ABSTRACT

The present study “Economics of Coconut Products-An Analytical Study”, analyses the trend in the area, production and productivity of coconut in India and the world with special reference to Kerala. It is observed that the trend and rate of growth of the area, production and productivity of coconut become slower in the post-Liberalisation period than pre-Liberalisation period at the all India level. In the post-Liberalisation period Kerala benefited mainly due to the increase in productivity even if the area under coconut cultivation declined in the post-Liberalisation period. The monopoly of Kerala in coconut production of India is receding. The study analysed the fluctuations in the prices of coconut products such as coconut oil, copra and coconut oil cake in the Alappuzha, Kochi and Kozhikode markets. It is revealed that there is no significant difference in the price of coconut products such as copra, coconut oil and coconut oil cake among the three markets–Kochi, Alappuzha and Kozhikode in the pre and post-Liberalisation period. The fluctuation in the prices of coconut products was very severe in the post-Liberalisation period and it adversely affected the price of the coconut products in the three markets in Kerala. It also discussed the trend in export and import of coconut products, the issues associated with and the scope for diversification of coconut products and forecast the prices of coconut products. In the post-Liberalisation period where the open market system was introduced, both the import and export of coconut products in India have increased which results in healthier market earning. The study covers a period of 34 years from 1974-75 to 2007-08, dividing it into-pre and post-Liberalisation period covering 17 years, before and after 1991. Secondary data was mainly collected from Coconut Development Board, Ministry of Agriculture, Government of India, Kerala Bhavan, Kochi. The study has used simple statistical techniques like Percentage, Ratio, Average, One-way ANOVA, Co-efficient of Variation and Trend Analysis to present and draw inference from the data presented. To forecast the prices of coconut products a Time Series Model based on Auto Regressive Integrated Moving Average Method (ARIMA) and Holt-Winters Exponential Smoothing Models are used. The average monthly prices of coconut oil, copra and coconut oil cake of Kochi market for the period from 1st January 1995 to 31st December 2010 was used for forecasting. The study found that the best model for forecasting the coconut products price is the Holt-Winters Exponential Smoothing Model than the Seasonal ARIMA Model.