

# AN ANALYSIS OF COIR PRODUCTS EXPORT PERFORMANCE IN INDIA

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## ABSTRACT

*The coconut's protective husk, or mesocarp tissue, is where coir, also called Cocos, is naturally produced. The original inhabitants of India's Malabar Coast used this golden fibre for a variety of purposes and it is woven into a variety of vibrant floor coverings and spun into a wide range of textured yarns.*

*Since, its humble beginning in 1859 when the Irish American named James Darragh started the first coir factory Darragh Small&Company, a large scale production cum commercial factory in Alleppey over the years, the industry has grown to secure its place of prestige in the industrial map of India with international importance.*

*It is one of the largest cottage industries in India, supporting millions of people in the densely populated coastal belt of Kerala and other parts of the country. Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Goa, Orissa, Assam, Andaman & Nicobar, Lakshadweep, Pondicherry, and other significant coconut-growing States and Union Territories all strongly rely on the Indian coir business as a cottage industry. In this industry, almost 5 lakh people find work, most of them part-time.*

**Key Words :** *Coir Exports, Coir Industry, Coir Fibre, Coir Other Sorts, Pith of Coir, Coir Rope*

## Introduction

The coconut's protective husk, or mesocarp tissue, is where coir, also called cocos, is naturally produced. The original inhabitants of India's Malabar Coast used this golden fibre for a variety of purposes where it is woven into a variety of vibrant floor coverings and spun into a wide range of textured yarns.

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## Indian Coir Industry

The major States and Union Territories that cultivate coconuts, such as Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Goa, Orissa, Assam, and Andaman & Nicobar, Lakshadweep, etc., all strongly

rely on the Indian coir industry as a cottage industry. About 5.5 lakh individuals are employed in this sector, most of them part-time. This sector exports goods and services worth about 270 crores of rupees. Between the 1970s and 1980, it fluctuated between 45 700 and 26 700 tonnes annually. However, given the value of time regeneration, export revenue climbed from Rs. 80 million per year on an average in 1950 to Rs. 120 million in 1960, Rs. 210 million in 1970, and Rs. 300 million in 1980. Until the mid-1990s, Rs. 1, € 710 million.

## Research Problems

In India, Cochin, Alleppy, Kollam, Pollachi, and Bangalore are the primary centres for coir production and export. The current study intends to evaluate the numerous seasons and elements that have impacted

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India's exports, the exporter's function in the region, and the circumstances surrounding international marketing. Over the past few years, coir has been one of the top earners of foreign currency.

The study might be helpful in assisting the coir board in comprehending the effectiveness of its exports of coir and items generated from coir. It is an endeavour to concentrate attention on a particular problem, such as the growth of exports, the current situation, and the performance of coir export. The government might use this study to increase the exports of the coir sector.

### Purpose of the Study

- ❖ To learn more about the coir industry's export performance in India from 2015 to 2020.
- ❖ To examine the current state of the coir sector and determine whether coir exports from India are increasing.

### Research Techniques

Research methodology is a strategy for scientifically overcoming the research problem. One way to describe it is as the study of scientific research techniques.

### Design of the Study

The fundamental strategy for accurately and economically gathering pertinent information to support the goals of the research is known as the research design.

### Data Source

The information was gathered using secondary sources as the foundation. The secondary data was gathered from a variety of sources, including the coir board's numerous reports, coir statistics, and coir export reviews, among others.

### The Study Period

The study's coverage period is from 2015 to 2020, or a 5-year timeframe.

### Analysis Tools

An analysis of coir and coir-derived products exports was conducted for the years between 2015 and 2020. Data was analysed using

1. Simple Percentage Analysis
2. Growth Percentage



### The Study's Limitations

The following are evadable limitations of the study.

- ❖ The analysis is based on secondary data that was obtained from the coir board's publications.
- ❖ The researcher collected data from a small number of exports to evaluate the performance of the coir industry, but this may not be enough to adequately characterise the sector.

### Review of Literature

**Sreemadhu (2013)** conducted research on the financial standing of Tamil Nadu coir products cooperative. The study covered the probability of coir product production and sale, value addition, funding sources, and working capital management. Four different market classifications for coir products were used in the study.

**Chandravadani (2014)** used a sample of 10 businesses that produce coir products in and around Tirupur for her study on the Debt equity ratio of coir products exporting firms. Researchers discovered the exports of coir goods' debt to equity ratio from 2009–2010 to 2013–2014.

**Revathy (2015)** details the financial crisis in coir and vegetable exports in her study Financial Crisis in Weavers Cooperative Societies. Tamil Nadu examines the efficiency of using capital that is both owned and borrowed, as well as working capital and output.

**Praveen Kumar (2016)** entitled "coir and vegetables exports show negative growth in first quarter of 2016" analyses the performance of the coir industries in Bangladesh and India and compares them in terms of costs and other factors with the United States, the United Kingdom, Sri Lanka, and other countries.

**Raman.R (2017)** The average debt-to-equity ratio of the industries of export coir increased steadily from 0.64 to 0.98 from 2011-2012 to 2016-2017. The study found seven variables, including technology, capital size, and labour costs. A thorough examination supports profitability retained

earnings. Each contributing aspect was taken into account when creating the categories of fixed assets, working capital, etc.

### Interpretation and Analysis

Coir as such is put to 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 2015 to 2020.

#### Coire Fibre

Coire fibre is the natural fibre got from the husk of the coconut. They are of mainly two types of coir fibre namely white and brown fibre.

#### Export Performance of Coir Fibre

Year	Value (In Lakhs...)	Increase/Decrease	Annual Growth (%)
2015-2016	148.18	-	-
2016-2017	122.15	-26.03	21.31
2017-2018	103.15	-18.35	17.68
2018-2019	142.45	38.65	27.13
2019-2020	186.02	43.57	23.42

Source: Coir Board Special Review, 2020 Overall Growth = 37.84 lakhs

#### Interpretation

The table shows that from available data, it can be inferred that the overall export of coir fibre was 37.84 lakhs. In the year 2016-2017, even though the value show a negative growth of about -26.03 lakhs, the annual growth stand high at 21.31%, while comparing to other years. In the year 2017-2018, the export growth was increased to 43.57 and the annual growth stood high at 32.84%. This was due to the price structure of the coir fibre. It was increasing due to good quality and increasing demand of coir fibre in foreign market.

#### Coir Other Sorts

The various other products made out of coir are also 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

Year	Value (In Lakhs...)	Increase/Decrease	Annual Growth (%)
2015-2016	164.47	-	-
2016-2017	106.81	-57.66	53.99
2017-2018	138.55	31.74	22.91
2018-2019	196.88	58.33	29.63
2019-2020	199.37	2.49	1.25

Source: Coir Board Special Review, 2020 Overall Growth = 34.90 lakhs

#### Interpretation

The table depicts the export of coir of other sorts during the period 2015- 2016 to 2019-2020. The overall growth of coir of other sorts was 34.90 lakhs. The annual growth of coir other sorts shown an increasing trend from 2015-2016 to 2019-2020. But the value of export was increased to 199.37 lakhs in the year 2019- 2020, while comparing to 2017-2018it was about 138.55 lakhs. The little increase in the export value is due to the demand in the foreign market. While in the year 2015-2016 it was 164.47 and it reduced to 138.55 in year 2017-2018 and later increased to 199.37. This growth rate shows our market demand.

#### Pith of Coir

Coir pith is produced as a by-productwhen coir fibre is removed from husk. It has a high degree of hygroscopicity, compressibility, and lightness. It serves as a rooting medium, surface mulch, and desiccant. Composted coir pith is an excellent organic manure for both outdoor and indoor plants. Numerous companies in the nation manufacture compostable coir pith. Additionally, the country makes briquettes of compressed coir pith for easy transportation.



### Export Performance of Coir Pith

Year	Value (In Lakhs...)	Increase/Decrease	Annual Growth (%)
2015-2016	752.8	-	-
2016-2017	1014.34	261.54	25.78
2017-2018	1493	478.66	32.06
2018-2019	1975.9	482.9	24.44
2019-2020	3042.39	1066.49	35.05

Source: Coir Board Special Review, 2019 Overall Growth = 2289.59 lakhs

#### Interpretation

The table explicit the export of coir pith from the year 2015-2016 to 2019-2020. The overall growth of coir pith was 2289.59 lakhs. The value of export continuously increased every year, in the year 2019-2020 it was 3042.39. But the annual growth fluctuates year after year. In the year 2016-2017 annual growth was about 25.78% but in 2017-2018 it was 24.44%. This fluctuation is due to the change of demand for coir pith in the international market. The increase in export value of coir pith was due to the increase of our export worth and its shows our good standardized product value in the 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

Year	Value (In Lakhs...)	Increase/Decrease	Annual Growth (%)
2015-2016	145.21	-	-
2016-2017	108.04	-37.17	25.78
2017-2018	102.05	-5.99	32.06
2018-2019	111.46	9.41	24.44
2019-2020	116.91	5.45	35.05

Source: Coir Board Special Review, 2020 Overall Growth = 28.30 lakhs

#### Interpretation

The table concludes that the overall growth in the export of coir rope was negative to about 28.30 in the year 2015-2016 and it shows 145.21 lakhs of export value compared to 2015-2016 it was 116.91 lakhs. The negative value in 2015-2016 was 145.21 and in the year 2017-2018, it decreased heavily to 102.05. This decrease shows our demand for coir rope in the international market.

#### Findings, Suggestions And Conclusion

##### Findings

- ❖ In the year 2019-2020, the export growth increased to 43.57 and the annual growth stood high to 32.84%. This was due to the price structure of the coir fibre. It was increasing due to the good quality and increasing of coir fibre demand in the foreign market.
- ❖ In the year 2015-2016 it was 164.47 and it reduced to 138.55 in the year 2017-2018 and of late it is increased as 199.37. This growth rate shows our market demand situation.
- ❖ The increase in export value of coir pith is due to increase of our export worth and it shows our good standardized product name in export market.
- ❖ This negative value in 2015-2016 it was 145.21 and in year 2017-2018 it decreased to 102.05. This decrease shows the demand for our coir rope in the international market.
- ❖ The overall growth in the export declined to 145.13 lakhs. It shows an increase in the year 2018-2019, 215.45 lakhs and it declined to 138.92 lakhs in year 2019-2020. This sudden decrease was due to a decrease in demand in the foreign market.

##### Suggestions

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

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## Conclusion

To conclude the international trade has been play in gcrucial role to enhance the country's 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 parts 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 should maintain international standards, 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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