

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

Castor Price per quintal will be around Rs. 4100 – 4300 at the Time of Harvesting (December 2021 to January 2022)

Castor is one of the oldest cultivated crops and 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 castor 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).

Due to strong prices of edible oils, the prices of castor oil are expected to stay strong. Last year between April to February the castor Oil export was 4.51 lakh tonnes, which during the current year (2020-21) in the same period increased to 6.02 lakh tonnes. Major castor oil importing countries from India are China (3.04 lakh tonnes), Netherlands (0.72 lakh tonnes), France (0.64 lakh tonnes), USA (0.56 lakh tonnes) and Japan (0.14 lakh tonnes).

Area under castor reported during 2020-21 was 7.743 lakh ha (19.133 lakh acres) as against 9.101 lakh ha (22.489 lakh acres) during the same period in 2019-20. Among states, Gujarat is leading with 5.799 lakh ha (14.330 lakh acres) under castor followed by Rajasthan 1.390 lakh ha (3.435 lakh acres), Andhra Pradesh 0.180 lakh ha (0.445 lakh acres) and Telangana 0.094 lakh ha (0.234 lakh acres). According to Government 2nd advance estimates, all India castor production in 2020-21 is at 17.76 lakh tonnes.

Castor seed production has decreased to 17.76 lakh tonnes in 2020-21 from 18.42 lakh tonnes in 2019-20. Total supply has increased to 23.98 from 20.72 lakh tonnes including carryout stock 6.22 lakh tonnes. Consumption increased from 14.5 lakh tonnes to 15.00 lakh tonnes. This increase in total supply may lead for increasing in carryout stock to 8.98 lakh tonnes for the year 2021-22.

In Telangana state, Wanaparthy 2,812 ha (6,949 acres), Mahabubnagar 2,361 ha (5,834 acres), Narayanpet 1,683 ha (4,158 acres), Gadwal 1,119 ha (2,962 acres) and Nagarkurnool 686 ha (1,694 acres) are major castor growing districts. According to Telangana State Government 1st advance estimates, castor production in 2020-21 is at 0.13 lakh tonnes with productivity of 1483 Kg/ha (600 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) 2021-22. Under expected normal rainfall and crop acreage, it is predicted that the castor price per quintal will be around **Rs.4100 – 4300** 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.