

## Chilli Outlook – January 2022

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 (4<sup>th</sup> 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 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, red chilli supply in the Guntur market is reported to add up to around 737,370 MT as compared to last year's same period 612,225 MT, up by 20.44% 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, \*2<sup>nd</sup> Advance Estimates

**Table 2: Red Chilli (Dry) Arrival Scenario**

State	Market	% Change Over Previous Week	24 <sup>th</sup> Dec to 30 <sup>th</sup> Dec 2021	17 <sup>th</sup> Dec to 23 <sup>rd</sup> Dec 2021	24 <sup>th</sup> Dec to 30 <sup>th</sup> Dec 2020
Andhra Pradesh	Guntur	-4.65	4,10,000	4,30,000	2,50,000
Telangana	Warangal	-16.98	44,000	53,000	13,800
Total		-6.00	4,54,000	4,83,000	2,63,800

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

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

State	Prices December, 2021	Prices November, 2021	Prices December, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Karnataka	6573.24	4827.6	18604.9	36.16	-64.67
Kerala	15398.47	12988.99	15376.57	18.55	0.14
Madhya Pradesh	6319.55	5766.76		9.59	—
Maharashtra	13900.16	19384.57	15046.69	-28.29	-7.62
Odisha	15765.91	14800	18957.89	6.53	-16.84
Rajasthan	10175.37	13539.72	10009.43	-24.85	1.66
Uttar Pradesh	17495.24	17162.16	19705.13	1.94	-11.21
Average	12232.56	12638.54	16283.44		

Source: <https://agmarknet.gov.in>

**Table 4: Arrivals and Prices of Chilli at Warangal Market in December, 2021**

Date	Arrivals (q)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
1	996	9,800	14,825	11,500
2	648	9,800	14,850	11,600
3	288	9,800	14,650	11,500
6	288	9,800	18,500	13,600
7	151	11,900	15,111	14,700
8	720	12,000	16,600	14,800
9	288	12,000	16,600	14,800
10	252	12,000	16,400	14,700
13	540	12,000	16,500	14,700
14	360	12,000	16,500	14,700
15	468	12,000	16,700	14,800
16	612	9,500	18,000	14,800
17	360	12,000	19,525	14,800
20	1,080	10,600	18,200	14,800
21	540	12,000	16,500	15,000
22	437	12,000	16,200	15,000
23	400	12,000	16,000	14,500
24	481	12,000	15,000	13,500
27	1,360	12,000	15,600	14,500
28	1,600	12,500	16,000	14,500
29	1,897	11,000	16,000	15,000
30	973	11,000	16,400	15,400
31	1,196	12,000	16,500	15,200

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

### Chilli Price Outlook

Steady to weak sentiment witnessed in Red Chilli spot market during December. 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.

Before unseasonal rainfall, Red Chilli new crop supply was about to start at Guntur market from the first week of January, as per current situations supply may get delayed by 10 – 15 days in the spot market.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Chilli is likely to trade in price range between Rs. 12,500 – 14,500 per quintal in the month of January 2022.