

Chilli Outlook – December 2021

India is the world's largest producer, consumer and exporter of chillies. India is the world leader in chilli production followed by China, Thailand, Ethiopia and Indonesia. Indian chilli is considered to be world famous for two important commercial qualities of color and pungency levels. Indian chilli is mainly exported to Asian countries like China, Sri Lanka, Malaysia, Bangladesh, Singapore, Thailand, UAE, etc. In India, major chilli producing states are Andhra Pradesh, Telangana, Madhya Pradesh, Karnataka and West Bengal.

In 2020-21, Telangana ranked fourth in chilli area and second in chilli production and productivity i.e., 2.23 lakh acres, 5.45 lakh metric tonnes and 2444 Kg per acre respectively (4th advance estimates). Chilli area and production in Telangana account for 12.32% and 27.41% of all India area and production respectively. The major chilli growing districts are Khammam, Mahabubabad, Gadwal, Suryapet and Warangal (Rural).

From 1st January 2021 to 29th November 2021, red chilli supply in the Guntur market is reported to add up to around 663,795 MT as compared to last year's same period 548,325 MT, up by 21.06% as new crop supply continued in the spot market and also expected higher production current year.

Table 1: Area, Production and Productivity of Chilli in India

Year	Area (in Lakh ha)	Area (in lakh acres)	Production (in Lakh Tonnes)	Productivity (in Kg/Ha)
2010-11	7.16	17.70	12.99	1800
2011-12	8.05	19.89	12.76	1600
2012-13	7.94	19.62	13.04	1600
2013-14	7.75	19.15	14.92	1900
2014-15	7.61	18.80	16.05	2100
2015-16	8.11	20.04	15.20	1900
2016-17	8.31	20.53	18.72	2250
2017-18	8.40	20.76	20.96	2500
2018-19	7.06	17.45	23.86	3400
2019-20	6.84	16.90	19.31	2490
2020-21	7.32	18.08	19.88	2716

Source: www.indiastat.com, *2nd Advance Estimates

Table 2: Red Chilli (Dry) Arrival Scenario

State	Market	% Change Over Previous Week	19 th Nov to 25 th Nov 2021	12 th Nov to 18 th Nov 2021	19 th Nov to 25 th Nov 2020
Andhra Pradesh	Guntur	-26.83	3,00,000	4,10,000	3,50,000
Telangana	Warangal	Unchanged	55,000	55,000	49,000
Total		-23.66	3,55,000	4,65,000	3,99,000

Units – Bags (1 bag = 45 Kg) Source: www.agriwatch.com

Table 3: State wise Wholesale Prices Monthly Analysis for Red Chili November, 2021

State	Prices November, 2021	Prices October, 2021	Prices November, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Karnataka	4827.6	12303.3	17101.84	-60.76	-71.77
Kerala	12941.59	12986.24	16615.27	-0.34	-22.11
Madhya Pradesh	5803.19	5673.57		2.28	—
Maharashtra	19891.74	9073.58	15190.22	119.23	30.95
Odisha	14800	16133.33	19800	-8.26	-25.25
Rajasthan	13539.72	6797.03		99.2	—
Uttar Pradesh	17162.16	17340.91	18702.13	-1.03	-8.23
Average	12709.43	10113.5	15234.91		

Source: <https://agmarknet.gov.in>**Table 4: Arrivals and Prices of Chilli at Warangal Market in November, 2021**

Date	Arrivals (q)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
1	900	9,500	12,600	11,200
2	540	9,300	12,300	11,200
3	402	9,500	12,300	11,600
8	540	9,500	12,300	11,600
9	432	9,500	12,950	11,600
10	576	9,500	13,225	11,600
11	720	9,500	13,150	11,500
12	432	9,500	13,000	11,500
15	468	9,800	13,100	10,800
16	540	9,800	13,125	11,600
17	1,080	9,800	13,150	11,500
18	540	9,800	13,500	11,600
22	540	9,800	15,000	11,600
23	540	9,800	15,000	11,600
24	576	9,800	14,800	11,600
25	540	9,800	14,650	11,500
26	306	9,800	14,250	11,500
29	288	9,800	14,150	11,500
30	540	9,800	14,300	11,500

Source: <http://tsmarketing.in/>

Chilli Price Outlook

In Andhra Pradesh and Telangana, Red Chilli standing crop is affected by virus, and farmers are uprooting their crop. At Guntur and Warangal market buyers are active due to cloudy weather and they are active for cold storage stocks.

At Byadgi market, new chilli arrivals reported around 1,000 bags, which was down due to rainfall, and prices reported up by Rs.1,000 – 1,500/-qtl.

Heavy rainfall in Karnataka chilli growing regions is likely to impact chilli standing crop. As per initial report, chilli crop was damaged by 8 to 10% as per current situation.

At Bedia (Madhya Pradesh) market, chilli prices reported up due to good demand. Buyers are interested only for good quality. Farmers are waiting for higher prices for releasing their produce.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Chilli is likely to trade in price range between Rs. 10,500 – 12,500 per quintal in the month of December 2021.