

Soaring Exports Make Coconuts Cheaper in Dubai

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Coconuts have become cheaper in Dubai than in Kerala or Tamil Nadu as Gulf countries face a glut thanks to the volatile rupee. The Gulf nations banned coconut imports from Sri Lanka last year leading to bigger shipments from India.

Coconut sells at Rs 8 in Dubai compared with Rs 11-12 in Kerala. A rush by exporters to take advantage of the huge demand in the Gulf as hammered down the prices.

The indication of a bumper crop in south India has boosted the prospects of exports further. "We have gone slow on coconut exports as a lot of exporters have entered the fray. As a result, the Dubai market is flooded with coconuts from Kerala and Tamil Nadu. Earlier, we used to send 15 containers, each container having 50,000 pieces," said Sajith, general manager, Fair Exports India. Though the falling price has made consumers in the Gulf happy, exporters are disappointed as they buy at a higher price from the local markets. "Demand for coconuts in the Gulf market is on the rise. We have been sending 6 containers a month from here. We mostly source it from big gardens in the ePollachi belt in Tamil Nadu," said Mohammed Ashraf, MD of Olive Exports. Till December 2011, export of fresh coconuts almost doubled over the last year. Coconut Development Board figures say 30,000 tonne of coconuts have gone mostly to the Gulf. In 2010-11, export of fresh coconuts was at 15,751 tonne.