

A STUDY ON THE EXPORT PERFORMANCE OF COIR PRODUCTS IN INDIA

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ABSTRACT

Coir, also known as cocos, is a natural golden fibre extracted from the protective husk of coconuts, or mesocarp tissue. This golden fibre found multi various uses in the indigenous hands of the people in habiting in the Malabar coast of India. Where it is spun into a wide range of textured yarns & wove into a wealth of colourful floor coverings.

Since its humble beginning in 1859 when the Irish American named James darragh started the first coir factory darragh-small a large scale production cum commercial factory in Alleppy over the years the industry has grown to secure its place of prestige in the industrial map of India with international importance.

It is now one of the largest cottage industries in India, which provides livelihood to millions of people in the densely populated costal belt of Kerala and various other parts of the country.

Indian coir industry is an important cottage industry contributing significantly to the economy of the major coconut growing States and Union Territories, i.e., Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Goa, Orissa, Assam, Andaman & Nicobar, Lakshadweep, Pondicherry, etc. About 5.5 lakhs persons get employment, mostly part time, in this industry.

CHAPTER - I

1.1 INTRODUCTION

Coir, also known as cocos, is a natural golden fibre extracted from the protective husk of coconuts, or mesocarp tissue. This golden fibre found multi various uses in the indigenous hands of the people in habiting in the Malabar coast of India. Where it is spun into a wide range of textured yarns & wove into a wealth of colourful floor coverings.

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➤ Coir Industry in INDIA

Indian coir industry is an important cottage industry contributing significantly to the economy of the major coconut growing States and Union Territories, i.e., Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Goa, Orissa, Assam, Andaman & Nicobar, Lakshadweep, Pondicherry, etc. About 5.5 lakhs persons get employment, mostly part time, in this industry. The exports from this industry are around Rs.270

crores. It's back to 45 700 tonnes per year continue in the 1070s and 26 700 tonnes in 1980. But in light of the value that the regeneration of all time. From an average annual export realization of Rs.80 million in 1950 was Rs.120 million in 1960, one million Rs.210 Rs.300 million in 1970 and 1980. Until the mid-90s was Rs.1, € 710 million in sales to Rs. 3,400 million in 2018.

1.2 PROBLEMS OF THE STUDY

The coir manufacturing and export activities in India mainly located in Cochin, Alleppy, Kollam, Pollachi and Bangalore. The present study aims at assessing the various seasons and factors that has affected India's exports, role of its region exporter and the conditions of overseas marketing. Coir has been one of the foreign exchange earners in the past few years.

The study could help the coir board to understand its performance of the coir and coir products exports. It is an attempt on certain specific aspect like exports growth, current status, and performance of coir export. This study may be useful to the authorities to develop the export of coir industry.

1.3 OBJECTIVES OF THE STUDY

1. To know about the export performance of the coir industry in India from the period of 2013 to 2018.
2. To study the current status of coir industry and to find the growth of coir exports in India.

1.4 RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically.

- **Research Design** - Research design is the basic plan which guides to collect relevant information accurately and economically for objectives set up for the research.
- **Source of Data** - The data was collected from the basis of secondary sources. The secondary data has been collected from various sources such as various reports of the coir board, coir statistics, and coir export review etc.
- **Period of the Study** - The study covers the period of 2013 to 2018, which encompasses a time span of 5 years.
- **Tools of Analysis** - An analysis of the export of coir and coir products was done for the period 2013 and 2018. It is carried out in two ways...
 - 1.Simple Percentage Analysis
 - 2.Growth Percentage

1.5 LIMITATIONS OF THE STUDY

The study has the following in evadable limitations

- The analysis is done on the available secondary data acquired from various publication of the coir board.
- To analyze the performance of the coir industry researcher gathered the data from selective exports, this may not be enough to describe the whole industry.

CHAPTER – II

REVIEW OF LITERATURE

1. **Sreemadhu (2013)** studied about that the financial condition of the coir products co-operation in Tamilnadu. The study has dealt with production and sale value addition and coir products probabilities, the sources use of funds and management of working capital. The study has been conducted with four classifications of the coir products market.

2. **Chandravadani (2014)** in her study on the Debt equity ratio of coir products exporting industries selected a sample of 10 companies consisting of coir products in and around tirupur. According to the researchers the Debt Equity ratio of coir products exports during the period of 2009-2010 to 2013 to 2014.

3. **Revathy (2015)** in here article financial crisis in coir and vegetables exports: A case study of weavers co-operative societies. Tamilnadu analysis the effectiveness of utilization of funds both owned and borrowed capital and analysis working capital and production.

4. **Another article (2016)** entitled coir and vegetables exports show negative growth in first quarter of 2016 has analysis the performance of Coir industries both in India and Bangladesh is comparison also made with regard to cost and other aspects in USA, UK and Srilanka etc..

5. **Raman.R (2017)** The Coir exporting industries showed a consistent increase in the average debt-equity ratio during 2011- 2012 to 2016-2017 from 0.64 to 0.98. The study identified seven factors such as Technology, capital size of labour cost. A detailed analysis assts, Profitability retained earnings. Fixed assets, Working capital and was made for each influencing factor.

CHAPTER - III

ANALYSIS AND INTERPRETATION

Coir as such is put into various uses. Its natural strength and durability makes it suitable for the manufacturer of various products that are used widely in the world. Below are the product wide exporting details of various coir products for the period 2013 to 2018.

➤ **Coire Fibre**

Coir fibre is the coir made available in law from before the manufacturer of coir yarn. They are of mainly two types of coir fibre.

Export Performance of Coir Fibre

Table No. 3.1

Year	Value (in Lakhs)	Increase/ Decrease	Annual Growth (%)
2013-2014	148.18	-	-
2014-2015	122.15	-26.03	21.31
2015-2016	103.80	-18.35	17.68
2016-2017	142.45	38.65	27.13
2017-2018	186.02	43.57	23.42

Source: Coir Board Special Review, 2018

Overall Growth = 37.84 lakhs

Interpretation:

The table 3.1 shows that available it can be inferred that the overall export of coir fibre was 37.84 lakhs. In the year 2014-2015, even though the value shown a negative growth of about -26.03 lakhs, the annual growth stand high of 21.31%, while comparing to other years. In the year 2017-2018 the export growth was increased 43.57 and the annual growth stand high of 32.84%. This due to the price structure of the coir fibre. It was increasing due to good quality and increasing of coir fibre demand in foreign market.

➤ Coir Other Sorts

The exits various other products made out of coir that are being exported. New designs and new products are developed in various shapes and design for the purpose of export.

Export Performance of Coir Other Sorts

Table No – 3.2

Year	Value (in Lakhs)	Increase/ Decrease	Annual Growth (%)
2013-2014	164.47	-	-
2014-2015	106.81	-57.66	53.99
2015-2016	138.55	31.74	22.91
2016-2017	196.88	58.33	29.63
2017-2018	199.37	2.49	1.25

Source: Coir Board Special Review, 2018 Overall Growth = 34.90 lakhs

Interpretation:

The table 3.2 depicts that the export of coir other sorts during the period 2013- 2014 to 2017-2018. Its overall growth of coir other sorts was 34.90 lakhs. The annual growth of coir other sorts shown an increasing trend from 2013-2014 to 2017-2018. But the value of export was increased to 199.37 lakhs in the year 2017-2018, while comparing with the year 2015-2016 which about 138.55 lakhs. The little increase of the export value is due to the demand in the foreign market. While in the year 2013-2014 it was 164.47 and it reduced to 138.55 in year 2015-2016 and now increased as 199.37. This growth rate shows our market demand situation.

➤ Coir pith

Coir pith a waste product obtained during the extraction of coir fibre from husk is very light, highly compressible and highly hygroscopic. It is used a soil conditioner, surface mulch/rooting medium and desiccant. Composted coir pith is excellent organic manure for indoor plants as well as for horticulture crops. Several firms are manufacturing composted coir pith in the country. Compressed coir pith in the form of briquettes for easy transportation is also manufactured in the country.

Export Performance of Coir Pith**Table No –3.3**

Year	Value (in Lakhs)	Increase/ Decrease	Annual Growth (%)
2013-2014	752.80	-	-
2014-2015	1014.34	261.54	25.78
2015-2016	1493.00	478.66	32.06
2016-2017	1975.90	482.90	24.44
2017-2018	3042.39	1066.49	35.05

Source: Coir Board Special Review, 2017 Overall Growth = 2289.59 lakhs

Interpretation:

The table 3.3 explicts the export of coir pith from the year 2013-2014 to 2017-2018. The overall growth of coir pith was 2289.59 lakhs. The value of export was continuously increased year by year, in the year 2017-2018 it was 3042.39. But the annual growth fluctuates year by year. In the year 2014-2015 annual growth was about 25.78% but in 2015-2016 it was 24.44%. This fluctuation is due to the change of demand for coir pith in the international market. The increasing in export value of coir pith due to increase of our export worth and its shows our good standardized product name in export market.

Coir Rope

Coir rope is coir made into rope form. Coir rope is an ideal cordage material suitable for a wide range of applications.

Export Performance of Coir Rope**Table No – 3.4**

Year	Value (in Lakhs)	Increase/ Decrease	Annual Growth (%)
2013-2014	145.21	-	-
2014-2015	108.04	-37.17	34.41
2015-2016	102.05	-5.99	5.87
2016-2017	111.46	9.41	12.70
2017-2018	116.91	5.45	4.66

Source: Coir Board Special Review, 2018 Overall Growth = 28.30 lakhs

Interpretation:

The tables 3.4 conclude that it can be inferred that the overall growth in the export of coir rope was negative 28.30 in the year 2013-2014 shows a 145.21 lakhs of export value comparing with 2013-2014 it was 116.91 lakhs. This negative value in 2013-2014 it was 145.21 and in year 2015-2016 it was decreased heavily to 102.05. This decrease shows our demand of coir rope in international market.

Table No – 3.5

Overall export Performance of Coir Products in India from Year 2013-2018

(Values in Rs.Lakhs)

Sl No	Item	2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
		Q	V	Q	V	Q	V	Q	V	Q	V
1	Coir Fibre	1053.98	148.18	1010.30	122.15	1036.87	103.80	1120.75	142.45	1350.46	186.02
2	Coir Other Sorts	488.23	164.47	272.90	106.81	372.86	138.55	490.23	196.88	502.41	199.37
3	Coir Pith	9926.96	752.80	13725.65	1014.34	21064.19	1493.00	29179.38	1975.90	43420.57	3042.39
4	Coir Rope	482.12	145.21	348.64	108.04	332.40	102.05	308.89	111.46	299.67	116.91
5	Coir Rugs	2720.43	1958.64	1329.97	1039.77	1327.08	932.41	1694.57	1071.36	1727.35	1002.66
6	Coir Yarn	14607.31	4187.49	13206.90	3728.60	11482.48	2996.78	12364.46	3498.68	10987.61	3358.16
7	Curled Coir	533.56	80.33	572.52	80.63	492.37	80.05	76.54	14.03	69.00	11.97
8	Geo Textiles	1402.30	625.38	1752.05	780.13	2140.68	985.22	2599.56	1184.74	2323.21	1049.75
9	Handloom Mats	24716.47	15917.67	26147.89	17009.85	33058.74	20711.80	36303.99	22133.69	40127.38	25129.31
10	Handloom Matting	6323.37	4287.86	4423.27	2921.03	4772.63	3191.41	4545.60	2838.67	3518.91	2334.04
11	Power loom Mats	606.95	442.73	686.51	458.19	954.85	585.52	1026.28	672.15	1433.23	931.16
12	Power loom Matting	410.70	284.05	274.05	226.08	183.16	111.78	309.03	215.45	188.94	138.92
13	Rubberised Coir	385.07	267.24	454.62	350.37	535.23	403.42	461.79	334.66	475.93	340.56
14	Tufted mats	3835.64	2104.17	7129.54	4112.36	6429.05	3434.74	11772.54	6359.48	16502.28	9499.03
	Total	67493.09	31366.22	71334.81	32058.35	84182.59	35270.53	102253.61	40749.60	122926.9	47340.25

Source: Coir Board Special Review, 2017

*Q-Quantity in Tonnes

* V-Value in Rs. Lakhs

CHAPTER - IV

FINDINGS, SUGGESTIONS AND CONCLUSION

4.1 FINDINGS

1. In the year 2017-2018 the export growth was increased 43.57 and the annual growth stand high of 32.84%. This due to the price structure of the coir fibre. It was increasing due to good quality and increasing of coir fibre demand in foreign market.
2. In the year 2013-2014 it was 164.47 and it reduced to 138.55 in year 2015-2016 and now increased as 199.37. This growth rate shows our market demand situation.
3. The increasing in export value of coir pith due to increase of our export worth and its shows our good standardized product name in export market.
4. This negative value in 2013-2014 it was 145.21 and in year 2015-2016 it was decreased heavily to 102.05. This decrease shows our demand of coir rope in international market.
5. The overall growth in the export was decline 145.13 lakhs. It shows an increase in the year 2016-2017, 215.45 lakhs and it was decline at, very fast in year 2017-2018, 138.92 lakhs. This sudden decrease due to decrease demand in foreign market

4.2 SUGGESTIONS

1. The coir board should strengthen the information base with all relevant data from various industries.
2. To provide adequate infrastructural facilities such as import communication, shipment, packing etc.
3. The government may try to build good brand image for Indian coir product in the international market.

4.3 CONCLUSION

To conclude the international trade has been playing crucial role in attaining countries economic development. It helps country to specialize in production of specific commodity with the help of available domestic resource and to satisfy the needs and wants of different part of the world. With the view to increase the employment opportunity, inflow of foreign exchange, improve the standard of living and increase the national and per capital income, the Government of India has been paying more attention on export sector by the way of offering various benefits and incentives. Since coir is on of the traditional export of India and quality of coir produced in India is support in quality, more possibility are there for India to increase its export of coir in the foreign market. Majority of exporters feel that as a durable natural fibre is important for the promotion of coir through generic marketing.

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1. www.coirindia.com
3. www.coconutboard.nic.in

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