



# Global Castor Conference 2017

**Presented by**

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## Economic Scenario

- Global Growth as per IMF is forecasted 3.4% during 2017
- Chinese growth facing headwinds with GDP forecast 6.5%
- World becoming more Inward Looking – Brexit, Trump, Make in India etc.



## Economic Scenario

- India – One of the bright spots till Nov 2016
- Demonetization in November queered the pitch
- Interest rates expected to harden in US
- Indian currency is stable

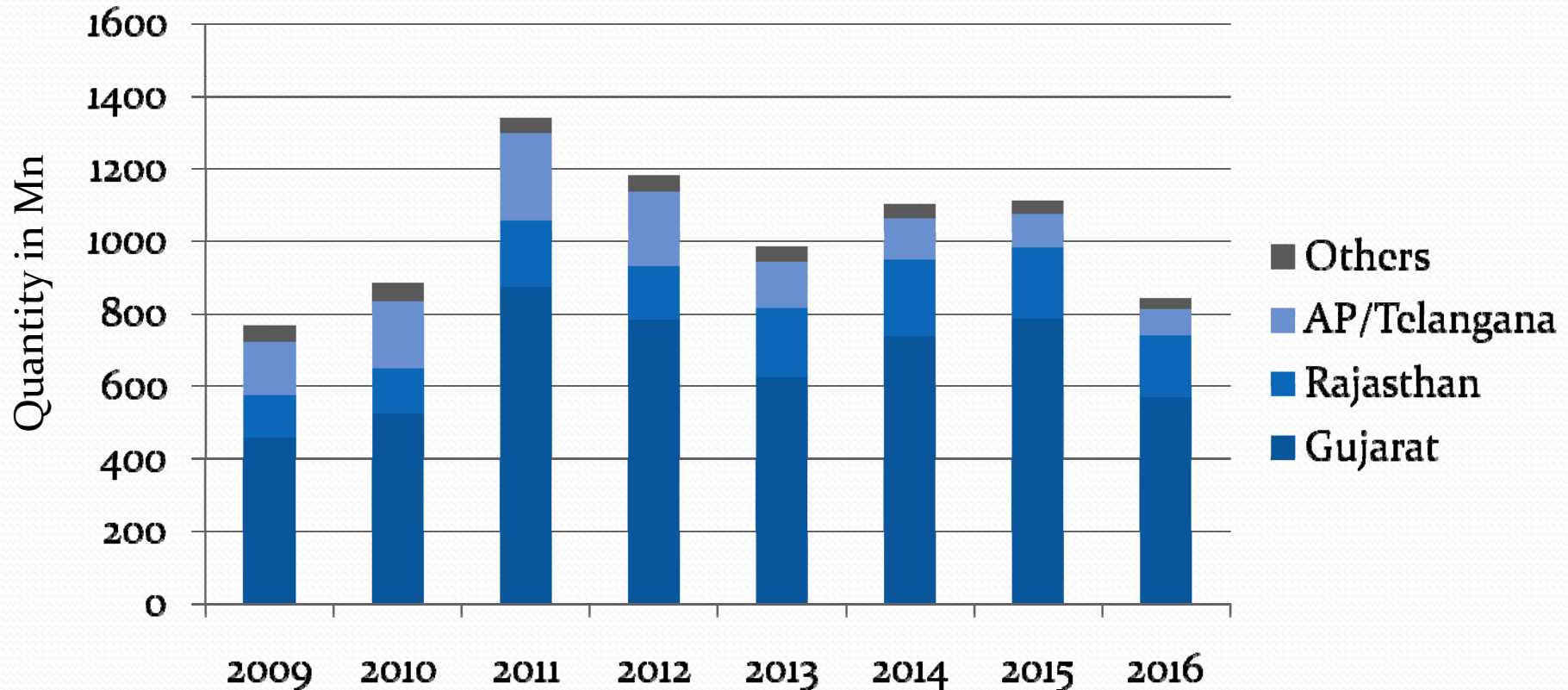
## Agri Rebounding in India

- Agri GDP growth which was hovering around 1% is likely to rebound to 4% during current year.
- Overall Oilseed Rabi Area higher by 6.7%
- Area under pulses gained 11%

## Agri Rebounding in India

- Castor which thrives in adverse weather conditions lost acreage to competing crops during the current year.
- Castor prices remained subdued which further discouraged the Indian farmer.
- The capacity of Indian farmers to respond to price signals has long been under estimated.

## Castor seed Sowing Area



- *One of the biggest declines in sown area happened this year.*
- *Against 1.13 mln hectares area shrunk to 0.84 mln hectares, a drop of more than 25%*

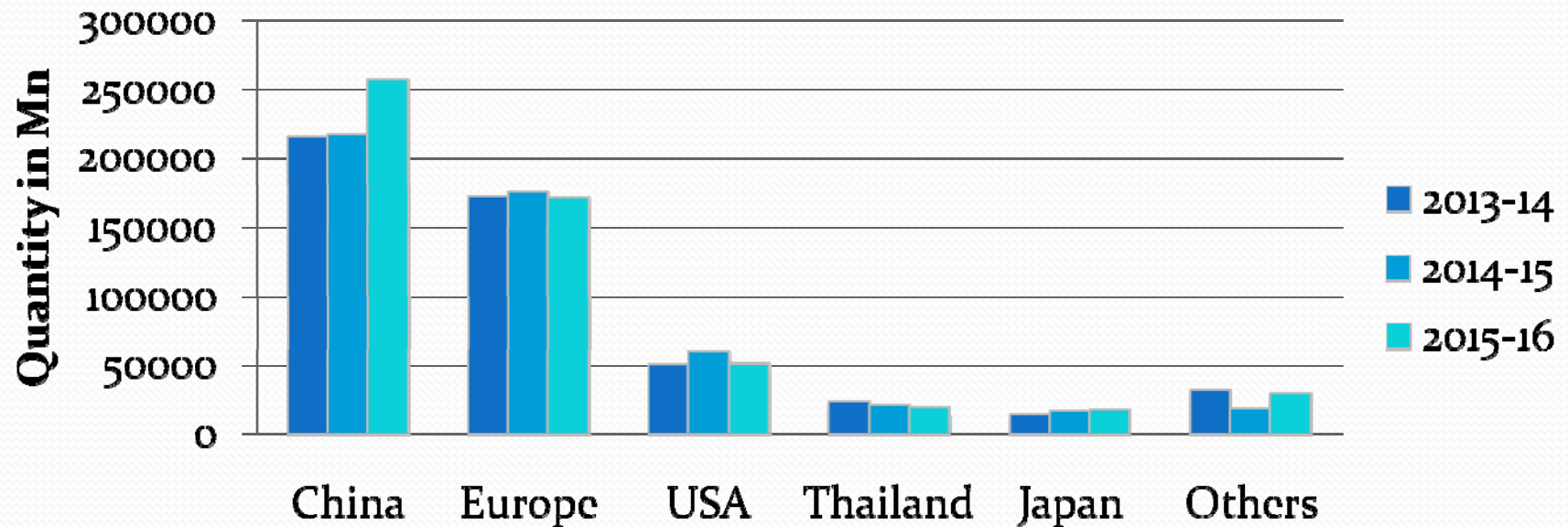
## Castor seed Crop Projection 2016-17

	Area (‘000 Hec)	Yield (Kg/ Hec)	Production (‘000 MT)
Gujarat	565	1619	915
Rajasthan	171	796	136
A.P/Telangana	74	762	56
Others	30	626	18
<b>Total</b>	<b>840</b>	<b>1339</b>	<b>1125</b>

- *Estimating 10% increase in yield as compared to last year, we expect a crop of 1.125 mmt, still a massive reduction.*
- *We may hear more from Nielson later in the day.*

# Castor Oil Export and Estimate

## Chart Title



Note : Quantities exported to Malaysia & China in above chart are clubbed for proper comparison

- Castor oil exports from India increased from 544kt during 2015 to 565 KT during 2016, an increase of 4%
- 25kt which was lying in Malaysia also got consumed during the year. If we include this then consumption rose to 590kt, an increase of 8.5 %.
- During 2017 we estimate demand to be about 600kt.



## Castor Balance sheet

Particulars	2016	2017 P
Castor seed Crop	1400	1125
Carry in from previous year	600	400
Seed available for crushing	2000	1525
Castor oil available	920	700
Castor oil Export	565	600
Castor Derivatives Exports	120	120
Domestic consumption	50	50
Total Disappearance	735	770
Carry forward (oil form)	185	-70
Carry forward (seed form)	400	-150

*Quantity in '000 MT*

- We estimate carry in of about 400kt and Crop of about 1125kt.
- Total disappearance is likely to be about 770kt leaving a negative carry out of about 150kt in Seed terms.
- Prices have to rise to ration demand .Can be a scary scenario.



***Thank You***

THANK YOU