



A Study on Coir Industry With Reference to Coimbatore District

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ABSTRACT

The development of coir industry has all along been in areas where there is concentration of coconut cultivation and availability of coconut husks. The coir pith business is facing its downturn recently. In the year 2012 the exports to China, Europe, Germany, Japan and Korea have amounted to a yearly turnover of 400 crores. Recently it cannot meet its demand due to problems in price fixation, raw material shortage, adverse climatic conditions and non cooperation among the workers (Editorial, 2013). Thus the present study was carried out to know the problems of coir industry in Coimbatore district.

KEYWORDS : Coir, Exporters, Problems

Introduction

The coir industry of Tamil Nadu comprises of the workers, manufacturers, intermediaries, merchant exporters and manufacturing exporters as its stakeholders. On the entire 32 Districts of Tamil Nadu, the towns like Coimbatore, Chennai, Dindigul, Kanyakumari, Madurai and Thoothukudi have more number of coir exporters and manufacturers. The places like Thirupur, Salem and Thirunelveli have more number of coir workers. Similarly the intermediaries are prevailing in almost all parts of the state where the trading business takes place. When the business output is studied, it showed a cyclic gap between the manufacturers, traders and exporters purview. There is more market for the coir in the global market and government will help the coir exporters, due to its approachability in favouring the soil, saving the universe from global warming (Antony, 2014). Manufacturers say that they are happy to do domestic business and the merchant exporters say that there is dull export business. These contradictory statements raised the following questions: Why the manufacturers are not going for export business? What is the perception of exporters on the status of coir industry? What are all the problems that the Coir exporters face?

The coir pith business of Pollachi is facing its downturn recently. In the year 2012 the exports to China, Europe, Germany, Japan and Korea have amounted to a yearly turnover of 400 crores. Recently it cannot meet its demand due to problems in price fixation, raw material shortage, adverse climatic conditions and non cooperation among the workers (Editorial, 2013). The impact of the above article raised the following question: What variables will determine the problems of the exporters?

To seek out answers for the above raised questions, the present study has been undertaken.

Review of Literature

Sasi [1995] reveals that the number of coir workers in coir industry has been reduced to 50% with the passing of 50 years. According to him this is due to the increased exploitation of labourers and lack of proper attention by authorities in the coir sector. He adds that the majority of coir co-operatives are not functioning and the functioning ones are unable to pay Minimum Wages to the workers. He stresses the need for ensuring co-operation between the private sector and the co-operative sector for the healthy growth of the coir sector. The article demands extension of Government assistance to private coir sector too.

Anathalavattom Anandan [1995], in an article relating to the renovation of coir yarn sector portrayed the pitiable condition prevailing in the area of wages, working conditions etc. of coir workers He categorically states that the prevailing production system should be changed so as to suit the domestic and foreign market even though there is some displacement of labourers, and urged that some steps need to

be taken to remove the doubts and anxiety existing in the minds of coir workers at the time of modernization.

Ajith Kurnar [2001], in their respective articles, explain the reasons for decreased demand of coir yarn in U.S.A, which was the major market for coir yarn in the globe. The reduction in the area under Hop cultivation, as a consequence of the use of high yielding hybrid varieties is one of the reasons for the reduced of take of coir yarn. Another reason is lack of competition in Indian coir industry, and its continued use the traditional method of production which could not withstand the competition form Sri Lanka in the U.S.A. market and he broke the Indian monopoly in the matter of supply of coir yarn for Hop cultivation. The reasons for this situation are the emotional policies against modernization and mechanization of coir industry in India.

OBJECTIVES

1. To study the demographic profile of the selected coir exporters.
2. To examine the problems faced by the selected coir exporters.

METHODOLOGY

The present study is descriptive in nature. The present study is carried out with the exporters who are registered under Coir Board - Ministry of Micro, Small and Medium Enterprise (MS & ME), Government of India in Coimbatore District. Thus the universe of the study is the 128 exporters in Coimbatore District, which comprises of both merchant exporter and manufacturer exporter registered up to March 2013 under Coir Board. A sample of 44 respondents was selected by adopting convenience sampling method. The present study uses both primary and secondary data. Primary data have been collected with the help of structured interview schedule which contains three segments namely, Unit Profile of the Respondents, Business Details, Problems faced by the Respondents. The collected data have been evaluated using simple percentage analysis.

ANALYSIS AND DISCUSSION

Table 1: Demographic and Business Details

S.no	Variable	Particulars	Number of Respondents	Percentage
1	Type of Exports	Manufacturing Exporter	29	65.9
		Merchant Exporter	15	34.1
2	Year of Establishment	Before 2000	7	15.9
		Between 2001-2005	5	11.4
		Between 2006-2010	25	56.8
		After 2010	7	15.9

3	Size of the Concern	Small	36	81.8
		Medium	6	13.6
		Large	2	4.5
4	Type of Constitution	Proprietorship	20	45.5
		Partnership	7	15.9
		Individual Firm	8	18.2
		Private Ltd	9	20.5
5	Investment at beginning	Below Rs.1 Lakh	7	15.9
		Rs.1 - Rs 10 Lakh	29	65.9
		Rs.11 - Rs.50 Lakh	7	15.9
		Above Rs.50 Lakh	1	2.3

The table 1 depicts that, out of the total 44 respondents, 29 (65.9%) of them belong to the type of manufacturing export and the rest 15 (34.1%) of them belong to the type of merchant export. Of the total 44 respondents, 7 (15.9%) have established their units before 2000; 5 (11.4%) have established their units between 2001 and 2005; 25 (56.8%) have established their units between the years 2006 and 2010 and the remaining 7 (15.9%) have established their units after 2010. It is observed from the table-1 that, out of the total 44 respondents, 36 (81.8%) belong to small scale unit; 6 (13.6%) belong to medium scale unit and the rest two (4.5%) belong to large scale unit. The table-1 illustrate that out of the total 44 respondents, 20 (45.5%) have registered as proprietorship; 7 (15.9%) of them have registered as partnership; 8 (18.2%) of them have registered as individual firm and the rest 9 (20.5%) have registered as private limited. The table 1 reveals that out of the total 44 respondents, 7 (15.9%) have invested below Rs. 1 Lakh at the initial stage; 29 (65.9%) have initially invested between Rs. 1 Lakh and Rs. 10 Lakh; 7 (15.9%) have initially invested between Rs. 11 Lakh and Rs. 50 Lakh and the remaining one (2.3%) have initially invested above Rs. 50 Lakh.

Problems of Coir Industry

Table 2 : Level of Financial Problem

S.No	Level of Financial Problem	No. of Respondents	Percentage
1	High	12	27.3
2	Moderate	27	61.4
3	Low	5	11.4
	Total	44	100.0

The table 2 depicts that out of the total 96 respondents, 19 (18.80%) have faced low level of financial problem; 59 (61.50%) have faced moderate level of financial problem and the rest 19 (19.80%) have faced high level of financial problem. This shows that majority of the respondents have faced moderate level of financial problem and it implies there exist high financial problem with one fourth of the respondents.

Table 3: Level of Raw Material Problem

S.No	Level of Material Problem	No. of Respondents	Percentage
1	High	7	15.9
2	Moderate	28	63.6
3	Low	9	20.5
	Total	44	100.0

The table 3 depicts that out of the total 96 respondents, 19 (19.80%) have faced low level of raw materials problem; 59 (61.50%) have faced moderate level of raw materials problem and the rest 18 (18.80%) have faced high level of raw materials problem. This shows that majority of the respondents have faced moderate level of raw materials problem and it implies there exist low raw materials problem with one fourth of the respondents.

Table 4: Level of Raw Labour Problem

S.No	Level of Labour Problem	No. of Respondents	Percentage
1	High	6	13.6
2	Moderate	27	61.4
3	Low	11	25.0
	Total	44	100.0

The table 4 reveals that out of the total 96 respondents, 15 (15.60%) have faced low level of labour problem; 67 (69.80%) have faced moderate level of labour problem and the rest 14 (14.60%) have faced high level of labour problem. This shows that majority of the respondents have faced moderate level of labour problem.

Table 5: Level of Raw Production Problem

S.No	Level of Production Problem	No. of Respondents	Percentage
1	High	8	18.2
2	Moderate	24	54.5
3	Low	12	27.3
	Total	44	100.0

The table above depicts that out of the total 96 respondents, 18 (18.80%) have faced low level of production problem; 59 (61.50%) have faced moderate level of production problem and the rest 19 (19.80%) have faced high level of production problem. Although, the majority is on the state of moderate opinion, the production problem seems to be high with nearly one fourth of the respondents.

Table 6: Level of Problem Faced by the Respondents

S.No	Level of Problem	No. of Respondents	Percentage
1	High	12	27.3
2	Moderate	24	54.5
3	Low	8	18.2
	Total	44	100.0

The table 6 depicts that, out of the total 44 respondents, 12 (27.3%) have faced high level of problems; 24 (54.5%) have faced moderate level of problems and the rest 8 (18.3%) have faced low level of problems. This explicitly indicates that although the majority of the stakeholders are of moderate opinion, the overall impact of the problems faced by the exporters seems to be high. The valid reasons are financial instability and production fluctuation.

CONCLUSION

The present study has made an attempt to examine the problems of the coir exporters that too the domestic problems they normally face in due course of their business. The study concludes that moderate level of problems was experienced by the exporters of coir industry.

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