

FPOs should be alert against price fall

External forces have once again started playing in the market to deliberately bring down the price of coconut products. This is evident from the recent decline in price recorded for copra and coconut oil. The copra and coconut oil market was ruling steady which started declining from September 6th onwards. Since the South-West monsoon was below normal in major coconut producing states viz. Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Odisha and West Bengal this year, a major surge in production of coconut is not expected in the forthcoming season. With the offset of monsoon, tender nut market is also picking up momentum. Neera extraction by Coconut Producer's Federations is also on the increase. As a result of it, arrivals of copra and coconut oil to the markets in the coming days will be lesser in quantity. Moreover, the export of coconut products from India in 2015-16 (April to August 2015) also recorded a steady growth, which is a clear indication of the fact that more coconut is being converted to value added products apart from copra and coconut oil. Whereas the import of coconut oil in 2015-16 (April to August 2015) recorded a decrease of 25%, compared with the same period during 2014-15. With the start of festival season, the demand for coconut oil from upcountry markets is high. A close observation on the comparison of the daily price of coconut products with the moving average for 60 days, indicates that the chances for a price fall is remote in the coming months. At a time when all the market forces are favourable for continuance of a steady price for coconut products, the temporary price fall observed in recent days is only because of the dirty tricks played by external lobbies in the market with an intention to procure more commodities at lower price, foreseeing the demand during the coming festival season. Coconut farmers, Coconut Producers' Societies, Coconut Producers' Federations and Coconut Producers' Companies should be vigilant and respond accordingly to make the market steady.

Farmers are requested not to succumb to the misleading and baseless news and not to sell of their produce at a reduced price. Nowadays coconut farmers need to concentrate more on primary processing and marketing of value added products. Federations should start setting up modern copra dryers, by way of which fair quality copra can be produced and the Producer Companies should focus on effectively utilizing this copra to produce unadulterated, good quality, branded coconut oil. The farmers should keep in mind that the price of value added products not at all depend on the price of the primary produce. The Farmer collectives should also be able to squeeze benefits out of the growing tender coconut market. A steady price in market is assured only when farmer's collectives respond to the situation. Farmers have to come forward against the foul play by external players in the market to ensure good price for their produce.