

## A STUDY ON EXPORT PERFORMANCE OF COIR INDUSTRY IN INDIA

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### Abstract

India is the largest producer and exporter of coir and coir products. At present, coir and its products are exported to more than 100 countries, with china being the biggest market with a share of more than 40percent of total export. Coir geo- textiles and pith are likely to be the major item slat to pick up substantially in the coming years. Coir pith is eco-friendly product. They are being usually effectively used for improving soil behaviors, preventing soil erosion, and in helping consolidation of soil. Coir is a 100 percent organic and bio-degradable fiber which has great water absorbency and has a definite edge over synthetic geo textiles, in the environmental aspect and issues. Coir product making is an important cottage industry, contributing significantly to the economy of the major coconut growing states such as Kerala, Tamilnadu and Andhra Pradesh. This study refers the various schemes for coir development and analyzes the production and export of coir products of previous fiscal years, and also indicates these problems of modern coir units. government provides various type of schemes for developing the coir industry but manufactures had not aware in the schemes so this study clarifying the schemes for coir development in India. This study refers the challenges and advantages of coir industry in India.

**Keywords:** Coir, Coir Board, Geo textiles, Coir Export, Coir Pith, Export

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### Introduction

The economic development of any country demands industrialization. Though it has got recognition in our country, it is high time we thought about balanced regional development, an important component of industrialization. Rural development forms a key component in a nation's progress towards economic freedom and equality. But the migration of rural people to cities and the ineffective utilization of rural resources stand as hurdles to rural development. Hence it is very important to develop and to encourage rural industry by considering its significance on the socio-economic front of the country.

Rural or traditional industry, one of the sub-sectors of small-scale industry, has a direct and important influence on sustainable economic development. "Encouraging set up of rural industries in the small area is an instrument for not merely attaining political freedom, but an instrument for economic freedom and a foundation of a new social order". It is a matter of common knowledge that India is a land of villages and two-thirds of its population lives in rural areas. The future of India lies in these teeming rural million. It is only from a progressive, growing and dynamic rural society that India could put herself on the desired developmental path. Rural small-scale industries play an important role of under the peculiar Indian conditions. They contribute to half the gross value of output originating in the manufacturing sector. At present it contributes 40 percent to exports in the country and provides employment to 13 million.

In India coir industry is the one of best example for traditional and lively industry with compared than the other industry like handloom textiles .the rubber industry also like a coir industry in the development and modernization of industrial unit and oneness in the clusters their units to develop the small units. But present day's coir units have problems to make globalised products of global village customers, and same time coir and its related products values increase day to day in the global market.

Coir is the product of coconut husks, it is the base material for all types of coir related products like coir yarn, coir pith, coir mates, coir matting. In India Tamilnadu is the only state produce the coir fibre, Kerala have little bit percentage of production coir fibre, but Kerala has the large share on percentage of coir production units compared with other state like Andhra, Karnataka, Goa, and Odisha. These are the states have larger production units of coir. There is the problems is now a day's Tamilnadu coir units have production and marketing problems, it arises the study need for Tamilnadu coir industry to develop the industry profile with the use of evaluation study in Tamilnadu units since the development of coir sector contributes towards the sustainable development agenda in terms of creation of environment friendly products, its application for domestic use along with the usage in housing, building, agriculture, horticulture, and infrastructure production are significant. Now its steady increase every year unpredictable way in the percentage as on coir board's annual reports on to the previous financial year export of coir and coir products is new achievement is the new level of high value Rs 2282 crore in terms of 9,57,044 metric tons in terms of quantity we exports in the previous financial year.

Another view of coir industry has have great future for the coir geotextiles, organic manure and coir products, these all are the new innovative initiations in the coir products, government of Kerala intends to promote the research on coir in different universities in Kerala this research would be made for five years, this project monitoring by under the guidance of national coir research management institute.

## List of Coir Products Manufactured in India

### Coir product Chain has 25 Verities of Products from the Coconut Husks.

1. Coir Fibre
2. Coir Yarn
3. Coir Ropes
4. Coir Mats
5. Coir Matting
6. Coir Tiles
7. Coir Mattings for Cricket Pitches
8. Coir Rugs
9. Coir Mourzouk
10. Coir Belts
11. Coir Mattings for Roof Surface Cooling
12. Acoustic Barriers
13. Coir Geotextiles
14. Cocologs
15. Coir fiber beds (Coco beds)
16. Coir Composite Boards
17. Coir Fenders

### Coir Based Products for Agriculture

1. Plant Climbers or Coco poles (Gardening Coir Grow Stick)
2. Coir Baskets
3. Coco Pots (Molded Coir Pots)
4. Coir Fiber Discs (Tree Cover)
5. Coco Chips (Husk Chips)
6. Coco Peat
7. Coir Pith as Briquettes
8. Coco Lawn

### Reviews of Literature

**Kumarasamy Pillai (2005)** in his article —towards self-reliance in coir fiber production stated that it might not be possible to utilize the entire coconut husks produced in the country for coir production due to a variety of reasons such as lack of a well-defined mechanism for collection of husks, increased cost of transportation, lack of awareness among the coconut producers, dealers and domestic households about the economic value of husk

### Coir Pith

An article about coir pith export “coir board focuses on value added products” by **soundariya preetha (2017)** article analyze the future performance of the coir products chain specially in coir pith, it will be dominating product in future, coir pith manufacturing most essential one to eco friendly product manufacturing mainly the current export are about Rs2100 core and the main product is coir pith .coir pith used to water saving material to decreasing scarcity of water

### Coir Yarn

**Rammohan and K.T.Suntharesan (2003)** the study about the topic of “Socially Embedding the Commodity Chain: An Exercise in Relation to Coir Yarn Spinning in Southern India “is clearly classifying the development of coir yarn business in southern India especially Kerala and Tamilnadu .this study of research article is analyze coir industry in year by year challenges and growth of the coir yarn business. And also how the coir industry faced the problems of implementing of rural coir units thus the study the coir industry is one of the tools of embedding of commodity chain involving the peoples.

### Coir Geotextiles

Coir Geotextiles protect land surface and promote quick vegetation. Geotextiles are a wonderful treasure of natural eco friendly, erosion control blankets in woven and non-woven preparations. Totally biodegradable, geotextiles help soil stabilization and renew vegetation in varying slopes. **Londonlovesbusiness (2017)** reviews indicate the coir geotextiles is the one of the natural methodology of protecting the river banks with the usage of the coir logs and erosion control mats of coir yarn. This study briefly explaining the how the coir logs protecting the river banks, levees, roads on mountain slapping .mainly coir pith is the raw material for these geo textiles easily made soil strong and naturally bio constructed soil.

### Organic Farming

Coir pith and raw black coir yarn is the one of most eco friendly bio degradable tool for the organic farming, **Marijuana Sources(2017)**,organic soils study findings of coir pith and coir yarn is used to natural farming, coir pith is the only better choice to alternate another things of organic farming like mushroom culture ,horticulture, coco farming.

### Importance of the Study

Coir industry is one of the pivotal industries in India. Rural or traditional industry, one of the sub-sectors of small-scale industry, has a direct and important influence on sustainable economic development. The Encouraging setting up of rural industries in the small area is an instrument for not merely attaining political freedom, but an

instrument for economic freedom and a foundation of a new social order. It is a matter of common knowledge that India is a land of villages and two-thirds of its population lives in rural areas. The future of India lies in these teeming rural million. It is only from a progressive, growing and dynamic rural society that India could put herself on the desired developmental path. Rural small-scale industries play an important role under the peculiar Indian conditions.

### Objectives

- To study the conceptual framework of coir industry of India
- To indicate the startup initiators to moving the coir business to better result.

### Methodology

In this conceptual study researcher used the articles, publishes of press reports of coir board, coir news, and reviews from the research journals, data collected from the web sources of coir industry, ministry of MSME reports, and daily news papers and magazines

### Export of Coir Products From India

Export Statistics of Coir Products						
Comparative Statement For Fy Of 2016- 17and 2015 -16						
Quantity in Metric Tonnes			Values in Rs.Laksh			
ITEM	2016 -17		2015 -16		Growth %	
	Q	V	Q	V	Q	V
COIR PITH	490552	90539.11	408897	68808.56	20	31.6
COIR FIBRE	370357	53913.63	255293	41767.11	45.1	29.1
TUFTED MAT	51718	48442.83	45770	44316.03	13	9.3
HANDLOOM MAT	20143	21316.31	20386	22279.96	-1.2	-4.3
GEO TEXTILES	6219	4481.04	4520	3531.72	37.6	26.9
COIR YARN	4426	2948.32	4134	2820.82	7.1	4.5
CURLED COIR	10356	2419.3	9470	2510.07	9.4	-3.6
HANDLOOM MATTINGS	1272	1535.25	1706	1968.78	-25.4	-22
RUBBERISED COIR	888	1295.64	678	971.74	30.9	33.3
COIR OTHER SORTS	256	416.59	46	94.74	451.9	339.5
COIR ROPE	484	388.5	517	396.61	-6.3	-2
COIR RUGS	205	271.92	307	282.5	-33.1	-3.7
POWERLOOM MATE	166	196.38	280	367.35	-40.5	-46.5
POWERLOOM MATTINGS	0	0	16	26.48	0	0
<b>Total</b>	<b>957042</b>	<b>228164.82</b>	<b>752020</b>	<b>190142.47</b>	<b>27.3</b>	<b>20</b>

Source; Annual Report of Coir Board 2016-17



- The pattern of assistance under the Scheme is 40 percentage of the project cost as Govt. of India subsidy, 55 percentage as loan from Bank and 5 percentage as beneficiary contribution
- Under the CUY Scheme, Marketing Support Assistance to the beneficiaries for the following interventions will also be considered.
  - a) For providing financial assistance for establishing Marketing Consortium of CUY beneficiaries.
  - b) For reimbursement of expenditure incurred for participation in fairs/exhibitions
  - c) For hiring showroom spaces
  - d) For reimbursement of salary of personnel employed in the Consortium

### **Export Market Promotion Scheme**

- Delegation, Consultancy & Information Sourcing
- Participation in seminars and conferences
- Participation in international fairs/buyer seller meets
- Publicity abroad
- External Market Development Assistance (EMDA) Scheme
- Coir Industry Awards

### **Domestic Market Promotion Scheme**

- Establishment and Maintenance of Showrooms & Sales Depots.
- Participation in Domestic Exhibitions
- To promote the sale of coir and coir products manufactured by the co-operatives and Public Sector Enterprises committed to payment of minimum wages and other obligatory benefits to the coir workers and thereby encouraging sustained production and better employment opportunities.
- To provide financial support on a continuing basis round the year to the co-operatives and public sector Enterprises who undertake market development programs in coir.

### **Development of Production Infrastructure Scheme for Coir Units**

Financial assistance for setup of coir units to modernization of existing units. Under the Scheme the Board is extending subsidy to the tune of 25 percentage of the cost of equipments and other infrastructural facilities subject to a maximum of Rs. 6 lakhs for setting up of defibering unit, Rs. 4 lakh for Automatic Spinning Unit and Rs. 5 lakh for others. For a composite or a multiple unit the maximum ceiling of assistance would be Rs. 9 lakh. In the case of modernization of existing unit the subsidy will be limited to 25 percentage of the cost of modernization equipments and infrastructural facilities subject to a maximum of Rs. 2 lakh.

### **Skill Upgradation and Mahila Coir Yojana**

Under the scheme the Board is conducting various programme like Entrepreneurship Development Programme, Awareness Programme, Workshop, Quality Improvement Programme, Seminar, Exposure Tour, etc. for attracting more entrepreneurs to start coir processing units. In order to create skilled man power required for the coir industry the board is implementing various training programme such as extension of training, spinning weaving and other product diversification process.

### **Science and Technology Scheme**

The Scheme envisages extension of the fruit of the research at the laboratory level for application at the field level and extension of testing and service facility. The Research and Development activities of the Board are carried out through the twin research institutes; the Central Coir Research Institute, Kalavoor and Central Institute of Coir Technology, Bangalore.

Identification of new user areas for utilisation of coir and coir waste (coir pith), modernisation of production infrastructure for elimination of drudgery in manual operation thereby attaining higher productivity and improvement in quality are integral parts of the research efforts. Collaborative research with research organisations, institutes, universities having proven records on varied applications of coir, development of new products, new machinery, product diversification, development of environment friendly technologies, technology transfer, incubation, testing and service facilities are the areas which are given priority consideration.

### **Pradhan Mantri Suraksha Bima Yojana (Pmsby)**

The Coir Board Coir Workers Group Personal Accident Scheme has been converged to Pradhan Mantri Suraksha Bima Yojana (PMSBY) w.e.f 1.6.2016. The salient features of the scheme are:

- This is an accidental insurance scheme. The scheme will be a one year cover, renewable from year to year, Accident Insurance Scheme offering accidental death and disability cover for death or disability on account of an accident.
- All Aadhar linked savings Bank Account Holders within the age group of 18-70 are eligible to enroll under the scheme
- The premium per annum per member is Rs.12/-.
- The premium will be deducted from the account holder's savings bank account through 'auto debit' facility in one installment on or before 1st June of each annual coverage period under the scheme.
- The premium amount will be reimbursed by the Coir Board on receipt of the details from the coir worker after enrolment



### Trade and Industry Related Functional Support Services Scheme

Collection of statistical data pertaining to various aspects like production, productivity, labor infrastructure, raw material, marketing, etc is required for providing feedback to the trade and industry and for formulating appropriate policy for the overall organized and systematic development of Coir Board. Introducing e-governance system in order to assess the schemes and services of coir Board by the public easily and to make all the activities in transparent way. Organize HRD programs for Coir workers for uploading their knowledge in all spheres.

### Advantages of Coir Industry In India

- **Market Capitalization**

India is one of the largest coir producers in the world, and also one of the white fiber .India accounting more than the 80 percentage coconut production in the world, 60 percentage of the coconut production used to coir products .especially Kerala have a 10.05 lakh hectares coconut cultivation area, the coconut output is estimated at 5759 million nuts annually.

- **Size of Industry**

Total world coir production is 250,000 tones .today India holds 60percentage of world supply of white fibre. Srilanka produces 36 percentage of total world brown fibre output. Over 50 percentage of coir fiber produced annually thorough out the world consumed mainly in India.

- **Domestic and Export Share**

Coir exports from the country of have already exceeded the target 2015-16 and have also registered an increase of 27.3percentage in quantity and 20percentage in value over the previous year. Exports had touched an all time high level of 9, 57,042 in volumes and Rs.2282 crore in values in last financial year. So the coir board an set export target 25000 crore for following years.

- **Employment Opportunities**

Indian coir employees more than the 1.5 lakh weavers and 4 lakh spinners .the industry has been going through modernization for global marketing competition. Coir industry is second to agriculture as a source of employment in Kerala and also several districts in Tamilnadu, providing the employment 3.83 lakh persons more than 50percentage of workers are woman.

### Challenges of Coir Industry in India

#### Modernization of Traditional Units

Modernization of traditional units is most important thing to challenges of coir industry in India .modernization is one of tool to promote coir industry push into global village concept without the modernization. Modernization create the problem of lack

of proper machineries for increase the production units, so non availability of modern tools is affect development of mass coir production.

### **Skilled Labour**

Labour is the one of the fundamental factor for every production industry. Coir industry is the one of traditional industry so there is number of unskilled labours engaged in productivity. A major portion of the workers in coir industry are women especially in spinning as well as manufacturing sectors and their productivity is very low when comparing men workers. Labour absenteeism, low rate of wages, labour turnover, and low labour productivity are the major problems of labour in coir industry.

### **Guidance from Proper Channel**

Coir industries development board in India called coir board under the ministry of M.S.M.E is plans very favour to coir manufacturers but same time problems arises in implementations of planning. Coir board will give more importance to implementation s of planning they easily achieve their goals in coming fiscal year.

### **Conclusion**

This over view shows the coir industries opportunities and challenges, day by coir industry is faced various problems and also coir industries productivity is compared than the other coir production countries higher level in the market, mainly china is the top importer of Indian coir products. Coir pith used to various form of products central European countries. Export promotion council of India and coir board of MSME is gave a full support to increase the export of coir products., and also governments have a many plans to develop the industry skipped by the peoples for the reason lake of awareness of the devolvement schemes for coir industry.

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