

## **VANAKALAM (KHARIF) 2023-24 PRE-SOWING PRICE FORECAST OF CASTOR**

### **Castor Price per quintal will be around Rs. 5200 – 5500 at the Time of Harvesting (December 2023 to January 2024)**

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 (16.47 lakh tonnes), Mozambique (0.73 lakh tonnes), Brazil (0.35 lakh tonnes), China (0.21 lakh tonnes), Thailand (0.12 lakh tonnes) and Myanmar (0.12 lakh tonnes).

Last year between April to March the castor seed meal export was 3.91 lakh tonnes, which during the current year in the same period decreased to 3.82 lakh tonnes. Last year between April to March the castor oil export was 6.63 lakh tonnes, which during the current year in the same period decreased to 5.38 lakh tonnes. Major castor oil importing countries in the year 2022-23 from India are China (2.52 lakh tonnes), Netherlands (0.82 lakh tonnes), France (0.62 lakh tonnes), USA (0.41 lakh tonnes) and Japan (0.16 lakh tonnes).

Area under castor reported during 2022-23 was 8.917 lakh ha (22.030 lakh acres) as against 7.547 lakh ha (18.65 lakh acres) during the same period in 2020-21. Among states, Gujarat is leading with 6.992 lakh ha (17.10 lakh acres) under castor followed by Rajasthan 1.491 lakh ha (3.684 lakh acres), Andhra Pradesh 0.351 lakh ha (0.870 lakh acres), Odisha 0.042 lakh ha (0.100 lakh acres) and Telangana 0.019 lakh ha (0.048 lakh acres). According to Government 2<sup>nd</sup> advance estimates, all India castor production in 2022-23 is at 18.82 lakh tonnes as against 16.19 lakh tonnes in 2021-22

With the estimated castor seed production 18.82 lakh tonnes the total supply has increased from 23.90 to 27.20 lakh tonnes including carryout stock 8.34 lakh tonnes, while the consumption remained same at 15.50 lakh tonnes. This increase in total supply leads to increase in carryout stock to 11.66 lakh tonnes for the year 2023-24.

In Telangana state, Narayanpet 515 ha (1273 acres), Gadwal 498 ha (1230 acres), Mahabubnagar 405 ha (1000 acres), Wanaparthy 355 ha (878 acres) and Nagarkurnool 74 ha (184 acres) are major castor growing districts. According to Telangana State Government 3<sup>rd</sup> advance estimates, castor production in 2022-23 is at 0.03 lakh tonnes from 0.04 lakh ha (0.11 lakh acres) with productivity of 675 Kg/ha (273 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) 2023-24. Under expected normal rainfall and crop acreage, it is predicted that the castor price per quintal will be around **Rs. 5200 – 5500** at the time of harvesting (December 2023 to January 2024). This price forecast is based on the monthly modal price of castor obtained for 21 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.*