

VANAKALAM (KHARIF) 2021-22 PRE-HARVEST PRICE FORECAST OF CASTOR

Castor Price per quintal will be around Rs. 5000 – 5300 at the Time of Harvesting (December 2021 to January 2022)

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 2019-20, World major producing countries are India (18.42 lakh tonnes), Mozambique (0.85 lakh tonnes), China (0.36 lakh tonnes), Brazil (0.16 lakh tonnes) and Myanmar (0.13 lakh tonnes).

The prices of castor oil are expected to stay strong. Last year between April to August the castor oil export was 4.29 lakh tonnes, which during the current year in the same period increased to 4.94 lakh tonnes. Last year between April to September the castor seed meal export was 1.64 lakh tonnes, which during the current year in the same period decreased to 1.62 lakh tonnes. Continued steady sentiment was witnessed in castor seed spot markets during last year. Major castor oil importing countries from India are China (3.44 lakh tonnes), Netherlands (0.87 lakh tonnes), France (0.71 lakh tonnes), USA (0.63 lakh tonnes) and Japan (0.16 lakh tonnes).

Area under castor reported during 2021-22 was 6.960 lakh ha (17.199 lakh acres) as against 7.336 lakh ha (18.128 lakh acres) during the same period in 2020-21. Among states, Gujarat is leading with 5.389 lakh ha (13.316 lakh acres) under castor followed by Rajasthan 1.200 lakh ha (2.965 lakh acres), Andhra Pradesh 0.177 lakh ha (0.437 lakh acres) and Telangana 0.022 lakh ha (0.54 lakh acres). According to Government 1st advance estimates, all India castor production in 2021-22 is at 15.98 lakh tonnes

Castor seed production has decreased to 16.51 lakh tonnes in 2020-21 from 18.42 lakh tonnes in 2019-20. Total supply has increased to 22.73 from 20.72 lakh tonnes including carryout stock 6.22 lakh tonnes. Consumption also increased from 14.5 to 15.00 lakh tonnes. This increase in total supply may lead for increasing in carryout stock to 7.73 lakh tonnes for the year 2021-22.

In Telangana state, Narayanpet 602 ha (1,487 acres), Mahabubnagar 494 ha (1,221 acres), Gadwal 435 ha (998 acres) and Wanaparthy 404 ha (998 acres) are major castor growing districts. According to Telangana State Government 4th advance estimates, castor production in 2020-21 is at 0.03 lakh tonnes with productivity of 355 Kg/ha (144 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-harvest price forecast of castor for vanakalam (kharif) 2021-22. Under good rainfall and lower crop acreage, it is predicted that the castor price per quintal will be around **Rs.5000 – 5300** at the time of harvesting (December 2021 to January 2022). This price forecast is based on the monthly modal price of castor obtained for 19 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.