

## **Chilli Production to Affect Prices this Year**

Spurred by the sharp rise in prices, the chillies growers of Andhra Pradesh, the major chilli state planted in higher area during 2016-17. The trade sources indicated that the area is up by 80 per cent. In Andhra Pradesh, chilli sown area was 32275 hectares during 2016-17 as against normal area of 24711 hectares. In Telangana, chilli sown area was 13877 hectares, as against normal area of 19767 hectares. In Karnataka compared to last grown area of 3743 hectares, the current year area was 1806 hectares. Arrivals from Madhya Pradesh that reached the market in November were below expectations. The viral attack that damaged the crop last year continued to play havoc this year too. But there was 200 per cent increase in sowing area but crop output was near normal. Madhya Pradesh produces around 1 lakh tonnes. Export demand has also been buoyant with countries like China and Bangladesh stepping up purchases. Arrivals from Madhya Pradesh area going mainly to China. Although China had a good crop, it is short of high heat chilli varieties.

To help the farmers in taking harvest decision in 2016-17 kharif, the Agricultural Market Intelligence Centre of S. V. Agricultural college, Tirupati has forecasted dry chilli prices at harvest using econometric analysis of modal prices of Guntur market. Coupled with market survey and considering the present market sentiments, the kharif harvest prices are likely to be around the present price line for some more months farmers can take appreciation decision.