

## Growth And Development Of Coir Industry In India

**Dr. P Hari Kumar<sup>1\*</sup>**

<sup>1\*</sup> Associate Professor, Department of Commerce, Govt. First Grade College, Chickaballapura, Karnataka-562101 email id: harikumar.2222@gmail.com

### Abstract:

Apart from the various sectors in India, Coir sector is also an important sector which contributing to the Indian Economy. Coir industry is playing a pivotal role towards the development of the Indian Economy. Coir sector is providing good employment opportunities and concentrating to rural development. In India illiterates and back word people are more and particularly in rural areas. The important factor to develop the rural areas, education and employment are very much essential for the improvement of the living conditions as well as good habits and living styles. Coir board has implemented some schemes like Coir Udyami Yojana, Coir Vikas Yojana and Mahila Coir Yojana for the promoting and improvement of coir industry in India. Though there is a remarkable performance of coir sector in spite of the severe global competition, some obstacles are identified due to several reasons. In these backdrop the study is undertaken with the objectives like identification of growth in production, export performance and employment generation in Indian coir industry. For this purpose the secondary data has been collected from various secondary sources, analysed and presented with the help of compounded annual growth rates, percentages.

**Keywords:** Coir industry, growth, employment, Karnataka.

### Introduction

Coir industry is playing a pivotal role towards the development of the Indian Economy. As an important part of the Indian industrial sector coir industry is working actively with the help of the Government of India and its supportive financial institutions. Coir industry is an agro-based traditional industry, which originated in the State of Kerala and proliferated to the other coconut producing states like Tamil Nadu, Karnataka, Andhra Pradesh, Orissa, West Bengal, Maharashtra, Assam, Tripura, etc. It is an export oriented industry having potential to enhance exports by value addition through technological interventions. India is the largest coir producer in the world accounting for more than 80 per cent of the total world production of coir fibre. The coir sector in India is very diverse and involves households, co-operatives, NGOs, manufacturers and exporters.

The coir industry employs more than 7.00 lakh persons of whom a majority are from rural areas belonging to the economically weaker sections of society. Nearly 80% of the coir workers in the fibre extraction and spinning sectors are women. Coir is a coarse fibre extracted from husk, the fibrous outer shell of coconut. Ropes and cordage, made out of coconut fibre have been in use from ancient times. Indian navigators, who sailed the seas to Malaya, Java, China and to the Gulf of Arabia centuries ago, had been using coir as their ship's cables. Matting and other floor coverings, was started in India on a factory basis, over a hundred and fifty years ago when the first factory was set up in Alappuzha in 1859. In India the Coir Board established under the Coir Industry Act, 1953 with the aim of promoting the growth and development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.

### Review of literature

**Dr. R. Padmanabhan and Dr. P K Uma Maheshwari** (2018), according to them Government of India has been showing more attention towards promotion of export of coir sector in the form of providing more incentives and other benefits.

**Reetu Muralidhar Tanwani** (2020), in his study, performance of coir industry of India, identified that, there is a major share of exports of coir in the country. Also he opined that there is a huge demand of coir products domestic as well as Global. He suggested that extra care is needed towards workers.

**P. Pratheesh and N. Gopakumaran Nair**, (2022) in their study, 'Performance of Coir Industry in Alappuzha and the Case of Labour Displacement' they opined that, as an export-oriented traditional industry, the coir sector has reported all time high record during the last two financial years. They felt that due to unfriendly Government and high wages majority of the exporters shifted their base to Tamil Nadu from Alappuzha.

**Dr. K.Muneeswaran and Dr. N Kesavan**, (2022), they experienced that, due to great concentration towards coir products, there is a good improvement in Rural Development. Also they recommended the coir board to make much more promotion to coir sector. Again they felt that there are good opportunities to grow the Indian coir sector.

### Objectives of the study

The following are the objectives of the study:-

1. To know the growth in production of coir products in India
2. To study the export performance of Indian coir Industry
3. To identify the employment generation of coir industry in India
4. To give the suitable conclusions for findings

### Methodology

This study is analytical and descriptive in nature. And this study is based on secondary data. The secondary data has been collected from various reports such as coir board annual reports, MSMEs annual reports, Journals, magazines, Working papers, and books. The data collected in terms of production, exports and employment generation concern to Indian coir industry. The available data collected from the year 2012-13 to 2021-22 in connection with the coir production, coir exports and employment generation.

### Data Analysis

Data analysis and interpretation is an essential part in this study which analyses the detailed information about the Indian Coir industry in terms of production, export performance and employment generation. The available data collected for measuring the growth in production from 2013-14 to 2021-22. And for study the export performance the available data collected for 10 years period from 2012-13 to 2021-22. Only six years data collected to measure the employment trends from 2013-14 to 2018-19. The collected data has been analyzed with the help of tools like percentages, annual growth rates, compounded annual growth rates and presented in the tables and given interpretation for the same.

**Table No 1: Growth in Production of Coir Products during year from 2013-14 to 2021-22.**

Item Year	Coir fibre (Qty in MT)	Coir Yarn (Qty in MT)	Coir products (Qty in MT)	Coir Rope (Qty in MT)	Curled coir (Qty in MT)	Rubberised coir (Qty in MT)
2013-14	5,39,815	3,23,900	2,13,800	64,780	64,700	86,370
2014-15	5,42,000	3,25,000	2,14,600	65,040	65,040	86,700
2015-16	5,49,300	3,29,600	2,17,500	65,920	65,850	87,900
2016-17	5,56,900	3,34,200	2,20,500	66,850	66,800	89,100
2017-18	5,59,400	3,35,700	2,21,500	67,150	67,100	89,500
2018-19	7,49,600	4,49,800	2,96,800	3,00,800	89,900	1,19,900
2019-20	7,41,000	4,46,000	2,94,200	89,200	88,800	1,08,500
2020-21	7,58,000	4,56,000	3,00,800	91,200	90,800	1,10,400
2021-22	7,67,000	4,61,500	3,04,500	92,300	92,000	1,11,800
<b>Total</b>	<b>5,763,015</b>	<b>3,461,700</b>	<b>2,284,200</b>	<b>903,240</b>	<b>690,990</b>	<b>890,170</b>
<b>CAGR</b>	<b>4.49</b>	<b>4.52</b>	<b>4.52</b>	<b>4.52</b>	<b>4.50</b>	<b>3.28</b>

**Source:** MSME Annual reports

**Interpretation:** The above table no 1 discloses the growth of production of coir and coir products from the year 2013-14 to 2021-22. Out of the nine years study period the highest production achieved by coir fibre item the total of 5,763,015 metric tonnes for the 9 years total of study period. Subsequently, the second highest production achieved by coir yarn item with 9 years total of 3,461,700 metric tonnes. Followed by coir products item and its 9 years total is 2,284,200 metric tonnes. The Rubberised item of coir is occupied last position in production of coir of total 890,170 tonnes. It is observed that, the highest and same compounded growth rates achieved by three items they are coir yarn, coir products and coir rope. Thanks to these three items of coir industry. It is a notable feature since these three product are sustained healthy competition in production of its products and registered same CAGR that is 4.52. Really it is very much interesting and appreciable feature. Another important observation is that, among the six items, coir fibre item is occupied first position in production but it is placed third position in compounded annual growth rates that is 4.49. And the second position of CAGR occupied by curled coir item with 4.50 percent. Lastly, the least CAGR recorded by rubberised coir item that is 3.28. It can be observed that the overall production performance is excellent. It is also found out that all items are shown that, there was positive and continuous improvement in growth in production over the 9 years of study period.

**Table No 2: Exports of Coir during last 10 years from 2012-13 to 2021-22**

Sl. No	Year	Quantity (MT)	AGR (%)	Value (Rs. Lakhs)	AGR (%)
1	2012-13	429,501	-----	111603.00	-----
2	2013-14	531,108	23.66	142577.00	27.75
3	2014-15	626,666	17.99	163033.77	14.35
4	2015-16	752,020	20.00	190142.52	16.63
5	2016-17	957,045	27.26	228164.82	20.00
6	2017-18	10,16,564	6.21	253227.84	10.98
7	2018-19	964,046	-5.17	272804.59	7.73
8	2019-20	988,996	2.59	275790.13	1.10
9	2020-21	1,163,213	17.62	377897.91	37.02
10	2021-22	1,234,855	6.15	434005.00	14.85
	<b>Total</b>	<b>8,664,014</b>	-----	<b>2,449,246.58</b>	-----
	<b>CAGR</b>	<b>12.45</b>	-----	<b>16.29</b>	-----

Source: MSME Annual Report

**Interpretation:** The above table no 2 gives the details of coir exports from the year 2012-13 to 2021-22. It can be observed that for the 10 years study period the total of 8,664,014 metric tonnes of coir exported and its value is Rs. 2,449,246.58 Lakhs. During 10 years study period all most years registered positive Annual Growth Rates except in the year 2018-19. Unfortunately during this year the negative AGR registered that is -5.17. Again it is also known that the CAGR of total quantity of coir exports recorded as 12.45 percent. It is a very good implication. The another notable feature can be seen that in the year 2018-19 there is a negative annual growth rate that is -5.17, but surprisingly the annual growth rate of it vale in that is registered positively. For the 10 years study period in terms of quantity as well as value of exports showing positive annual growth grates with slight fluctuations. It is also identified that highest annual growth rate of exports quantity is recorded in the year 2016-17, that is 27.26 percent out of 10 years. Simultaneously, it can be seen that the value of highest annual growth rate of exports recorded in the year 2020-21 as 37.02 percent. Subsequently, in the year 2013-14 the annual growth rate registered as 27.75 percent. (Value of Rs. 142577.00). The total value of exports for ten years study period is that, Rs. 2,449,246.58 Lakhs. The highest value earned by exports in the year 2021-22 that is Rs. 434005.00 Lakhs.

**Table No 3: State Wise Employment Trends in Coir Industry**

Year	Kerala	Tail Nadu	Karnataka	Andhra Pradesh	Odisha	Others
2013-14	469968	123597	29920	52712	16923	20330
2014-15	470788	125937	30338	52946	17210	20542
2015-16	472100	127420	30440	53825	17535	20650
2016-17	472961	129803	30872	54477	17760	20875
2017-18	474590	130862	31159	54670	18135	20965
2018-19	475077	132443	31365	55455	18421	21031
CAGR	<b>0.22</b>	<b>1.39</b>	<b>0.95</b>	<b>1.02</b>	<b>1.71</b>	<b>0.68</b>

Source: MSME Annual Reports

**Interpretation:** The above table no 3 reveals that the state level employment generation by coir industry in India from the year 2013-14 to 2018-19 (for six years). It is observed that, Odisha State has registered highest CAGR 1.71 during the study period. Followed by Tamil Nadu State, registered 1.39. Andhra Pradesh State is in third position in providing employment by coir industry and its CAGR is recorded as 1.02. It is also found out that, compare to neighbor states and other states with Kerala, this state is in least position in generation employment during the study period from 2013-14 to 2018-19. Out of the above shown five states, except Kerala rest of four states Tamil Nadu, Karnataka, Andhra Pradesh and Odisha are in highest position in employment generation when compare to others states during the study period. During the study period the notable feature is that Odisha, Tamil Nadu and Andhra Pradesh achieved remarkable target in generating employment.

**Table No 4: Top 5 Coir Importing Countries from India during the year 2022-23 (Up to 2022 December)**

Sl. No	Country	Quantity (Tonnes)	Percentage (%)	Value (Rs. in Lakhs)	Percentage (%)
1	USA	209181.85	16.9	129294.31	29.79
2	China	464419.96	37.6	86025.39	19.82
3	Netherlands	107030.68	8.7	38044.59	8.77

4	UK	44998.07	3.6	22121.58	5.1
5	South Korea	72898.47	5.9	21471.80	4.95

Source: MSME Annual Reports

**Interpretation:** The above table no 4 gives the detailed information about the top five coir importing countries from India during the year 2022-23. Out of five countries, China has imported highest coir that is 464419.96 tonnes (37.6) coir worth of Rs. 86025.39 Lakhs. UK has imported the lowest coir that is 44998.07 tonnes of coir in the year 2022-23 and its value is only Rs. 22121.58 Lakhs.(5.1%). Again it is also found that the USA has imported second highest quantity of coir imported that is 209181.85 tonnes of coir (16.9) and its Value is Rs. 129294.31 Lakhs. And third and fourth position occupied by Netherlands (107030.68 tonnes) (8.7%) and South Korea (72898.47 tonnes) (5.9%) respectively.

## Findings

- It is observed that the highest compounded annual growth rate of production of coir products achieved by coir yarn, coir products coir rope, these three products registered same CAGR that is 4.52.
- It is also observed that the least CAGR registered by rubberised item of production during the study period that is 3.28.
- It is also found that the highest quantity of exports achieved by coir sector during the study period in the year 2016-17 with the annual growth rate of 27.26 percent.
- It is identified that there is a negative AGR recorded in the year 2017-18 that is -5.17 in connection with the exports.
- From the table no 2 it is found that, least annual growth rate in exports value of coir products is 1.10 percent during the year 2019-20
- From the table no 2 it is also found that the highest annual growth rate in value of exports registered as 37.02 percent during the year 2020-21
- Another important feature identified during the study period is that, for ten years study period excellent CAGR registered in connection with the value of exports that is 16.29 percent.
- The notable feature identified that highest employment trend registered by Odisha, compared to rest of all other states.
- The second highest CAGR of employment generation placed by Tamil Nadu.
- It is recognized that the least CAGR occupied by Kerala in connection with the employment generation.
- From the table no 5 it is found that the highest value of coir products imported by USA. (29.57)
- It is also seen that, the least value of coir products imported from India by UK (5.1)

## Conclusion

In the current Global competitive scenario for any developing countries it is somewhat difficult to overcome the completion and sustainable development is also a great challenging. This study involved to identify the growth performance of Indian Coir Industry in terms of production, exports and employment generation. This study experienced that the government is supporting to Indian Coir industry to promote the exports in a remarkable way. In this study it is also understood that the coir board assistance in the development and growth of coir industry. Coir board has implemented attractive schemes to improvement of export promotion and growth of its production. The outcome of this study shows that there is an excellent performance of coir sector in growth of coir production and also exports of coir and coir products. Among the top coir producing neighbor states India even employment also shown in a remarkable trends. The overall performance of coir sector during my study period is magnificent. It is suggested that if the government extend concentration towards skill development, training programmes, welfare of workers, and incentives and enhancement of financial assistance, the coir board can achieve the global competitive advantage.

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