

VANAKALAM (KHARIF) 2020-21 PRE-HARVESTING PRICE FORECAST OF CASTOR

Castor Price per quintal will be around Rs. 3900 – 4200 at the Time of Harvesting (December 2020 to January 2021)

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 2018-19, World major producing countries are India (11.97 lakh tonnes), Mozambique (0.85 lakh tonnes), China (0.27 lakh tonnes), Brazil (0.14 lakh tonnes) and Myanmar (0.12 lakh tonnes).

India, leader in castor oil export has exported 4.41 lakh tonnes of castor oil in the financial year 2019-20 i.e., 8.50 per cent lower than the last year exports of 4.82 lakh tonnes and 5.05 lakh tonnes of castor meal i.e., 34.66 per cent more than the last year export of 3.75 lakh tonnes. Major castor oil importing countries from India are China (2.06 lakh tonnes), Netherlands (0.73 lakh tonnes), France (0.52 lakh tonnes), USA (0.51 lakh tonnes) and Japan (0.15 lakh tonnes).

During January - August 2020 castor oil exports increased to around 4.15 lakh tons as against 3.89 lakh tons during corresponding period of last year. Due to overstocking done by China of all agricultural products, there seems to be a clear cut message that in coming months the prices of Castor would stay strong.

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 1st advance estimates, all India castor production in 2020-21 is at 17.24 lakh tonnes.

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-harvesting price forecast of castor for vanakalam (kharif) 2020-21. Under good rainfall and low crop acreage, it is predicted that the castor price per quintal will be around **Rs. 3900 – 4200** at the time of harvesting (December 2020 to January 2021). This price forecast is based on the monthly modal price of castor obtained for 18 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.