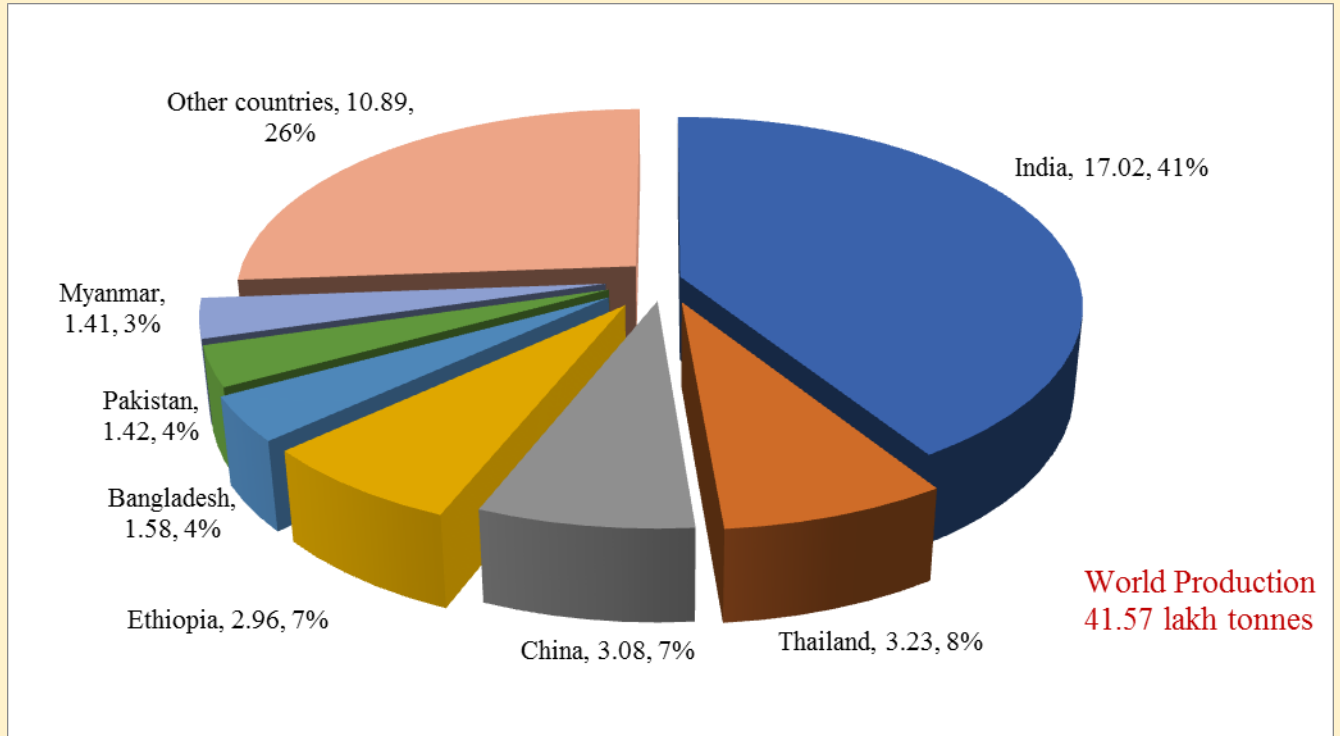


**Acharya N.G. Ranga Agricultural University**  
**Crop Outlook Reports of Andhra Pradesh**

**CHILLI – January to December 2021**

Spices are aromatic vegetable substances used for the seasoning of foods. Among them, chilli is one important spice used all over the world in one form or the other. Indian chillies have been dominating the international chilli market. India is not only the largest producer but also the largest consumer and exporter of chilli in the world. Chilli alone contributes 42% of the total spice export quantity of the country and is predominantly exported to countries like China, Vietnam, Thailand, Sri Lanka, Indonesia and Malaysia. Indian chilli is considered to be world-famous for important commercial qualities of colour and pungency levels. India is the largest producer with 1.98 million tonnes and contributes 43% of world chilli production, followed by China, Ethiopia, Thailand, Pakistan and Bangladesh.

**Figure 1: Major chilli producing countries in the world during 2020 (production in lakh tonnes)**

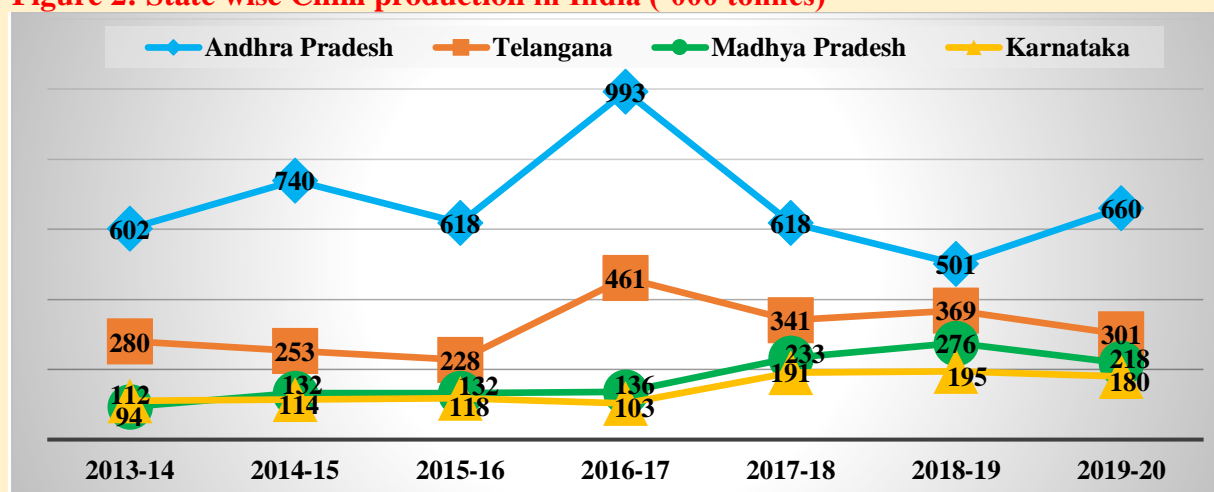


Source: [fao.org/faostat/en/](http://fao.org/faostat/en/)

## ANGRAU Chilli Outlook Report-January to December 2021

In India during 2020-21, Andhra Pradesh tops the list in dry chilli production of 7.97 lakh tonnes covered under 1.77 lakh ha with 4489 kg/ha productivity followed by Telangana, Madhya Pradesh, Karnataka and West Bengal. State-wise chilli production in India is presented in Figure 2. Guntur chilli yard being the largest chilli market in Asia influences the domestic and international prices of chillies. Guntur district in Andhra Pradesh alone produces 15% of all the chillies produced in India and the state of Andhra Pradesh as a whole contributes 40 % of India's chilli production (des.ap.gov.in, 2020). There are more than 400 different varieties of chillies found all over the world. The major chilli growing districts in AP are Guntur, Prakasam, Kurnool and Krishna. Teja, Byadgi, DD Best, 341, 273, 334 etc., are reported as premium varieties and preferred by exporters.

**Figure 2: State wise Chilli production in India ('000 tonnes)**



Source: indiastat.com

According to the Final estimates of the Government of Andhra Pradesh, chilli production is 7.97 lakh tonnes grown in an area of 1.77 lakh ha with a productivity of 4489 kg/ha during 2020-21. According to 2<sup>nd</sup> advance estimates during 2021-22, chillies was grown in 2.29 lakh hectares with a production of 10.78 lakh tonnes and productivity was 4707 kg/ha.

**Table 1: Red Chilli Supply and Demand in India (lakh tonnes)**

Particulars	2016-17	2017-18	2018-19
Opening Stock	3.84	1.87	2.39
Production	10.73	13.76	10.50
Import	0	0	0
Total Supply	14.57	15.63	12.89
Consumption	8.70	8.80	8.50
Exports	4.00	4.44	3.85
Total Demand	12.70	13.24	12.35

## ANGRAU Chilli Outlook Report-January to December 2021

<b>Ending Stock</b>	1.87	2.39	0.54
<b>Average Monthly Consumption</b>	0.73	0.73	0.71
<b>Stock to Month Use</b>	2.58	3.26	0.76
<b>Stock to Consumption Ratio %</b>	14.72	18.05	4.37

Source: [agriwatch.com](http://agriwatch.com)

As per some private sources, the data given is compiled in Table 1, depicts that the production has decreased from 2017-18 to 2018-19 and it was observed that, the total demand (12.35 lakh tonnes) for chilli was easily met by the total supply (12.89 lakh tonnes).

**Table 2: Major Importing countries of Indian Chilli (2019-20)**

Major Importing countries	Quantity (Tonnes)	Rank	Value (in Lakh)	Rank
<b>China</b>	139966.14	1	217826.76	1
<b>Thailand</b>	59363.72	2	90302.24	2
<b>Sri Lanka</b>	50835.35	3	62302.03	3
<b>United Arab Emirates (UAE)</b>	40779.24	4	28798.99	8
<b>Bangladesh</b>	39551.2	5	43359.44	6
<b>Indonesia</b>	36601.82	6	46411.2	5
<b>United States of America (USA)</b>	30688.19	7	52154.04	4
<b>Malaysia</b>	26083.47	8	40198.63	7
<b>Vietnam</b>	9435.24	9	13598.18	9
<b>United Kingdom (UK)</b>	8334.88	10	11287.78	10
<b>India</b>	<b>496000</b>		<b>671039.53</b>	
<b>Share (%)</b>	<b>89.04%</b>		<b>90.34%</b>	

Source: [www.indiastat.com](http://www.indiastat.com)

China was the major importer of Indian chillies, followed by, Thailand, Sri Lanka, Indonesia, Malaysia, Vietnam and UK. Chilli exports to these major ten countries account for 89 per cent of total India's chilli export, which is shown in Table 2.

**Table 3: Export and Import share of chilli to the total spices export and import for triennium years in India.**

Years	Exports (000' tonnes)			Years	Imports (000' tonnes)		
	Chilli	Spices	Per cent share		Chilli	Spices	Per cent share
<b>1993-96</b>	35.68	180.25	19.79	<b>2000-03</b>	1.07	83.95	1.27
<b>1996-99</b>	53.52	236.08	22.67	<b>2003-06</b>	1.11	100.62	1.11
<b>1999-02</b>	65.35	238.24	27.43	<b>2006-09</b>	0.96	100.11	0.96
<b>2002-05</b>	101.89	289.00	35.26	<b>2009-12</b>	1.16	101.54	1.15
<b>2005-08</b>	156.89	389.45	40.28	<b>2012-15</b>	0.69	133.48	0.52
<b>2008-11</b>	210.67	499.67	42.16	<b>2015-18</b>	0.98	191.78	0.51
<b>2011-14</b>	284.83	715.93	39.78	-	-	-	-

## ANGRAU Chilli Outlook Report-January to December 2021

<b>2014-17</b>	364.92	906.16	40.27	-	-	-	-
<b>2017-20</b>	465.47	1103.77	42.17	-	-	-	-

Source: [www.indiastat.com](http://www.indiastat.com)

Table 3 reveals that the per cent share of chilli exports to total spices exports has increased from 19 to 42 per cent between 1993 and 2020, and similarly, the per cent share of chilli imports to total spices imports has decreased from 1.27 to 0.51 per cent from 2000 to 2018. The results reveal that in overall spices exports, the major share is contributed by chilli crop, which in turn contributes to the nation's GDP.

**Table 4: Comparison of area and production of chilli before and after bifurcation of Andhra Pradesh.**

	Before Bifurcation		After Bifurcation					
	2010-11		2015-16		2020-21		2021-22	
	AP	India	AP	India	AP#	India*	AP**	India
<b>Area</b> (in 000' ha)	195.47	792	156.06	810.74	177	729	229	NA
<b>Production</b> (in '000 tonnes)	638.3	1223.4	618.42	1519.75	797	2092	1078	NA

Source: Agricultural statistics at a glance, Andhra Pradesh, [des.ap.gov.in](http://des.ap.gov.in). NA–Not Available

# Final Estimates of Agriculture, 2020-21, [des.ap.gov.in](http://des.ap.gov.in)

\*3<sup>rd</sup> Advance Estimates of Horticulture, 2020-21, [agricoop.nic.in](http://agricoop.nic.in)

\*\* 2<sup>nd</sup> advance estimates, 2021-22, [des.ap.gov.in](http://des.ap.gov.in)

The details of the comparison of the area and production of chilli concerning the bifurcation of Andhra Pradesh and Telangana states have been given in Table 4. It is observed that, from 2010-11 to 2020-21 the area has increased from 1.95 to 2.29 lakh ha while production has increased from 6.38 to 10.78 lakh tonnes, which is due to increase in the yield from 3265 to 4707 kg/ha.

**Table 5: Inter-District Comparison of Andhra Pradesh for Chilli (2019-20)**

Major Districts	Area (in ha)	Rank in Area	Production (in tonnes)	Rank in Production
<b>Guntur</b>	77000	1	456000	1
<b>Prakasam</b>	35000	2	132000	2
<b>Kurnool</b>	15000	3	70000	4
<b>Krishna</b>	14000	4	101000	3
<b>Ananthapur</b>	4000	5	13000	5
<b>East Godavari</b>	2000	6	10000	6
<b>Total</b>	147000		782000	
<b>Other districts</b>	6000		21000	
<b>Andhra Pradesh</b>	<b>153000</b>		<b>805000</b>	

## ANGRAU Chilli Outlook Report-January to December 2021

<b>Share (%)</b>	<b>96.07</b>	<b>97.14</b>	
------------------	--------------	--------------	--

Source: Agricultural statistics at a glance, Andhra Pradesh, des.ap.gov.in.

The inter-district comparison of Andhra Pradesh for chilli (2019-20) is shown in Table 5. It is observed that, Guntur district ranks top in both area and production. Among the 13 districts of Andhra Pradesh, six districts, namely Guntur, Prakasam, Kurnool, Krishna, Ananthapur and East Godavari, cover 96 per cent of acreage and 97 per cent of production.

### Chilli Price Outlook:

From 1st January 2021 to 31st 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 6: Monthly Dry (Red) Chilli Arrival Scenario in Guntur and Warangal markets**

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
<b>Andhra Pradesh</b>	Guntur	-4.65	4.10	4.34	2.50
<b>Telangana</b>	Warangal	-16.98	0.44	0.53	0.13
<b>Total</b>		-6.00	4.54	4.83	2.63

Units – lakh bags (1 bag = 45 kg) Source: agriwatch.com

The arrival scenario of chilli in Andhra Pradesh and Telangana is shown in Table 6. In last week of December 2020, the chilli arrivals in Guntur market were 2.5 lakh bags and in December 2021 arrivals increased to 4.1 lakh bags. There observed marked decrease in the arrivals between 3<sup>rd</sup> week and last week of December 2021 in Warangal market.

**Table 7: Seasonal Indices of Arrivals & Prices of Dry Chilli at Guntur AMC between Agricultural Year 2015 to 2021**

Months	Arrivals	Prices
<b>June</b>	104.15	96.57
<b>July</b>	99.84	105.80
<b>August</b>	117.42	104.92
<b>September</b>	95.55	78.15
<b>October</b>	89.76	105.67
<b>November</b>	93.76	107.51
<b>December</b>	82.67	101.17
<b>January</b>	88.72	103.42
<b>February</b>	129.26	102.69
<b>March</b>	142.14	112.52
<b>April</b>	97.46	72.72

## ANGRAU Chilli Outlook Report-January to December 2021

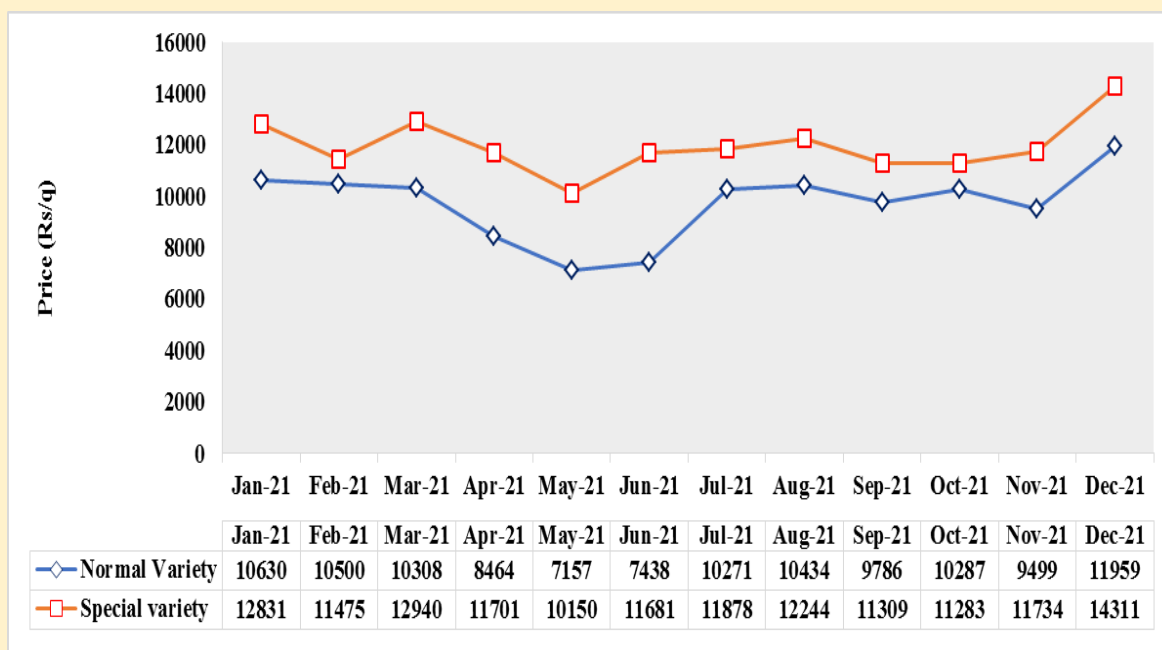
<b>May</b>	59.27	108.87
------------	-------	--------

*Source: Data obtained from AMC, Guntur*

Seasonal indices measure the monthly per cent deviation from the average arrivals and prices from 2015 to 2021. The seasonal indices of chilli arrivals and prices from Guntur AMC presented in Table 7 show that the arrivals are highest in the months of March and February and the prices are highest in the months of March and May. The average monthly prices of the normal variety were Rs 10457, 10131, 10403 and 13131 the prices of the special variety were Rs. 13650, 12761, 12572 and 15105 for the months of September, October, November and December 2021 respectively in Guntur AMC.

As per the information shared by Agricultural Marketing Intelligence Centre (AMIC), ANGRAU, in AP and Telangana, Red Chilli standing crop affected by virus, farmers are uprooting their crop. Due to heavy rainfall in Karnataka chilli growing regions likely to impact chilli standing crop. As per initial report, chilli crop may damage by 8 to 10% as per current situations. Farmers are fearful regarding chilli quality also. There observed a good demand for cold storage stocks as buyers are in a fear about quality damage for new chilli crop which is likely to start from January at Guntur market. In Andhra Pradesh as on 29<sup>th</sup> December 2021, 2.02 lakh hectares of chillies was sown compared to 1.7 lakh hectares last year (apagrisnet.gov.in). The average monthly price of chilli in Andhra Pradesh is shown in Figure 3.

**Figure 3: Average monthly prices of Chilli in Andhra Pradesh**



*Source: Data obtained from Andhra Pradesh AMCs*

## **ANGRAU Chilli Outlook Report-January to December 2021**

Under these circumstances, the AMIC, ANGRAU, is here with providing the latest information with regard to the forecast price range of Rs. 13,500 – 15,000 per quintal for the normal variety and Rs. 17,000 – 18,000 per quintal for the special variety of chilli in this Rabi marketing/harvesting season 2021-22.

\*\*\*