

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

Quality Specifications	Refined Castor Oil (FSG- First Special Grade) with the following 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 ¼" 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



National Commodity & Derivatives Exchange Limited

Akruti Corporate Park, 1st Floor, Near G.E.Garden, L.B.S. Marg, Kanjurmarg (West), Mumbai - 400 078

T : (+91-22) - 66406789 | F : (+91-22) - 66406899 | Toll Free : 1800 26 62339 | E-mail: askus@ncdex.com | www.ncdex.com



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CIN: U51909MH2003PLC140116



Commodity at a Glance

NCDEX Refined Castor Oil Futures



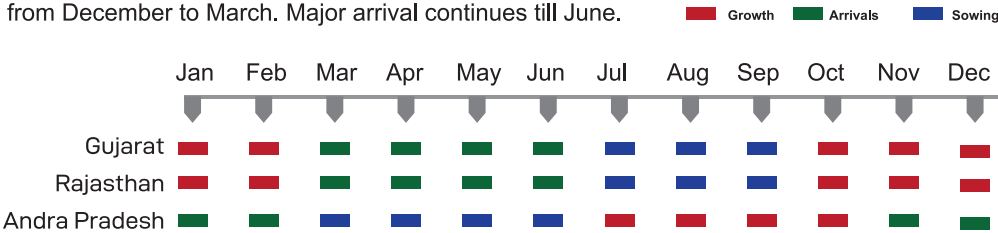
- Benchmark Futures contract for Refined Castor Oil
- Hedging and price risk management tool for value chain
- Efficient and transparent price discovery
- Connects the entire value chain

Commodity Overview

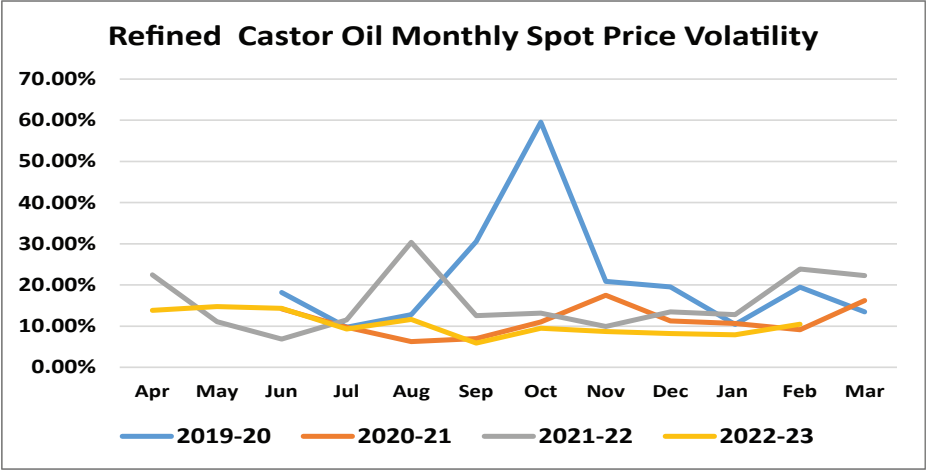
Castor Oil (Ricinus Oil), is a non-volatile fatty oil obtained from the seeds of the castor bean (Ricinus communis) of the spurge family (Euphorbiaceae). Castor seed is generally grown for its oil yield. India is the world leader in castor oil production and dominates the international castor oil trade.

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



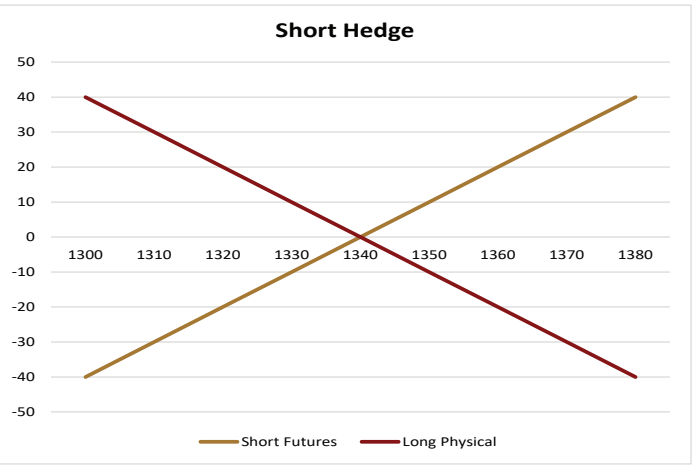
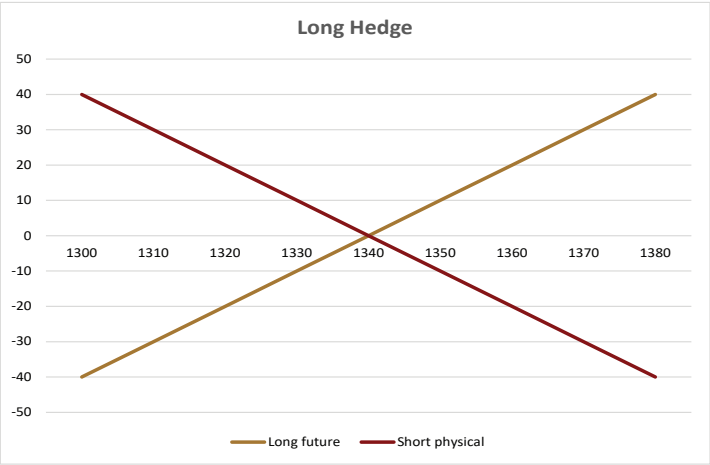
Source - NCDEX Futures Price

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.



Graphs : For illustrative purposes only

Seller/ Processor locks in the RCO Futures Price at Rs. Rs 1340/ per 10 Kg. for a short position

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

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

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.