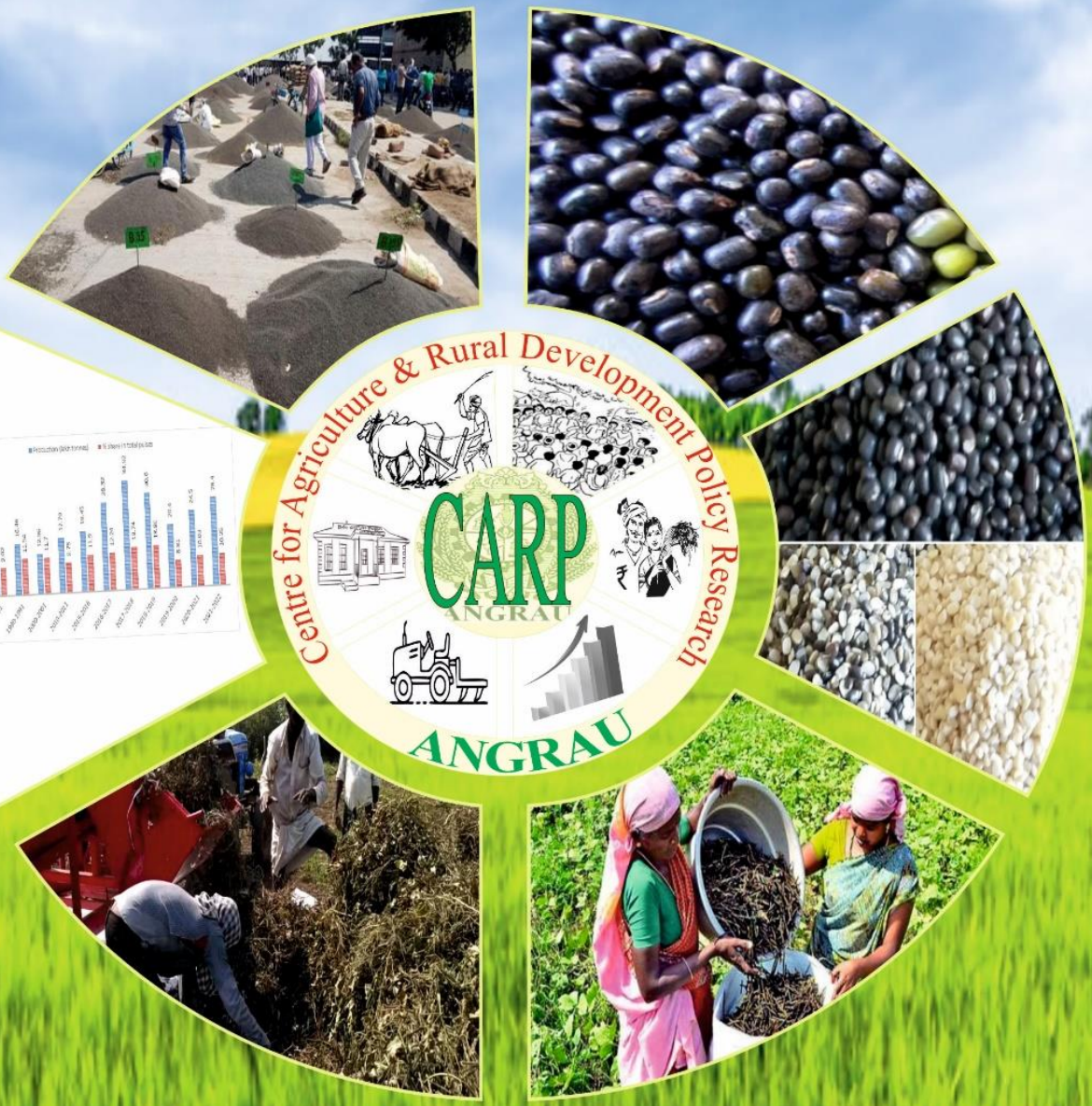
Crop Outlook Reports of Andhra Pradesh

BLACKGRAM

(January to December, 2022)



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BLACKGRAM – January to December 2022

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 28.4 lakh tonnes of blackgram annually from 47.6 lakh hectares of area, with an average productivity of 596 Kg per hectare in 2021-22 (DES). Blackgram area accounts for about 29 per cent of India's total pulse acreage and contributes 10.25 per cent of total pulse production. In Kharif 2022-23 Blackgram area was 42.33 lakh hectares which was increased by 1.96 % when compared to last year (agricoop.nic). Andhra Pradesh produced 4.29 lakh tonnes of blackgram in an area of 4.01 lakh ha during 2021-22 (des.ap.gov.in). According to 1st advance estimates during Kharif 2022-23, blackgram was grown in 0.38 lakh hectares with a production of 0.35 lakh tonnes and productivity was 927 kg/ha.

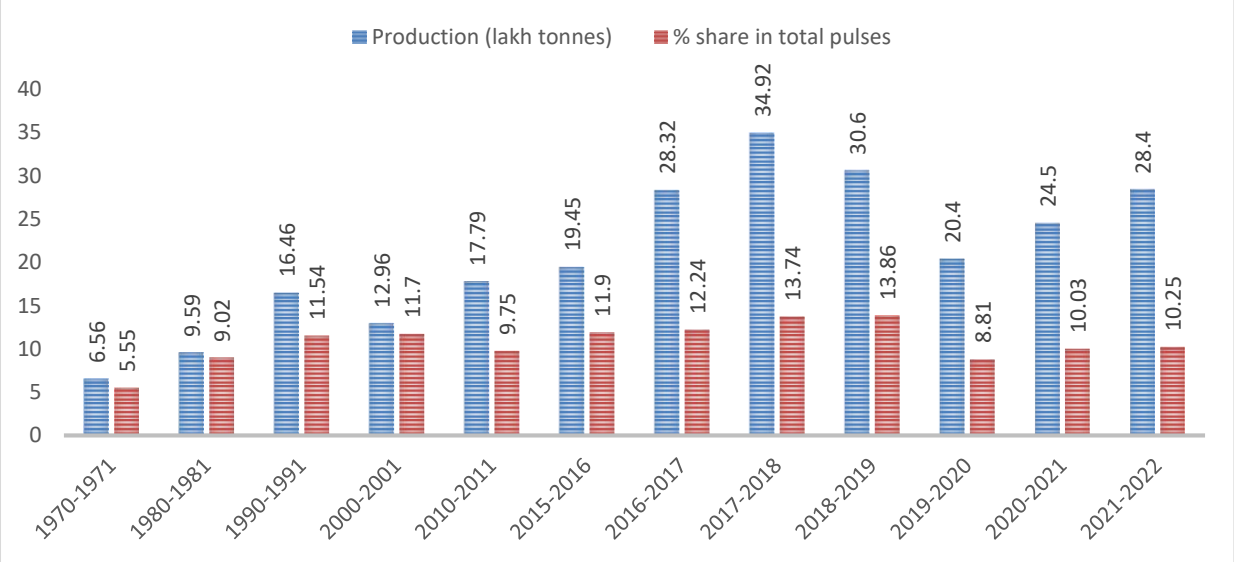
Table 1: Balance sheet of blackgram(in lakh tonnes)

Marketing Year (March to February)	2021-22	2022-23*
Opening stocks	**2.10**	**2.09**
Production	22.91	21.12
Imports	5.65	6.25
Total Supply	30.66	29.46
Exports	0.57	0.15
Consumption	28.00	28.50
Total Demand	28.57	28.65
Ending stocks	2.09	0.81

Source: agriwatch.com ** Advance Estimates*

As per some private sources (Table 1) in the marketing year 2022-23, the consumption of blackgram was 28 lakh tonnes against the production of 21.12 lakh tonnes with the rest of the demand-supply gap was covered by importing around 6.25 lakh tonnes along with the opening stocks 2.09 lakh tonnes.

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



Source: indiastat.com

The blackgram contribution to total pulse production in 2021-22 is 10.23 percent (Figure 1). The production has been decreasing since 2017-18 from 34.92 lakh tonnes to 28.4 lakh tonnes in 2021-22. 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. 6600 in 2022-23.

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 lakhs	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
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	Maharashtra
2021-22*	6300 (Kharif) and 6000 (Rabi)	2578.07	1595.69	Maharashtra, Madhya Pradesh & Gujarat

*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 2021-22, a total of 2578.07 tonnes was procured at a price of Rs. 6300 per quintal in kharif and Rs. 6000 in Rabi which has a value of Rs. 1595.69 lakhs.

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**		**2022-23***	
AP	**India**	**AP**	**India**	**AP**	**India**	**AP**	**India**	**AP**	**India**
Area (in '000 Ha)									
388 (11.80)	3266.8	455 (12.55)	3623.8	393 (8.80)	4463	401 (8.42)	4760	38	4233
Production (in '000 tonnes)									
205 (11.52)	1778.8	411 (21.13)	1945.3	365 (16.36)	2230	429 (15.10)	2840	35	1840
Yield in Kg/Hectare									
527	544.5	902	537	659	499	1070	596	927	434

Source: agricoop.nic.in and des.ap.gov.in
**1st Advance estimates*

The contribution of blackgram acreage in Andhra Pradesh before bifurcation was 11 per cent to total blackgram production of India and after bifurcation it was 12.56 per cent which further decreased to 8.42 per cent in 2021-22. The productivity has increased from 527 kg/ha to 1070 kg/ha after the bifurcation so there was an increase in the production though there was a decline in the area cultivated (Table 3).

Table4: Major blackgram producing districts in Andhra Pradesh (2020-21)

District	Area ('000 hectares)			Rank	Production ('000 tonnes)			Rank	Yield (Kg/ ha)	Rank
	Kharif	Rabi	Total		Kharif	Rabi	Total			
Krishna	3	142	145	1	4	161	165	1	1337	1
Guntur	6	49	55	2	4	35	39	3	1062	3
Kurnool	8	15	23	4	7	61	68	2	1446	2
Prakasam	5	20	25	3	4	23	27	4	433	12
Other districts	**15**	**133**	**148**		**7**	**59**	**66**		**-**	
Andhra Pradesh	**37**	**358**	**395**		**26**	**339**	**365**		**1086**	

Source: Agrl.statics at a glance, 2021

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 2021-22 (Rs./ha)

S NO	Particulars	Blackgram
1	Labour costs (Rs/ha)	20723 (27.00)
2	Material costs(Rs/ha)	25416 (33.12)
3	Variable costs(Rs/ha)	46543 (60.65)
4	Fixed costs(Rs/ha)	23218 (30.25)
5	Total cost(Rs/ha)	76737 (100)
6	Yield (Qtl/ha)	11
7	Price (Rs./qtl)	5900
8	Gross returns (Rs/ha)	65579
9	Net returns (Rs/ha)	-11159
10	Gross Margin (Rs/ha)	19035
11	Return on rupee BCR	0.85
12	Return on variable costs	1.41
13	Cost of Production (Rs./qtl)	6904

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 2021-22 was presented in Table 5. Cost of Production in blackgram was Rs. 6904/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. 19035 per ha and Rs. -11159 per ha respectively. Return on rupee BCR was 0.85 which is concerned to tenant farmers and return on variable costs was 1.41 which owner farmers considers.

Blackgram Price Outlook:

During KMS 2021-22, market prices of blackgram stayed below MSP on most of the days (Table 6). In Maharastra, Rajasthan, Madya Pradesh and Tamil Nadu market prices where less than the MSP with average gap between them was -13.2%, -14.5%, -24 & -13.8 % respectively. The average market prices of urad were generallyhigher than the MSP in Uttar Pradesh 4.8%

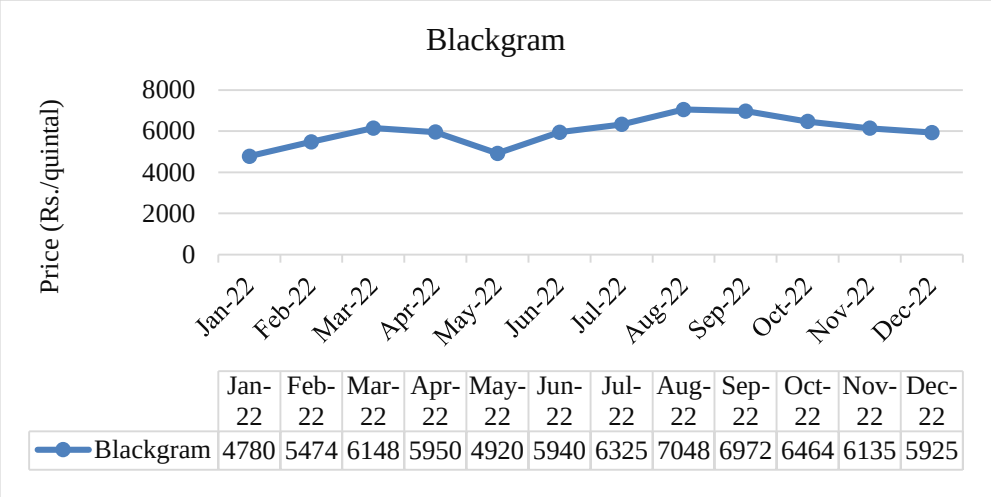
Table 6: Market Prices vis-à-vis MSP of Blackgram in Major Producing States in KMS 2021-22

States	No. of days market prices reported	No. of days market prices were above MSP	No. of days market prices werebelow MSP				Average difference (%) between MSP & market price
			<5 %	5%-10%	10%-15%	>15 %	
Madhya Pradesh	150	4	0	0	5	141	-24.0
Maharashtra	144	4	30	36	17	57	-13.2
Rajasthan	134	9	6	11	33	74	-14.5
Tamil Nadu	85	26	5	9	8	36	-13.8
Uttar Pradesh	151	130	14	4	1	2	4.8

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

Figure 2: Average monthly prices of blackgram from January 2022 to December 2022 in Andhra Pradesh



	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Blackgram	4780	5474	6148	5950	4920	5940	6325	7048	6972	6464	6135	5925

Source: Data Obtained from napanta.com

Average monthly prices of maize in Andhra Pradesh showed a consistant trend. In December average monthly price is Rs. 5925 (Figure 2). As per the information shared by Agricultural Market Intelligence Centre, ANGRAU, blackgram prices slightly down due to arrivals of inferior quality due to excess and heavy rainfall during August to October. As per latest notification issued on 28th December 2022, the free import policy for blackgram has extended up-to 31st March 2024. Prior to this notification imports of blackgram were free till March 2023. Flow of imports has decreased from Myanmar as their old stocks are mostly exhausted and in coming weeks volume of imports may further go down while the new crop from Myanmar is likely from Feb-end onwards. Further, stockists and millers have restricted release as the price have decreased in the recent past. As on 16th December 2022, 42.33 lakh hectares of blackgram was sown compared to 43.18 lakh hectares last year in India (agricoop.nic.in). In Andhra Pradesh as on 28th December 2022, 2.26 lakh hectares of blackgram was sown compared to 2.70 lakh hectares last year (apagrisnet.gov.in).

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 2022-23.

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