# A STUDY ON PRODUCTION OF COIR PRODUCTS IN SALEM DISTRICT

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Abstract: India being a land of villages with more than two-thirds of her population living in rural areas, rural industrialization could play a key role in the country as it produces forward and backward linkages in the rural economy. In this context, the Rural Small Scale Enterprises (RSSEs) based on local raw materials; skills and technology have been identified as one of the key sectors in the country. Among the rural small-scale industries, coir industry is the oldest agro-based rural industry which has grabbed the attention of both the enterprising entrepreneurs and the government alike today.

Index Terms: Coir Production, Coir Articles, Coir Board, Objectives.

#### Introduction

Coir Board has been set up in July 1954 under the Coir Industry Act, 1953 by the Govt. of India for the overall and sustainable development of the Coir industry through research and development, quality improvement, modernization and training, market promotion and welfare of all those who are engaged in the coir industry. 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 Namakkal, Thirupur, Salem and Tirunelveli have more number of coir workers. Similarly the intermediaries are prevailing in almost all parts of the state where the trading business takes place.

#### **Coir Production**

Among natural hard fibres serving human utilities, coir has some unique characteristics. It is the only natural fibre that does not get cultivated solely to extract coir. Coir cannot be really termed a by-product of the coconut industry. It is a waste 60 product recycled for beneficiation to produce the fibre and spun/woven products from there. 105 it is one of the innumerable products of the coconut palm known to India since time immemorial. The renowned International correspondent of ancient times Marco Polo mentioned the method of fibre extraction from the coconut husk.108 India is the home of coir where coir weaving started developing since 1859 in Alleppey from where it spread to different parts of India. 110 Coir is manufactured from the husk of the coconut and hence the industry is not only localized in the large coconut growing areas in India but also in countries where the conditions are conducive for its growth.

## **Coir Articles**

The coir industry is contributing significantly for creation of livelihood in major coconut

Growing States and union territories i.e. Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Goa, Orissa, West Bengal, Tripura, Assam, Andaman & Nicobar, Lakshadweep and Pondicherry. A wide range of coir and coir products are consumed in the country. These inter aliainclude: coir yarn, ropes, mats &matting's, rubberized coir products, mattresses, pillows, cushions, coir geo textiles, coir pith, rugs, Curled coir, Tufted Mat Coir Rugs and carpet, Handloom matting Geo Textiles, Garden Articles, Diversified Products, carpets and curled coir, other products.

# Coir Board

The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting the overall development of the coir industry and improving the living conditions of the workers engaged in the traditional industry. Some of the functions of the Coir Board for the development of coir industry include:

- 1. Undertaking scientific, technological and economic research and development activities.
- 2. Collection of statistics relating to exports and internal consumption of coir and coir products.
- 3. Development of new products and designs.
- 4. Publicity for promotion of exports and internal sales.
- 5. Marketing of coir products in India and abroad.
- 6. Preventing unfair competition among producers and exporters.
- 7. Assisting in the establishment of units of the manufacturer of products.

The Coir Board, a statutory body was established by the Government of India under the aegis of Ministry of Micro Small & Medium Enterprises, Government of India. The coconut husk is the raw material for the coir industry. Coir has been traditionally used as yarn, rope and floor coverings like mats and mattings. Apart from these now coir is finding new applications as ecofriendly substitutes. Technologies have been developed for manufacturing coir fiber composites to substitute wood and synthetics. The coir pith hitherto considered as a problematic waste is proving to be a source of wealth from waste.

## **Production Processes in Coir Industry**

- Collection of Coconut husks
- Retting of husk

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- Fibre extraction
- \* Spinning of coir yarn
- \* Manufacturing of Coir Products, Rubberisation of Coir Products
- \*
- Weaving
- Leveling of mats and matting's
- Designing of mats and matting's

# **Development of Coir Industry**

The development of coir industry has all along been in areas where there is a concentration of coconut trees and availability of coconut husk. Historically, the coir industry started and flourished in Kerala which has a long coast line, lakes, lagoons and backwaters providing natural conditions required for retting. However, with the expansion of coconut cultivation, coir industry has picked up in the States of Tamil Nadu, Karnataka, Andhra Pradesh, Orissa, West Bengal, Assam, Tripura, Pondicherry and the Union Territories of Lakshadweep and Andaman & Nicobar Islands through the efforts of Coir Board. The production and processing methods in coir industry still continue to be mainly traditional.

## **Selection of Respondents**

Salem district is come into existence from 1947 Salem is an independent part of free India. It consists of 9 taluks namely Mettur, Edappadi, Sankari, Omalur, Salem, Yercaud, Vazhapadi, Attur, and Gangavalli. Revenue Sub Division 4 Salem, Attur, Mettur, Sankari. Among the 2 taluks the researcher select two taluks Viz., Mettur, Omalur. In which coir production in wider range. In Omalur taluk 115 registered and unregistered industries are functioning and in Mettur taluk 146 industries are functioning. In the selected 2 taluks totally 100 respondents are randomly selected from the taluks. That is 50 from Mettur, 50 from Omalur taluk.

## **Sources of Data**

Both primary and secondary data were collected for the present study. Primary data were collected from the 100 selected respondents with help of pre - tested interview schedule. The secondary data were collected from the various DIC, SSI and Salem district profile and Tamilnadu Agricultural department.

## **Statistical Tools Used**

The present study was conducted through survey method by personal interviews with pre - tested interview schedule, and it therefore suffers from ascertain degree to recall bias.

# **Review of Literature**

- J. Jeya Balaji<sup>1</sup> in his study "An Economic Study of the Coir Industry in Kanyakumari District" pointed out that private efforts played a vital role in the marketing of coir fibre and coir products in the district. He pointed out that limited operations, delay in payments, lack of grading and standardization and lack of marketing knowledge were some of the problems identified in the internal markets of the district. He concluded that market conditions were weakened by the inaction of government agencies.
- M. Seeni Kamal<sup>2</sup> in his observations on Coir Industry in Thanjavur District, Tamil Nadu" fitted a multiple regression type production function in coir manufacture. The output of coir in rupees was taken as dependent variable. The values of raw material, capital in rupees and labour in rupees have been treated as independent variables. Using the Cobb-Douglas production function, he noticed constant returns to scale prevailed in coir industry.
- P. Kumar<sup>3</sup> in his observation on "Coir Industry in India: problems and prospects "has pointed out that the domestic market in India still remains unexploited. He further concluded that the organized selling channels of coir products in the country at present may not sufficient to tap the unexploited house hold sector in India.

# Importance of the Study

The coir industry is spreading itself at a fast tempo -based traditional rural industry in the southern parts of the country. From the beginning it grown as export-oriented industry, it has been fetching enormous foreign exchange by offering more than 14 value added products for export. The windfall opportunity offered by the global concern for the environment generated a heat in the industry as its products are totally bio-degradable and eco-friendly. In the changed scenario, any study on this performing sector would be of immense help from a broader perspective. Therefore, the present study is undertaken to exposing the potentiality of the coir units for future growth in Salem district.

<sup>&</sup>lt;sup>1</sup> J. Jeya Balaji, "An Economic Study of the Coir Industry in Kanyakumari District", Unpublished Ph.D. Thesis submitted to Madurai Kamaraj University, Madurai, 1989.

<sup>&</sup>lt;sup>2</sup> M. Seeni Kamal, "A Study on Coir Industry in Thanjavur District, Tamil Nadu", Unpublished Ph.D. Thesis submitted to Bharathithasan University, Trichy, 1992, p.152.

<sup>&</sup>lt;sup>3</sup> P. Kumar, "Coir Industry in Industry in India-Problems and Prospects", International Coir Fairand Seminar on Coir, October 11-13, 2001, pp.137-138.

#### **Objectives**

For the critical analysis on the performance of coir industry in Salem district, five performance indicators such as growth, production cost analysis, returns and resource—use efficiency, marketing and human resource management are used. The objectives framed for the present study are:

- To trace the origin, growth and development of coir industry at the national and state levels.
- To find the profile of the study area, and the organizational and financial set-up of the coir units.
- > To offer suggestions for improving the overall performance of coir industry based on the findings of the study.

#### Suggestions

On the basis of the findings of the study the following viable suggestions are offered for the improved performance of the coir units:

- In this study, it is found that Shortage of Workers is the most significant production problem faced by both small and medium size coir units of the study area. Hence, it is suggested that the state government as well as the Coir Board may encourage the entrepreneurs to start manufacturing value-added coir products like mats, rugs, maurzouks, carpets etc., which will help them to earn more and enable them to pay attractive wages to their workers. If attractive wages are paid, more workers will be attracted towards the coir units even during the peak-agricultural seasons. Thereby, the major problem of shortage of workers may be solved.
- In this study, it is found that Inadequate Finance is a major production problem faced by small coir units. Hence, it is suggested that the government may encourage the Commercial banks, Co-operative banks and other financial institutions to offer loan facilities at subsidized rates of interest, especially to small coir units to meet out their working capital requirements during peak seasons.

# Findings of the Study

In this study, production problems faced by coir units are analyzed. For identifying the major problems in production in coir units, the findings of the study are:

- ❖ Production problems faced by small coir units were analyzed and identified three major problems namely inadequate finance, shortage of workers and inadequate supply of green husks.
- Production problems faced by medium size coir units were analyzed and identified three major problems namely shortage of workers, inadequate supply of green husks and heavy machine maintenance Expenses.
- From the above findings, it is concluded that the most significant production problem faced by small size units and medium size units are inadequate finance and shortage of workers respectively.

#### Conclusion

The coir industry was chosen for study because of its production of coir products to the area. The industry employs vast numbers of disempowered social sections, mostly of the lower castes and outcastes, an overwhelming majority of them are women. Coir and coir products make good progress in the domestic as well as international market because of their unique qualities of durability, bio-degradability and eco-friendliness. At present, the industry gets a phenomenal share in the global market for the value added coir products. The present study has made an attempt to examine the problems of the coir exporters that too the domestic problems they normally facein due course of their business. The study concludes that moderatelevel of problems was experienced by the exporters of coir industry.

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