

## **KHARIF 2019-20 PRE-HARVESTING PRICE FORECAST OF CASTOR**

**Castor Price per quintal will be around Rs. 4000 – 4100 at the Time of Harvesting  
(December 2019 to January 2020)**

Castor plant is grown in arid and semi-arid regions. It is cultivated in 30 different countries on commercial scale of which India, China, Brazil, Russia, Thailand, Ethiopia and Philippines are major castor seed growing countries accounting for nearly 88% of the world's production.

Castor area in India was reported as 9.38 lakh ha as against 8.76 lakh ha during the same period of last year. In India, major castor producing states are Gujarat (7.02 lakh ha), Rajasthan (1.54 lakh ha), Andhra Pradesh (0.33 lakh ha), Telangana (0.22 lakh ha) and Odisha (0.04 lakh ha). In Telangana major growing districts are Narayanpet (6973 ha), Wanaparthy (5567 ha), Mahabubnagar (5104 ha) and Gadwal (2163 ha). According to Government 1<sup>st</sup> advance estimate, castor production in 2019-20 is at 17.37 lakh tonnes.

As per market sources, castor oil exports in the month of September 2019 was 40.927 thousand MT which is 10.33 per cent lower than August exports of 45.645 thousand MT. On a cumulative basis, exports were 2.36 lakh MT from April to August 2019 which is 12.27 per cent lower than last year exports of 2.69 lakh MT during the same period. Both future as well cash castor oil and seed markets were dropped last month due to supply pressure in major markets.

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-harvesting price forecast of castor for kharif 2019-20. Under good rainfall and increased crop acreage, it is predicted that the castor price per quintal will be around **Rs. 4000 – 4100** at the time of harvesting (December 2019 to January 2020). This price forecast is based on the monthly modal price of castor obtained for 17 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.***