

## **VANAKALAM (KHARIF) 2020-21 PRE-SOWING PRICE FORECAST OF CASTOR**

### **Castor Price per quintal will be around Rs. 3700 – 4000 at the Time of Harvesting (December 2020 to January 2021)**

Castor is one of the oldest cultivated crops; however, 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).

In financial year 2019-20, India has exported 4.41 lakh tonnes of castor oil i.e., 8.50 per cent lower than the last year exports of 4.82 lakh tonnes and 5.05 lakh tonnes of castor meal i.e., 34.66 per cent more than the last year export of 3.75 lakh tonnes. Major castor oil importing countries from India are China (2.06 lakh tonnes), Netherlands (0.73 lakh tonnes), France (0.52 lakh tonnes), USA (0.51 lakh tonnes) and Japan (0.15 lakh tonnes).

During 2019-20, 9.38 lakh ha (17.34 lakh acres) area was under castor in India which was more by 7.02% than the previous year. Among states Gujarat is leading with 7.02 lakh ha (17.34 lakh acres) under castor followed by Rajasthan 1.54 lakh ha (3.80 lakh acres), Andhra Pradesh 0.33 lakh ha (0.82 lakh acres) and Telangana 0.27 lakh ha (0.69 lakh acres). According to Government 3<sup>rd</sup> advance estimates, all India castor production in 2019-20 is at 20.60 lakh tonnes.

Castor seed production has increased from 11.97 lakh tonnes in 2018-19 to 20.60 lakh tonnes 2019-20. Total supply has increased to 25.06 from 17.46 lakh tonnes including carryout stock 4.46 lakh tonnes. Consumption increased from 13.00 to 13.20 lakh tonnes. This increase in production may lead for increasing in carryout stock to 11.86 lakh tonnes for the year 2020-21.

In Telangana Narayanpet 6973 ha (17230 acres), Wanaparthy 5567 ha (13756 acres), Mahabubnagar 5104 ha (12612 acres) and Gadwal 2163 ha (5344 acres) are major castor growing districts in the state. 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).

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 vanakalam (kharif) 2020-21. Under expected normal rainfall and crop acreage, it is predicted that the castor price per quintal will be around **Rs. 3700 – 4000** at the time of harvesting (December 2020 to January 2021). This price forecast is based on the monthly modal price of castor obtained for 18 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.***