

VANAKALAM (KHARIF) 2022-23 PRE-SOWING PRICE FORECAST OF CASTOR

Castor Price per quintal will be around Rs. 5700 – 5900 at the Time of Harvesting (December 2022 to January 2023)

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. World major producing countries are India (16.51 lakh tonnes), Mozambique (0.72 lakh tonnes), China (0.17 lakh tonnes), Thailand (0.12 lakh tonnes) and Myanmar (0.12 lakh tonnes).

Due to strong prices of edible oils, the castor oil price is expected to stay strong. Last year between April to March the castor oil export was 6.86 lakh tonnes, which during the current year (2021-22) in the same period decreased to 6.65 lakh tonnes. Major castor oil importing countries from India are China (2.90 lakh tonnes), Netherlands (0.89 lakh tonnes), France (0.67 lakh tonnes), USA (0.68 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 3rd advance estimates, all India castor production in 2021-22 is at 15.06 lakh tonnes.

Castor seed production has decreased to 15.06 lakh tonnes in 2021-22 from 16.51 lakh tonnes in 2020-21. Total supply has increased from 22.73 to 22.79 lakh tonnes including carryout stock 7.73 lakh tonnes. Consumption increased from 15.00 to 15.50 lakh tonnes. This increase in total consumption leads to decrease in carryout stock to 7.29 lakh tonnes for the year 2022-23.

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 2nd advance estimates, castor production in 2021-22 is at 0.03 lakh tonnes from 0.03 lakh ha (0.07 lakh acres) with productivity of 1060 Kg/ha (429 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) 2022-23. Under expected normal rainfall and crop acreage, it is predicted that the castor price per quintal will be around **Rs. 5700 – 5900** at the time of harvesting (December 2022 to January 2023). This price forecast is based on the monthly modal price of castor obtained for 20 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.