



2<sup>nd</sup> July, 2020/12679

**Shri Mansukhbhai Mandaviya,**  
Hon'ble Minister of State for Chemical & Fertilizers,  
Government of India,  
Transport Bhawan, Sansad Marg  
New Delhi.

Respected Sir,

**Sub: Promoting Export of Castor Oil & Hydrogenated Castor Oil.**

Greetings from Gujarat Chamber of Commerce & Industry [GCCI].

Gujarat Chamber of Commerce & Industry [GCCI] founded in 1949, is the apex trade and industry body of Gujarat which works to create and sustain an environment conducive to the growth of industry and trade in Gujarat. With more than 4000 direct members including more than 200 regional chambers and associations of Gujarat, GCCI serves the interests of all sectors of trade & industry of Gujarat State.

It was indeed a great opportunity for me as Sr. Vice President of GCCI to participate in the webinar held on 25<sup>th</sup> June, 2020. The webinar was quite informative and useful guidance was made available.

Sir, you may be aware that India is the leading country in the world exporting castor oil with its share of 85.9 % in global export market (595.80 MT and value of USD 821.21 M) and within India, Gujarat is contributing almost 80% of the export of India. Its very much pertaining to note that China's share in global imports of castor oil is 39.8 % and nearly 45 % is met by India. Thus, probably the only product on which China depends on India for its imports is castor oil.

However, though castor oil is an agricultural produce, it has been entrusted to CHEMEXCIL for export promotion and since there is no chemical involved in it due attention is not paid by CHEMEXCIL towards its export promotion.

**Durgesh V. Buch**  
President

**Natubhai Patel**  
Sr. Vice President

**Bhargav Thakkar**  
Vice President

**Sanjeev Chhajer**  
Secretary

**Dilip M. Padhya**  
Secretary (R)

**Pathik S. Patwari**  
Treasurer



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Escalating trade battle between the US and China has impacted India's castor oil exports adversely as exports of the commodity have gone down by 8.8% in April 2019. A senior executive of one of the biggest castor oil exporters based in Gujarat said if the trade-related tension continues between the US and China, castor oil exports would further go down.

As mentioned earlier India is the largest producer of castor and castor oil in the world with almost 90% share. In India, Gujarat has a lion's share of 80% in the production of castor and castor oil. Castor oil and its derivatives are used in many industries including air-conditioning, air-fuel, pharmaceuticals, dyes & chemical, soap, paints, inks, plastic, perfumes, adhesive, paper, lubricants, food and rubber, among others.

Apart from China, the US and European Union (EU) are the largest importers of castor oil from India. China's share is nearly 40% in India's total exports.

We therefore request you to:

1. Allot this product to Agricultural and Processed Food Products Export Development Authority and
2. To grant export incentives on par with other Agricultural produce so that duty drawback of 5 to 7% can be drawn and thereby the farmers can be given due price of their produce leading towards the dream of doubling the farmers income by 2022.

We hope that suitable action will be initiated by you in this regard.

Thanking you and with best regards,

**Yogendrakumar Trivedi**  
Chief Operating Officer

**Durgesh V. Buch**  
President

**Natubhai Patel**  
Sr. Vice President

**Bhargav Thakkar**  
Vice President

**Sanjeev Chhajer**  
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