

Coir Industry: A prominent industry in Indian Economy

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Abstract

Two third population of India lives in rural areas. Villages are the key sector of Indian economy. Rural industrialization can play a vital role in development of economy. Coir industry is the one of the oldest rural small scale industry which is based on local raw materials and skills. It produces forward and backward linkages in the rural economy. At first it was self-sufficient sector. But now in the changing globalized scenario this sector has to face such as non-availability of advanced machinery and technology, inadequate finance to meet fixed and working expenses, scarcity of trained labour force etc. Coir Board is established for the overall growth & development of coir industry. Hence this study has tried to focus on growth and development of the industry as well as coir board.

KEYWORDS: Economy, Coir Board, Coir Industry

Introduction

Indian economy is agro based economy. Major population lives in villages. Hence village economy makes a large impact on whole economy. If we think about rural small sale industries, it is found that coir industry is one of the oldest agro based rural industry. Khadi, gramodyog & coir industry has given importance in planning. Coir sector has emerged as a highly vibrant and dynamic sector of the Indian economy. Government has initiated to develop this sector which provides ample of employment opportunities with less capital investment. This industry is helpful to the people in rural areas by generating income and employment as it is a labor-intensive industry. India's share is two-thirds in world production of coir and coir products.

However coir industry is also facing the problems and constraints in this globalized era. Inadequate finance, non-availability of modern technology and skilled human resource, lacking marketing strategies, increasing cost of production etc. can be said as the hurdles in the development of coir industry. It will be helpful to find out and study the problems which are faced by the industry.

Review of Literature:

It is find out that 82% coir units in private sector depends mainly depend on the private agents for marketing, only 10 % depend on government agencies and direct sale and exports are done by 2% units. Further the researcher added that lack of sufficient orders and huge competition are the keen problems of these units (Vijaychandra Pillai 2002).

Coir and coir products make good progress in the domestic as well as international market because of their unique qualities of durability, biodegradability and eco-friendliness. The problems confronting the industry are not amenable to quick-fix solutions. But improving value addition and access to technology and information would solve most of their operational problems. The industry has every scope to make an indelible mark in the industrial map and could finally contribute to the economic development of the country. (Dr. P Mohansundaram 2015)

Objectives:

1 To study growth in coir industry.

2 To study the vision and mission of Coir Board.

Research Methodology:

This study mainly depends on secondary data. Different sources are used to collect the information such as reference books, journals, Government reports and various related websites.

Coir Board:

More than 80% of the total world production of coir fiber is made in India. Hence India is the largest coir producer in the world. This sector in India is very dynamic and diverse. It involves households, cooperatives, NGOs as manufacturers and exporters. Coconut husk is the waste product. Beautiful art crafts, handicrafts and utility products are produced from this waste. It is to be said as eco-friendly industry. The coir industry provides more than seven lakh employment. But it is found out that majority of these employees are from economically weaker rural area and nearly 80% of the coir workers in the fiber extraction and spinning sectors are women. Means to help the industry is to help the women empowerment.

Government of India established a separate Board for the overall development of coir industry and improvement of the living conditions of the workers engaged in this traditional industry. Coir Board is a statutory body established by the Government of India under a legislation enacted by the parliament namely Coir Industry Act, 1953.

Vision:

To modernize coir industry through innovation, technological upgradation.

To ensure optimum utilization of raw material and enhancement of socio-economic conditions of workers engaged in the industry.

To empower women through value addition of coir products and coir pith.

Mission:

To introduce modernization in coir sector through appropriate schemes and cluster programme.

To proliferate and develop coir industry in all states and Union Territories of the country.

To undertake research and development programs aimed at product development and diversification.

To develop mechanism for collection and utilization of coconut husks for coir industry.

To achieve technological upgradation and quality improvement with value addition in the coir sector.

To commercialize the R&D achievements for the benefit of trade and industry.

To introduce welfare measures aimed at elimination of drudgery and enhancement of wages of coir workers.

The coir sector has emerged as highly vibrant and dynamic sector of the Indian Economy. Coir board has introduced a variety of programme to achieve inclusive growth of Indian coir industry and enhancement of the productivity of the coir work force.

Coir board is working under the ministry of micro, small and Medium Enterprises. The Ministry has been focusing on the development of the coir production. The coir industry has expanded beyond Kerala. Some towns has become coir towns with their economies revolving around coir based products. The production of coir and coir products has seen consistent growth from last four years.

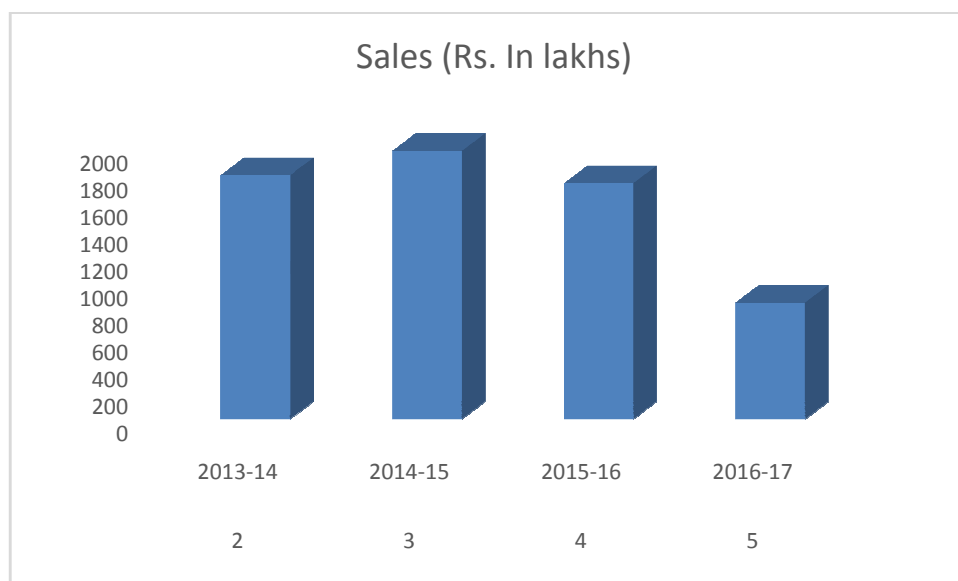
Table 1.1 Growth in production of coir products

Name of the Product	2013-14	2014-15	2015-16	2016-17
Fibre	539,815	542,000	549,300	416,220
Yarn	323,900	325,200	329,600	249,750
Coir products	213,800	214,600	217,500	164,800
Rope	64,780	65,040	65,920	49,900
Coir products	64,700	65,040	65,850	49,850
Rubberized coir	86,370	86,700	87,900	66,600

Source: MSME Annual Report 2016-17 (The figures are up to 31st Dec. 2016)

From last few years coir board under the Ministry of Micro, Small and Medium Enterprises has been focusing on the consistent development of the coir industry. Coir products has achieved a remarkable growth continuously. Table 1.1 shows that coir fiber uplifts up to 549,300 MT in 2015-16 from 539,815 MT in 2013-14 and it has increased by 416,220 up to 31st Dec. 2016. Whereas the growth in Yarn is also high if it is compared to 2013-14.

Coir Board has introduced few schemes like coir udyamiyojna, coir vikasyojna, mahila coir yojna for the upliftment, growth and development of coir industry under Ministry of Micro, Small and Medium Enterprises. With the objective of modernization of coir industry and enhancement of utilization of coconut husk which is the basic raw material in coir industry, a credit linked central sector scheme named Coir UdyamiYojnais implemented successfully. This scheme is trying to achieve overall growth of coir industry by not only increasing skills and employment but providing support for marketing the coir products within the country. It is realized that this industry is based on women artisans. Mahila Coir Yojna is a scheme for women empowerment in rural areas. it provide self-employment opportunities to the rural women in those regions where coir fiber is produced.

Figure 1.1 Sales of Coir Products

Source: MSME Annual Report 2016-17 (The figures are upto 31st Dec. 2016)

The total sales of coir and coir products through Coir Boards showrooms and sales depots during the last four years are shown in figure 1.1. Though the production of coir products is increased, the main hurdle or problem in growth of coir industry can be said as marketing and sales of the products of the industry. The domestic Market Promotion is necessary to achieve the target. Coir Board is at initiative level in enhancing sale of coir products. This is done through Board showrooms and sales outlets. Organizing exhibitions in different parts of the country, using audio-visual media, sales campaign, press advertisements, pamphlets, hoardings etc. are the ways used by the Board to popularize coir and coir products. The result is reflected in the figure 1.1.

Conclusion

Coir industry is an agro-based, village and cottage industry in Indian economy. It has great opportunities for investment, employment, production, technology, marketing, productivity and earning more income. Hence the researcher has made an attempt to point out the significance of coir industry in national economy and tried to know more about Coir Board established under Ministry of Micro, Small and Medium Enterprises for growth and overall development of coir industry. Coir sector plays a key role in employment generation and economic development. Durability, bio-degradability and eco-friendliness are the remarkable qualities of coir and coir products. Thus we can say that coir industry has social and economic importance. Therefore the coir industry was chosen for study which can help to enhance industrialization.

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