

DOMESTIC

Major production states: Major castor seed producing states are Gujarat, Andhra Pradesh, Rajasthan, and Karnataka. The major trading Centers are Deesa, Palanpur, Patan, Kadi, Dhanera, and Sidpur in Gujarat, Mahboobnagar, Nalgonda, and Rangareddi in Andhra Pradesh, and Sumerpur in Rajasthan.

Major Castor Oil producing states: Gujarat is the major castor oil producing state.

Fundamentals : Castor oil of non-edible grade is renowned the world over as one of the most versatile of all oil types for industrial purposes. India produces around 7-9 lakh tonnes of castor oil.

CONTRACT SPECIFICATIONS

Commodity	Ticker Symbol	Basis	Delivery Logic		Quotation/ base value	GST	
Refined Castor Oil (First Special Grade - F.S.G.)	CASTOROIL	Ex-Tank Kandla	Cash settlement		Rs. per 10kg	Exclusive	
Position Limits							
Trading Unit	Tick Size	Expiry date	Aggregate		Near Month		
2 MT	50 Paisa	20 th every month	Member 42,000	Client 4,200	Member 10,500	Client 1,050	
Refined Castor Oil (FSG- First Special Grade) with the following specifications:							
Quality Specifications	Refractive Index at 20°C		1.4700-1.4740				
	Moisture & Volatile Matter		0.22 % Max				
	Insoluble Impurities		0.02 % Max				
	Free Fatty Acid		0.9 % Max				
	Acid Value		2.00 % Max				
	Iodine Value (Wijs method)		82-90 %				
	Acetyl Value		140 Min				
	Saponification Value		177-187				
	Un-saponifiable Matter		0.80 % Max				
	Hydroxy Value		160-168				
	Relative Density 15 / 15.5 DC		0.954-0.960				
	Viscosity Gardner-Holdt		U- V				
	Colour, Lovibond (5 1/4" cell)		19 Yellow, 1.9 Red Max				
	Appearance 25 DC		Clear and free from suspended matter				
	Odour		Slight, characteristic				
	Ricinoleic Acid content		85% Min				

For detailed contract specifications visit website www.ncdex.com



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CIN: U51909MH2003PLC140116

Commodity at a Glance

NCDEX Refined Castor Oil Futures



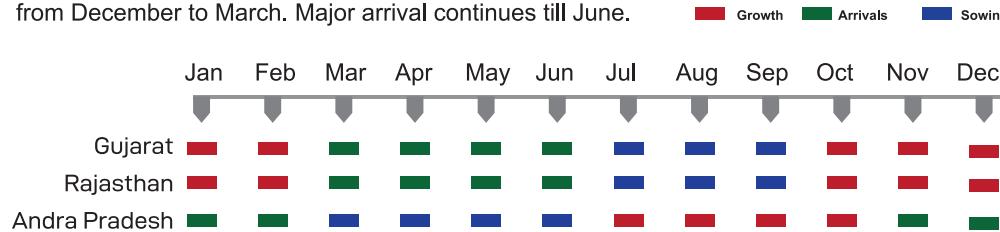
- Benchmark Futures contract for Refined Castor Oil
- Hedging and price risk management tool for value chain
- Efficient and transparent price discovery
- Connects the entire value chain

Commodity Overview

Castor Oil (Ricinus Oil), is a non-volatile fatty oil obtained from the seeds of the castor bean (*Ricinus communis*) of the spurge family (Euphorbiaceae). Castor seed is generally grown for its oil yield. India is the world leader in castor oil production and dominates the international castor oil trade.

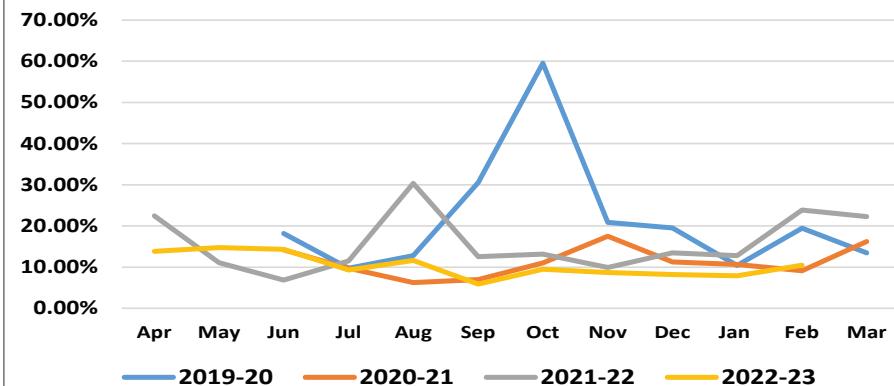
SEASONALITY

Castor seed is a Kharif crop with sowing taking place between July to October and harvesting from December to March. Major arrival continues till June.



Castor Oil Volatility Chart

Refined Castor Oil Monthly Spot Price Volatility



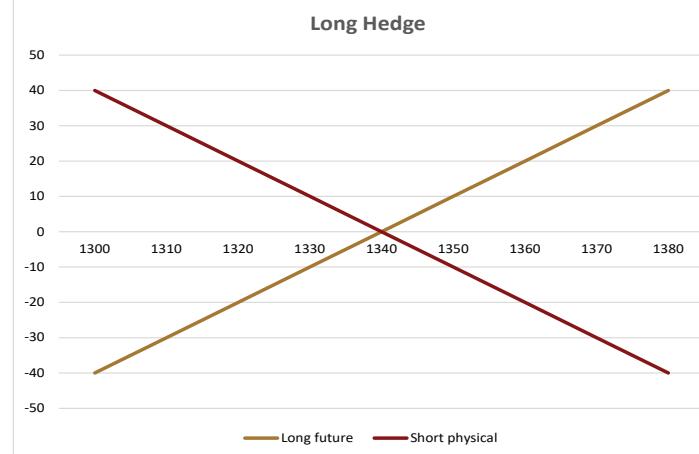
Source - NCDEX Futures Price

PRICE RISK HEDGING

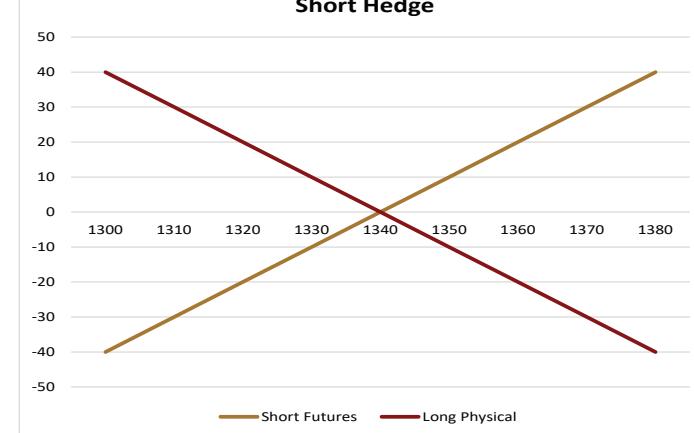
Buyer/ Exporter locks in the RCO futures price at Rs. 1340/ per 10 Kg. for a long position.

If the price of the RCO decreases in the physical market, the gain in the physical market is offset by the loss in the Futures market.

If the price of the RCO increases in the physical market, the loss in the physical market is offset by gain in the Futures market.



Short Hedge



Graphs : For illustrative purposes only

USES OF REFINED CASTOR OIL

Castor oil is widely used in different industries like, lubrication, hydraulic brakes fluid, paint, coating, ink, cold resistant plastics, wax and polish, nylon, pharmaceutical, dye, perfume, etc. Castor seed products are gaining importance because of their biodegradable and eco-friendly nature.

FACTORS INFLUENCING THE PRICE

- Production and acreage variations
- Monsoon and level of rainfall

- Yield level in other countries
- Prices of other competitive oils like hydrogenated oil, dehydrated oil, sulfated and sulfonated oil etc.
- Demand in importing countries and domestic demand.
- Seasonal price variations
- Carry-over stocks
- Development of new uses of the oil.