

KHARIF 2019-20 PRE-SOWING PRICE FORECAST OF CASTOR

Castor Price per quintal will be around Rs. 4600 – 4800 at the Time of Harvesting (December 2019 to January 2020)

Castor plant is grown in arid and semi-arid regions. It is cultivated in 30 different countries on commercial scale of which India, China, Brazil, Russia, Thailand, Ethiopia and Philippines are major castor seed growing countries accounting for nearly 88% of the world's production.

During 2018-19, 8.35 lakh ha area was under castor in India which was more by 5.72% than the previous year. Gujarat with 4.83 lakh ha followed by Rajasthan (2.64 lakh ha), Andhra Pradesh (0.33 lakh ha), Telangana (0.25 lakh ha), Maharashtra (0.09 lakh ha) and Karnataka (0.07 lakh ha) are the major castor growing states in India.

In Telangana state castor crop has occupied 0.25 lakh ha during kharif 2018-19, which was less by nearly 19.4% than the previous year. Gadwal, Siddipet, Medak, Mahaboobnagar, Nagarkurnool, Karimnagar and Nizambad districts are found to be major growing districts in the state.

In financial year 2018-19, India has exported 5.61 lakh tonnes of castor oil i.e., 13.82 per cent lower than the last year exports of 6.51 lakh tonnes. Lower output of castor seeds in India, the world's largest producer of the commodity, has pushed up the price of castor oil in the international markets by 23.07 per cent from a year ago. According to industry executives, the price of castor oil in the international market has touched \$1,600 per ton as compared with \$1,300 per ton a year ago.

In India, the total castor seed availability for 2018-19 marketing year was 17.26 lakh tonnes with estimated production of 11.77 lakh tonnes and carryout stock of 5.49 lakh tonnes. Last year lower production would drag carryout stock down from 5.49 to 4.26 lakh tons in this year.

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, Professor Jayashankar Telangana State Agricultural University Rajendranagar, Hyderabad with the financial support of Agricultural Marketing Department, Telangana State has assessed pre-sowing price forecast of castor for kharif 2019-20. Under expected normal rainfall and crop acreage, it is predicted that the castor price per quintal will be around **Rs. 4600 – 4800** at the time of harvesting (December 2019 to January 2020). This price forecast is based on the monthly modal price of castor obtained for 17 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARIMAX, ARCH and GARCH and also the market survey.

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.