

Plan to dispose chillies after March, 2018

Chilli continues to be the largest exported spice from the country earning over Rs. 5000 crores during 2016-17. The normal chilli production in the country is about 14 lakh tonnes with Andhra Pradesh and Telangana accounting for over 50 per cent of output. In 2016-17 India has witnessed an output of 18 lakh tonnes and combined with the carry over stock, the supply stood at more than 19 lakh tonnes and the affect on prices for most part of the last year was quite evident. Chilli prices crashed by over 50 per cent on the back of the glut touching a low of Rs.3500 /quintal. This year the arrivals from Madhya Pradesh too were poor. However Madhya Pradesh is a state with a limited production contributing less than 10 per cent to the total national output of chillies. Yet because of unseasonal rains coupled with pest problems in the main producing states of Andhra Pradesh and Telangana, the production is expected to fall by 25 to 30 per cent in the country.

Under the circumstances, the Agricultural Marketing Intelligence Centre being operated in the Institute of Agribusiness Management, Tiruapti has forecasted the prices likely to prevail in the coming months using modal price prices of Guntur market for past 15 years, with help of economic models supported by market survey. The results of the analysis indicated that the farmers can plan their disposal of chillies in March 2018 as the prices are likely to touch more than Rs.10500 /quintal.