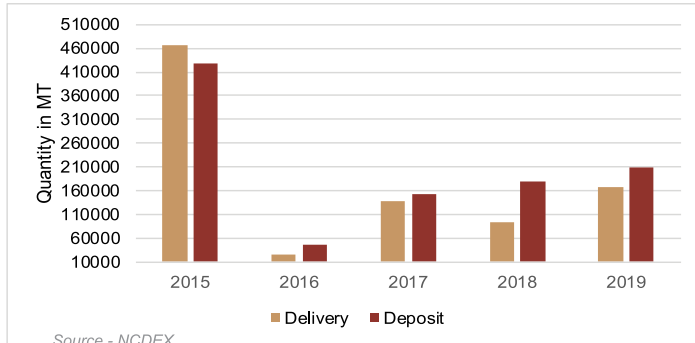


## DEPOSIT AND DELIVERIES



Commodity at a Glance

# NCDEX Castor Seed Futures



## CONTRACT SPECIFICATIONS

Commodity	Ticker Symbol	Basis*	Additional delivery center*	Delivery Logic
Castor	CASTOR	Deesa	Bhabhar, Kadi, Patan	Compulsory Delivery

Quotation	GST	Trading and Delivery Unit	Tick Size	Expiry date	Position Limits			
					Aggregate Member	Client	Near Month Member	Client
Rs. per quintal	Exclusive	5 MT	Rs.2	20 <sup>th</sup> every month	2,05,000	20,500	51,250	5,125

Quality Specifications	Castor Seed (small seed) with the following specifications:	
	Oil content	47% Min
	Fotri (Husk) and damaged Seeds	3.5% Max
	Sand, Silica And Stones	1% Max
	Moisture content	4.5 % Max
Acceptable quality variations at the time of taking physical delivery shall be applicable as per annexure to the contract specifications		

\*Applicable from 1st Spetmeber 2020

For detailed contract specifications visit website [www.ncdex.com](http://www.ncdex.com)

- Benchmark Futures contract for castor seed
- Hedging and price risk management tool for value chain
- Efficient and Transparent price discovery
- Robust delivery mechanisms
- Connects the entire value chain

Launched on 23 July 2004

Highest monthly  
**ADTQ 245,153 MT**  
**ADOI 451,148 MT**

Total deliveries  
till Jan 2020  
**1.49 Million MT**

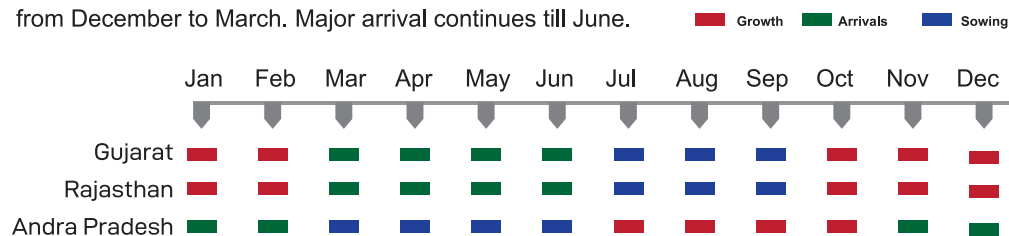
India is the largest producer exporting majority of its production to the world.

Gujarat is the largest producing state in India.

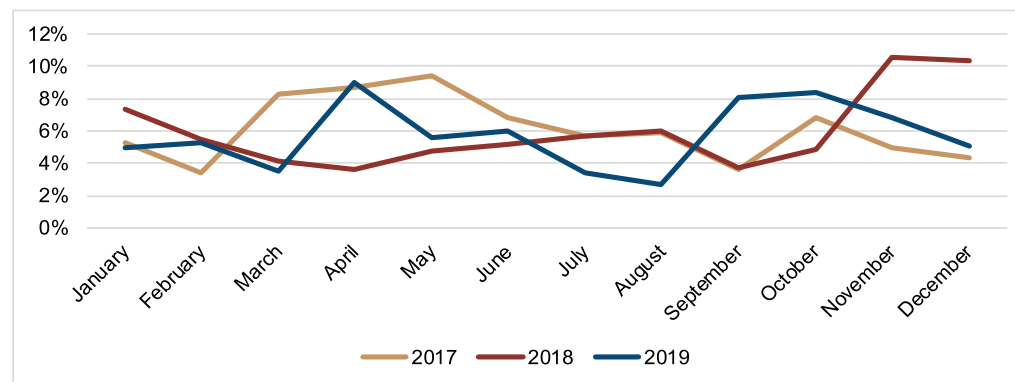
Key trading centers : Deesa, Palanpur, Patan, Kadi, Dhanera, Sidpur (Gujarat), Mahboobnagar, Nalgonda, Rangareddi (Andhra Pradesh), Sumerpur (Rajasthan).

## 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 SEED MONTHLY PRICE VOLATILITY



Annualised Volatility  
**22%** 2017 **23%** 2018 **22%** 2019

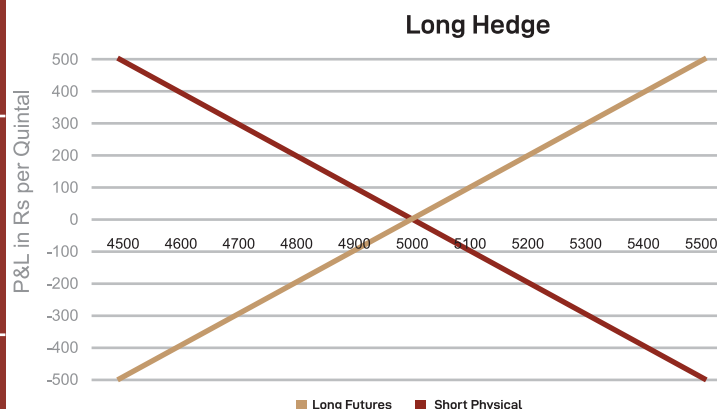
Source - NCDEX Futures Price

## PRICE RISK HEDGING

Processor/ Hedger locks in the Castor Futures price at Rs. 5000/ quintal for a Long position.

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

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

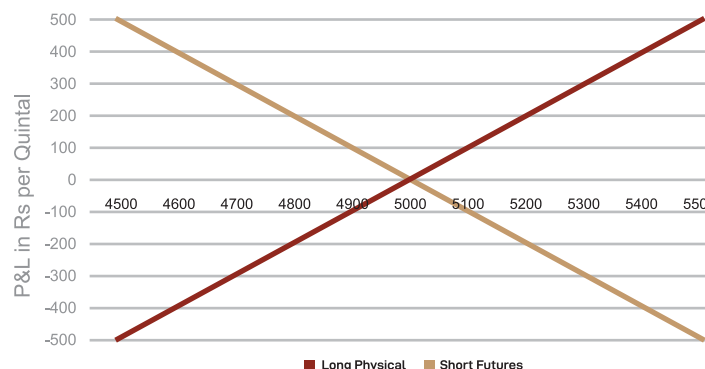


## Short Hedge

Farmer/ Hedger locks in the Castor Futures price at Rs. 5000/ quintal for a short position.

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

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



Graphs : For illustrative purposes only

## USES OF CASTOR SEED

- Castor Oil a derivative of Castor Seed is used in manufacturing of soaps, lubricants, hydraulic brake fluids, paints, coatings, inks, cold resistant plastics, waxes and polishes, nylon, pharmaceuticals, dyes and perfumes etc.
- It is used either in crude form or in the refined hydrogenated form.
- Sebacic acid & 12 HAS, important derivatives of Castor Seed have varied applications in China.

## FACTORS INFLUENCING THE PRICE

- Production & Acreage Variations
- Monsoon & Level of rainfall
- Seasonal price variations
- Carry-over stocks
- Export demand of castor oil & new uses of the oil
- Demand in importing countries and domestic demand
- Shifting cropping patterns