

Red Chilli Value Chain Analysis Manchukomda

Value Chain Analysis						
Village: Manchukonda		Mandal: Raghunathpalem			Block/ District: Khammam	
Date of exercise		18 March, 2017				
Participants		Pavan Kumar, Anilkumar, Shusheel, Aniket, Ajat, Lalit, Abhishek				
	Inputs	Pre Production	Production	Post-production	Local value addition	District market
Activity	Land, Seeds, Money, Labour, Machinery, Fertilizers, Gunny Bags	Land preparation, Ploughing, Using Cultivator, Rotavator with tractor Seeding, weeding, Water supply, Applying fertilizers, Sowing seeds.	Ploughing the land , applying fertilizers to the soil, application of pesticides, Plucking the nursery plants and sowing in the main cultivating land, dig the surrounding area of the plant for applying fertilizers, spray the pesticides to the plant, weeding, alternate days watering, sometimes they use bleaching powder mixing in water when plant is drying up	Plucking the chillies from the plant and drying chillies,	Drying and segregating red chillies and spraying water on the chillies to save it from degrading, filling red chillies into gunny bags, transport it to the middlemen	Selling one quintal product to middlemen at rupees 6000/-
Gender	Men involved in input purchasing	Ploughing the land, spraying the pesticides is done by the male, sowing the seeds, plucking the nursery plant and again planting the plant in main land, pouring water into spraying machine, weeding is done by women	Majorly works such as applying pesticides and fertilizers in production stage done by men.	Both involving drying the red chillies	Men and women both involved in filling the red chillies in the gunny bags, Man do the marketing and transporting	Men will sell the produce to the middlemen
Input cost	Seeds 12 bags per acre 300*12= 3600, DAP one bag/ acre = 1250 Rs., One Potash bag =1250 Rs.,					

	Four bags of urea for per acre= 1400 Rs. (350 Rs. Each bag), Pesticides = 20000 Rs., Spraying one time= 1000, (1000*20), overall cost=47500					
Labour cost	Ploughing the cultivation land 1500 per acre	Sowing the seed 200*6 =Rs. 1200 Weeding 150*6=900, =Rs. 1200 + 900	planting the nursery plants into main land 10 persons= 1500, Again after sowing the plant in main land they will use the fives workers at five times i.e. 5*5*150=3750 = Rs. 1500 + Rs.3750	Plucking the red chillies from the plants 5*150=750 Purchasing gunny bags 13*4=52*30=1560(each bag cost Rs, 30) = Rs. 750 + Rs. 1560	Transportation cost 20*52=1040 (each bag transportation cost is 20 Rs.), For filling each gunny bags the labour cost is 20 20*52=1040 = Rs. 1040 + Rs. 1040	Per 100 Rs. 5% commission he has to pay to the middlemen Rs. 7500
Total Cost	1500+47500	2100	5250	2100	2080	7500
Total Net income	25 tonnes X Rs. 6000 = Rs. 1,50,000/- Income – Expenditure = 1,50,000 – 68030 = Rs. 81,970					
Profit/ Loss	No lost occurred. Mostly the profit margin will change due to fluctuation in market price.					
Risks involved	Low quality seeds, fertilizers and pesticides	Water deficiency	Disease problem, excessive use of fertilizers and pesticides leads to low productivity	Not plucking the chillies from the plant at right time	Not buying the crop by the buyer at proper time	Fluctuation of the prices in the market
Limitations	Seeds quality is very low, low fertility of land, lack of water, shortage of labour force	Low quality of fertilizer and pesticides, poor cultivation technique,	shortage of labour force,	Lack of storage system,	Improper transport system that lead to	Price decision by buyers
Best practices	Doing ploughing for 2-3 times to get tilth soil, stones and gravels should be removed from the cultivation land,	Seedling of nursery plant in a nursery bed of 1m width, 40 m long and 15 cm height, regular ,preserving seeds from previous	Intime weeding works,applying water in time	Using organiv manure,vermicompost	Segregating and separating quality chillies	Selling directly to wholesale market without middle man

	purchase of good quality seeds, fertilizer and pesticides,	crops				
Gaps	Depending more on pesticides and fertilizers,didn't do seed treatment	Delay in preparing land,no timely irrigation	Less awareness on diseases and prevention,less soil fertility	Delay in picking th mirchi	Didn't do grading	Selling to middle man ,paying commission and getting low income,
Possible interventions	Scientific training to participants,using organic methods,preserving seeds or getting good seeds,bank linkage for credit to purchase inputs	Conducting awareness programmes on preventing diseases to chilli crop,awareness to prepare organic fertilizers and non pest management		Prepare acc to grading wise	Quality seeds should be seperated	Govt should intervene and curtail middle man
<i>Note: VCA report prepared by PGD RDM 13th Batch , NIRD Telangana.</i>						