

Steps sought to arrest fall in coconut oil price

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KOCHI: The Coconut Development Board has urged the Union Agriculture Ministry to take immediate steps to arrest the downward slide in prices of coconut oil and copra.

The board urged the Centre to ask agencies such as NAFED to procure milling copra at the rate of Rs.5,100 a quintal to steady the market.

The board is also asking through the respective Agriculture Production Commissionerates of Tamil Nadu and Kerala for effective market intervention so that the market prices of copra and coconut oil were brought above the minimum support price.

Industry sources here said that at the beginning of the year coconut oil price was at Rs.7,600 and copra at

Rs.5,200 a quintal. Now the prices were Rs.7,000 and Rs.4,900 respectively.

Copra prices are below the minimum support price (Rs.5,100) and it may decline further in the days to come if prompt action is not taken immediately, said N Ananthan, former secretary of the Cochin Oil Merchants Association. As per available data, the area under cultivation of coconut in Kerala had declined from 8.97 lakh hectares in 2005-06 to 7.78 lakh hectares in 2009-10.

The production had also dropped from 6,326 million nuts to 5,667 million nuts during the period. Whereas in Tamil Nadu, the area under cultivation had increased from 3.70 lakh hectares to four lakh hectares and the production from 4,867 to 5,547 mil-

lion nuts during the period.

Productivity had shown an increase in both the States. In Kerala, from 7,046 nuts to 7,278 nuts and in Tamil Nadu, from 13,136 to 13,852 nuts a hectare during the period.

It showed that in Kerala both the area under cultivation and production of nuts had decreased by 13.26 per cent and 10.41 per cent. In Tamil Nadu, it had increased by 8.04 per cent and 13.97 per cent respectively during the same period. In productivity, Kerala showed a growth of 2.29 per cent whereas Tamil Nadu the growth was 5.49 per cent during the period. At this rate of growth, Tamil Nadu may have surpassed Kerala in coconut production by this time, avers Mr. Ananthan.

All-India level, the production showed an increase dur-



DOWNWARD TREND: Coconut oil sales in progress at a retail outlet in Kochi. - PHOTO: K.K. MUSTAFAH

ing the period from 14,811 to 16,460 million nuts. In 2011, coconut oil price touched an all-time high of Rs.10,600 in May. The average price for

2010 was Rs.6,166 and in 2011 Rs.7,943 a quintal.

Mr Ananthan noted that in case of coconut production and marketing its products,

even the utmost efforts by the authorities did not result in complete information. Demand forecasting was a scientific instinct. It was not only challenging but also a tedious and long drawn out process. It required scientific data collection and analysis, he added.

Use of coconut oil in areas other than the traditional sector was still at an elementary state. Hence, it was suggested that upgrading of technology of multiple use of coconut oil in value-added product derivatives such as glycerine, lauric acid, industrial alcohol etc. would lead to more demand for coconut oil. Unfortunately, there was technological obsolescence in this field. There was an urgent need to upgrade its technology, Mr Ananthan said.