

## Sell castor upon harvest

In this current year of 2019-20 in India, the area under castor has gone up to 9.38 lakh ha as against 8.77 lakh ha in last year, an increase of about 61 thousand ha. As crop condition remained normal throughout the season the production will be also higher about 20.43 lakh tonnes (2<sup>nd</sup> Advance Estimate dt. 18-2-2020), as against 11.97 lakh tonnes in 2018-19. Following a record break production of castor in India about 22.95 lakh tonnes in 2011-12 its price remained under pressure (around Rs. 800 per 20 kg) still August, 2018. But last year it started rising owing to low production and touched to Rs. 1100 per 20 kg in in November, 2018, and by and large remained in the same range till September, 2019. In current season again it started declining owing the estimation of higher production.

In the current year 2019-20 in Gujarat, the area under castor is estimated to be about 7.41 lakh ha as against 5.22 lakh ha in 2018-19 and production is also likely to be higher about 16.45 lakh tonnes as against 9.44 lakh tonnes in last year. The crop condition is satisfactory, will result in normal to higher yield. In Rajasthan and Andhra Pradesh the area is estimated low than the last year but crop condition is good.

The export of castor oil decreased from 6.97 lakh tonnes in 2017-18 to 5.74 lakh tonnes in 2018-19 due low production and higher price in last year. Also in current year from April, 2019 to January, 2020 about 4.41 lakh tonnes castor oil has been exported and till March it might be same as last year. The domestic consumption and derivatives exports of castor oil are expected about 2 lakh tonnes. This requires crushing of about 18 lakh tonnes castor seeds. This indicates that, current year's production is seems to be quite higher than the oil demand. This led to decline the castor seeds price and currently it is ruling around Rs. 760 per 20 kg in February, 2020 in various markets of Gujarat likely to remain stable at this level with slight ups and downs.

Taking these all into consideration, the research team of Department of Agricultural Economics, Junagadh Agricultural University, Junagadh, analysed the historical monthly price data of castor collected from Patan APMC. Based on the econometric analysis, it is revealed that the prices of castor during **March to May, 2020 may remain in the range of Rs. 740 to 820 per 20 kg (3700 to 4100 Rs/qtl) during harvesting period.** This may be taken note by the farmers to take their own decision to sale castor upon harvest, without going for storage keeping the above situation in view.

India exports nearly 40 per cent of its total castor oil to China. Currently due to Corona virus problem in China, may results in large scale trade decline, which can cause more reduction in castor price. In that situation, farmers may store castor for few months.