

KHARIF 2018-19 PRE-SOWING PRICE FORECAST OF CHILLI

**Chilli Price per Quintal will be around Rs. 7900 – 8300 at the Time of Harvesting
(January to March 2019)**

Chilli is considered as one of the major commercial crops of the world. Different varieties are grown for vegetables, spices, condiments, sauces and pickles. Both green and dried chillies are the important components of human beings routine diet. India is the world leader in chilli production followed by China, Mexico, Turkey, Indonesia, Spain and United States. Indian chilli is mainly exported to Asian countries like Vietnam, Thailand, Sri Lanka, Bangladesh and U.A.E.

India is the world's largest producer, consumer and exporter of chillies in the world. India also has the largest area under chillies in the world. Indian chilli occupies an area of 844 thousand hectares with an annual production of 2106 thousand metric tonnes (2017-18 1st Advanced estimates). In India, major chilli producing states are Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Madhya Pradesh. In Telangana the area under chilli during 2016-17 was 120 thousand hectares with annual production of 337 thousand metric tonnes. In Telangana the area under chilli during kharif 2017-18 has decreased to 0.25 lakh hectares from 0.53 lakh hectares during kharif 2016-17. There was sudden price crash from last year due to fall in demand for the commodity, international prices and lack of sufficient storage facilities. The major chilli growing districts are Khammam, Mahabubabad, Jayashankar, Jogulamba and Bhadradi. Major chilli growing varieties are Guntur Sannam-S4 Type, G-3, G-4 (Bhagyalaxmi), Wonder heart, Ravindra, Roshini, Red Sun, Red Top etc.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2018-19 kharif pre-sowing price forecast of chilli. Under expected normal rainfall and crop coverage, it is expected that the chilli price per quintal will be around **Rs. 7900-8300** at the time of harvesting (Jan to March 2019). This price forecast is based on the monthly modal price of chilli obtained for 17 years from Khammam regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN and also the market survey. Khammam, Warangal and Mahabubabad, are the major chilli markets in Telangana.

Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.