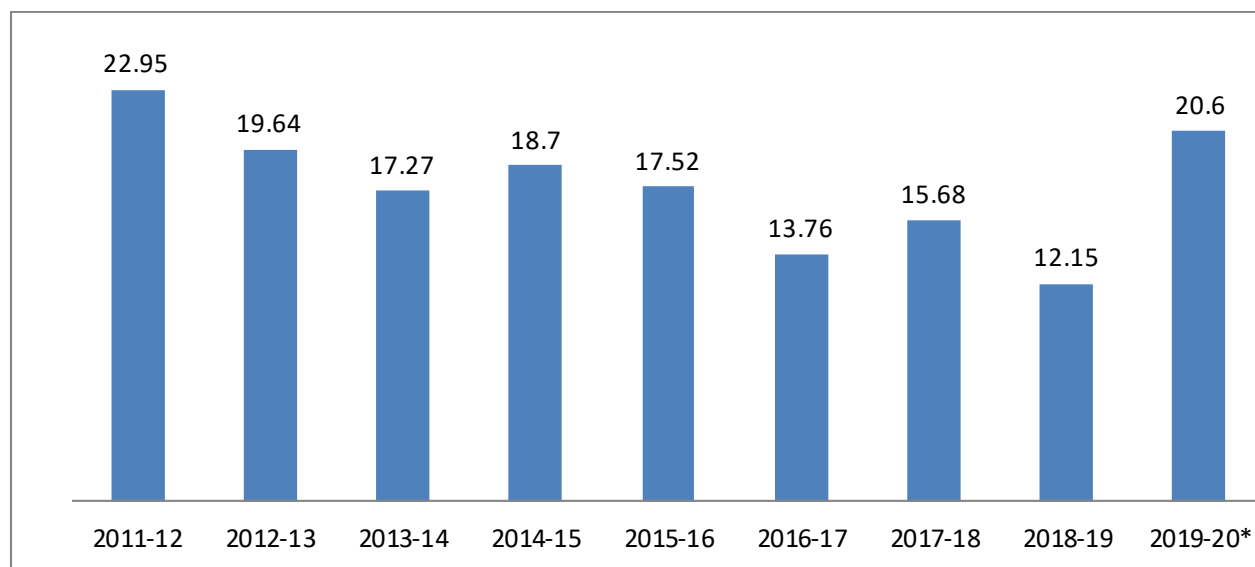


## Castor Outlook – August 2020

Castor is one of the oldest cultivated crops and it contributes to only 0.15% of the vegetable oil produced in the world. The oil produced from this crop is considered to be of importance to the global specialty chemical industry because it is the only commercial source of a hydroxylate fatty acid. Castor plant is grown in arid and semi-arid regions. In 2018-19, World major producing countries are India (11.97 lakh tonnes), Mozambique (0.85 lakh tonnes), China (0.27 lakh tonnes), Brazil (0.14 lakh tonnes) and Myanmar (0.12 lakh tonnes).

Area under castor reported during 2020-21 was 1.50 lakh ha (3.70 lakh acres) as against 1.09 lakh ha (2.69 lakh acres) during the same period in 2019-20. Among states, Gujarat is leading with 0.916 lakh ha (2.263 lakh acres) under castor followed by Rajasthan 0.192 lakh ha (0.474 lakh acres), Andhra Pradesh 0.139 lakh ha (0.343 lakh acres) and Telangana 0.082 lakh ha (0.204 lakh acres). According to Government 3<sup>rd</sup> advance estimates, all India castor production in 2019-20 is at 20.60 lakh tonnes.



Source: Directorate of Economics and Statistics (DES), \*3<sup>rd</sup> Advance Estimates

**Figure 1: Production of Castor in India (in lakh tonnes)**

**Table 1: Castor Domestic Supply & Demand (in lakh tonnes)**

	2017-18	2018-19	2019-20*
<b>Carry in</b>	4.29	6.72	4.87
<b>Production</b>	15.68	12.15	20.6
<b>Imports</b>	0	0	0
<b>Total Availability</b>	19.97	18.87	25.47
<b>Consumption (crushing)</b>	13.25	14	14.5
<b>Exports</b>	0	0	0
<b>Total Usage</b>	13.25	14	14.5
<b>Carry out</b>	6.72	4.87	10.97

Source: www.agriwatch.com \* Estimated

In Telangana state, Wanaparthy 2,287 ha (5,653 acres), Mahabubnagar 2,231 ha (5,515 acres), Narayanpet 1,644 ha (4,064 acres) and Gadwal 874 ha (2,160 acres) are major castor growing districts. According to Telangana State Government 3<sup>rd</sup> advance estimates, castor production in 2019-20 is at 0.42 lakh tonnes with productivity of 1505 Kg/ha (609 Kg/acre).

**Table 2: Prices and arrivals of Castor in Devarakadra market during July 2020**

Date	Arrivals (Quintals)	Maximum price (Rs/quintal)	Minimum price (Rs/quintal)	Modal price (Rs/quintal)
2	48	3921	3820	3871
3	24	3912	3837	3862
6	4	3955	3880	3905
7	6	3926	3851	3786
21	8	3906	3831	3856

Source: www.tsmarketing.in

There is difficulty for Indian domestic castor oil industry after domestic and international demand for castor oil gone down drastically. Due to slowdown in global economy as the after effects of Covid-19, the manufacturing & trading activities have gone down. This lead to drastic decline in the International exports of castor oil. In 2018-19 India exported 5.7 lakh tons of Castor Oil, whereas in 2019-20 export came down to 5 lakh tons.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Castor is likely to trade in price range between Rs. 3800 - 3900 per quintal in the month of August 2020.