

AN ANALYSIS ON EXPORT PERFORMANCE OF COIR INDUSTRY IN INDIA

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Abstract

A third of India's population is either directly or indirectly supported by the country's robust agricultural sector. Agricultural products are crucial to the prosperity of a country, serving as both a fuel for the manufacturing sector and a visual delight on international markets. The modest coconut stands tall among these commodities, providing a varied bounty. With a strong demand for copra, oil, fresh coconuts, desiccated forms, coir, and shell products both domestically and outside, the coconut sector is incredibly significant economically. In actuality, India leads the world in the production and export of coir and coir-related goods. This article explores the exceptional export results of India's coir sector from 2017 to 2022.

Keywords: *Coir, Coir Products, Exports Performance.*

Introduction

India has long been an agricultural nation, with farming serving as the backbone of the country's economy. Agriculture produces goods that are used in countless manufacturing facilities, and both raw and processed agricultural products are in high demand overseas in nations like the United States, Australia, and the Gulf area. Products such as rice, sugar, cotton, castor oil, fruits, vegetables, wheat, sesame seeds, dairy products, chicken, and even coconut and its by products are included in this export list.

The humble coconut holds immense weight, impacting both society and the lives of countless cultivators. In India, particularly Kerala, Karnataka, Tamil Nadu, and Andhra Pradesh (accounting for a whopping 90.4% of national production), coconut farming stands as a vital source of livelihood for many. Beyond its socio-cultural significance, it carries considerable economic weight, generating rural employment and income through diverse plantation crops. However, increasing production poses challenges in finding markets for the surplus. This demands strategic responses to navigate both challenges and opportunities presented by the global market for value-added coconut products. These include palm, copra, oil, fresh coconuts, desiccated versions, coir, and shell products. Notably, coir, derived from the coconut husk, ranks India among the top producers and exporters globally. This study delves into the remarkable export performance of coir and its byproducts from 2017 to 2022.

Review of Literature

Muneeswaran and Kesavan (2022) delve into the "Growth and development of the coir industry in India" through a 10-year analysis (2010-2021) using secondary data. Their descriptive and analytical approach employs tools like simple percentages, compound growth rates, and linear trend analysis to examine growth, production, employment, import, and export of coir products. They reveal government support through subsidies and awareness programs for this rural cottage industry that generates employment opportunities. Although negative compound growth was found in exports of specific products like coir pith and handloom mats, the overall analysis indicates promising future prospects for the coir industry.

Dash and Mishra (2021) delve into the five-year performance, problems, and prospects of India's coir industry (2015-2021). Their findings highlight that over 90% of revenue stems from value-added coir products, indicating significant potential in both domestic and international markets. This promising future, however, comes with challenges that the study explores alongside the industry's performance.

Several studies paint a vivid picture of India's coir industry, highlighting both challenges and promising prospects. Muneeswaran and Kesavan (2022) analyzed a decade of data (2010-2021) and found government support for this rural cottage industry, which generates employment but faces negative growth in some export products. Dash and Mishra (2021) delve into a five-year period (2015-2021) and emphasize the industry's potential in both national and international markets, with over 90% of revenue coming from value-added products. Raseena (2020) focuses on Kerala's coir industry, revealing its predominantly rural location, reliance on manual labor, limited access to electricity, and micro-level operations. All studies conclude that the industry requires both financial and non-financial government support for improvement and future growth. Together, these insights offer a comprehensive understanding of the coir industry's landscape, paving the way for targeted interventions and optimizations.

Poovarasana (2019) delved into the performance of Pudukkottai District's coir industry, analyzing both small and medium-scale units. His study focused on production, marketing, profit margins, and overall performance, revealing strong domestic and global demand for high-quality, eco-friendly coir products. This underscores the industry's potential but necessitates further exploration of specific production, marketing, and profitability factors. Multiple studies shed light on the intricacies of India's coir industry, revealing both its challenges and promising future. Muneeswaran and Kesavan (2022) analyzed a decade of data, highlighting government support for this rural industry while acknowledging negative growth in some export products. Dash and Mishra (2021) examined a five-year period, emphasizing the industry's national and international market potential with its focus on value-added products. Raseena (2020) focused on Kerala, revealing its rural setting, reliance on manual labor, limited electricity, and micro-sized operations. Poovarasana (2019) studied Pudukkottai's industry, emphasizing the strong demand for its high-quality and eco-friendly coir products. Finally, Karuppasamy's 2018 study on Tirunelveli district identified an expanding industry but pinpointed the need for modernized production techniques to control pollution and increase output. He also stressed the importance of government intervention in

boosting coconut tree plantation and export facilitation. Taken together, these studies offer a rich tapestry of the coir industry's landscape, highlighting its potential while urging attention to key challenges. By addressing these challenges through targeted interventions and optimizations, the coir industry can navigate towards a brighter future.

Statement of the Problem

The traditional, labor-intensive, and rural Indian coir business provides environmentally beneficial substitutes for plastic items. Although there is currently contamination in the air, water, and land throughout the manufacturing process, the finished products themselves are safe for consumption. The industry benefits from strong demand in both home and foreign markets, which has an impact on export figures, notwithstanding these production problems. This research explores the possibilities and particular trends of exporting coir products.

Objectives

- To research India's current coir product export Situation.
- To evaluate and compare the Coir product's export performance year-over-year from 2017 to 2022
- To determine which companies import the most Indian coir goods.

Limitation

- Only India's export performance is covered in the study. It does not cover area wise and state wise performance.
- Secondary data alone collected for study.
- 5 years data alone taken for the study (2017 to 2022)
- Analysis does not focus on production and marketing coir

Research Methodology

- **Research Design:** Descriptive research design.
- **Research Area:** Export performance of coir industry in India
- **Data gathering:** Secondary data form the basis of this study. Information was gathered from a variety of websites as well as the coir board, coir news, journals, theses, publications, and reports.
- **Period of Study:** This study analysis the export performance of coir industry in India during 5 years from 2017 to 2022.
- **Framework of Analysis:** The export performance of coir industry of study area has been analysed on the basis of secondary data. Tools like Simple Percentage Analysis, Annual growth rate and comparative analysis are used to analyse the data.

Data Analysis and Interpretation

Table 1 Export of Coir Products during Last 5 Years (2017-2018 to 2021-2022)

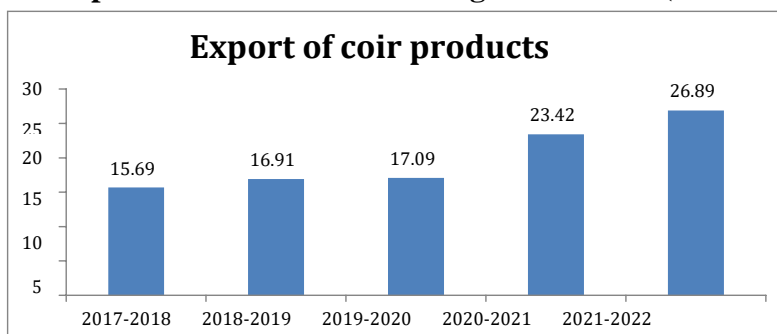
Year	Quantity	%	Value	%
2017-2018	1016564	18.94	253227.8	15.69
2018-2019	964046.43	17.96	272804.6	16.91
2019-2020	988996	18.43	275790	17.09
2020-2021	1163213	21.67	377898	23.42
2021-2022	1234855	23.01	434005.1	26.89
Total	5367674.43	100.00	1613725	100.00
Mean	5367674.43		1613725	
CAGR	0.04		0.45	

Quantity in Metric tonnes value in rupees ₹ lakhs

Source: Coir board annual report

The table 1 reveals that the export performance of Coir products from the year 2017 to 2022. It was found that the export quantity and value indicated an increasing trend from 2017-2018 to 2021-2022. The overall mean value of Coir products quantity is 5367674.43 Metric tonnes and that of value amounts to Rs.1613725 lakhs. CAGR value is 0.04 for Quantity and 0.45 for value. Which denotes compound annual average growth rate of coir products is positive and it's in increased trend.

Chart 1 Export of Coir Products during last 5 Years (2017 to 2022)



Total Value of Export in Percentage

Table 2 Comparative Statement of Export of Coir Products (2017-18 and 2018-19)

Item	Q=Quantity in MT		V=Value in rupees Lakhs		% increase / decrease	
	2017-18		2018-19		% increase / decrease	
	Quantity	Value	Quantity	Value	Quantity	Value
Coir Pith	548479	101846.82	566661	123208	3.3	21
Coir Fibre	374320	70177.88	299279	60164.1	-20	-14.3
Tufted Mat	54279	49591.41	54131	52225	-0.3	5.3
Handloom Mat	18277	18613.96	19367	21911	6	17.7
Geo textiles	5845	3996.59	7674	5972.56	31.3	49.4
Curled Coir	8800	2316.26	10768	3137.02	22.4	35.4

Coir Yarn	3328	2457.66	3408	2642.23	2.4	7.5
Handloom Mattings	1117	1394.79	1071	1436.08	-4.1	3
Rubberized Coir	900	1388.64	807	1029.58	-10.4	-25.9
Coir Rope	491	401.72	486	439.79	-0.9	9.5
Coir Other Sorts	306	498.29	183	361.58	-40.1	-27.4
Coir Rugs & Carpet	254	269.58	195	243.96	-23.3	-9.5
Powerloom Matting	131	216.49	7	17.22	-94.7	-92
Powerloom Mat	37	57.75	8	15.89	-77.2	-72.5
Total	1016564	253227.84	964046	272805	5.2	7.7

Source: Coir board annual report

The comparative statement of the above table 2 reveals that during the year 2018-2019 there has been an increase in quantity of total export by 5.2% and value by 7.7%. Table shows that there was increased and decreased trend of individual items of coir products but overall performance was good.

Table 3 Comparative Statement of Export of Coir Products (2018-19 and 2019-20)

Item	Q = Quantity in MT		V = Value in rupees Lakhs			
	2018-19		2019-20		% increase/decrease	
	Quantity	Value	Quantity	Value	Quantity	Value
Coir pith	566661	123208	579980	134962.94	2.4	9.5
Coir Fibre	299279	60164.1	58300	56344.14	7.7	7.9
Tufted Mat	54131	52225	308457	49842.56	3.1	-17.2
Handloom Mat	19367	21911	16910	19630.08	-12.7	-10.4
Geo textiles	7674	5972.56	8068	6389.45	5.1	7.0
Curled Coir	10768	3137.02	11290	2681.57	4.8	-14.5
Coir Yarn	3408	2642.23	3028	2301.22	-11.1	-12.9
Handloom Mattings	1071	1436.08	1177	1366.41	9.9	-4.9
Rubberized Coir	807	1029.58	578	786.82	-28.4	-23.6
Coir Rope	486	439.79	367	483.82	88.0	98.3
Coir Other Sorts	183	361.58	298	476.93	62.6	31.9
Coir Rugs & Carpet	195	243.96	512	466.03	5.2	6.0
Powerloom Matting	7	17.22	26	49.65	214.1	212.5

Powerloom Mat	8	15.89	5	8.53	-21.2	-50.5
Total	964046	272805	988996	275790.15	2.6	1.1

Source: Coir board annual report

The comparative statement of the above table 3 reveals that during the year 2019-20 there has been an increase in quantity of total export by 2.6 % and value by 1.1%. Table shows that there was increased and decreased trend of individual items of coir products but overall performance was satisfactory.

Table 4 Comparative Statement of Export of Coir Products (2019-20 and 2020-21)

Item	Q = Quantity in MT;		V = Value in Rupees ₹ in Lakhs			
	2019-20		2020-21		% increase/decrease	
	Quantity	Value	Quantity	Value	Quantity	Value
Coir Pith	308457	49842.6	354123	62890.6	14.8	26.2
Coir Fibre	3028	2301.22	3849	2919.3	27.1	26.9
Tufted Mat	16910	19630.1	20527	24662.1	21.4	25.6
Handloom Mat	26	49.65	65	106.51	144.4	114.5
Geo textiles	58300	56344.1	81799	80690.8	40.3	43.2
Curled Coir	1177	1366.41	1418	1712	20.5	25.3
Coir Yarn	5	8.53	11	19.24	103.9	125.6
Handloom Mattings	8068	6389.45	8583	7059.05	6.4	10.5
Rubberized Coir	367	483.82	327	427.9	-10.9	-11.6
Coir Rope	512	466.03	505	491.76	-1.4	5.5
Coir Other Sorts	11290	2681.57	9381	2422.22	-16.9	-9.7
Coir Rugs & Carpet	578	786.82	982	1321.41	70	67.9
Powerloom Matting	579980	134963	680898	191974	17.4	42.2
Powerloom Mat	298	476.93	744	1200.96	150	151.8
Total	988996	275790	1163213	377898	17.6	37

Source: Coir board annual report

The comparative statement of the above table 4 reveals that during the year 2020-2021 there has been an increase in quantity of total export by 17.6% and value by 37%. Table shows that there was increased and decreased trend of individual items of coir products but overall performance was good.

Table 5 Comparative Statement of Export of Coir Products (2020-21 and 2021-22)

Item	2020-21		2021-22		% increase/decrease						
	Quantity	Value	Quantity	Value	Quantity	Value					
	Q = Quantity in MT						V = Value in rupees ₹Lakhs				
Coir Pith	354123	62890.57	399428	63655.79	12.8	1.2					
Coir Fibre	3849	2919.3	4285	3330.73	11.3	14.1					
Tufted Mat	20527	24662.1	21079	26172.99	2.7	6.1					
Handloom Mat	65	106.51	408	753.8	531.3	607.7					
Geo textiles	81799	80690.82	92810	100114.6	13.5	24.1					
Curled Coir	1418	1712	1110	1423.21	-21.8	-16.9					
Coir Yarn	11	19.24	4	9.62	-66.6	-50					
Handloom Mattings	8583	7059.05	6978	6165.74	-18.7	-12.7					
Rubberized Coir	327	427.9	580	861.79	77.4	101.4					
Coir Rope	505	491.76	716	649.84	41.9	32.1					
Coir Other Sorts	9381	2422.22	9943	2622.89	6	8.3					
Coir Rugs & Carpet	982	1321.41	644	1096.88	-34.4	-17					
Powerloom Matting	680898	191974.1	696175	225917.7	2.2	17.7					
Powerloom Mat	744	1200.96	696	1229.56	-6.5	2.4					
Total	1163213	377898	1234855	434005	6.2	14.8					

Source: Coir board annual report

The comparative statement of the above table 5 reveals that during the year 2021-2022 there has been an increase in quantity of total export by 6.2% and value by 14.8%. Table shows that there was increased and decreased trend of individual items of coir products but overall performance was good.

Suggestions

India's coir industry stands at a crossroads, brimming with potential but facing environmental concerns. Coir fiber and pith, extracted from coconut husks, serve as the foundation for various products, but coir pith production and disposal raise environmental issues. To address this and unlock the industry's full potential, both government and organizations like MSME and the Coir Board must act:

Promote Value-Added Products: By raising awareness among producers about the benefits of value-added coir products, the industry can diversify, cater to evolving consumer demands, and potentially increase profitability. **Tackle Coir Pith Challenges:** Government support is crucial to help entrepreneurs adopt sustainable coir pith production and disposal methods. This could involve implementing regulations, offering subsidies for eco-friendly technologies, or even exploring innovative uses for the material.

Conclusion

Examining the coir industry's export capabilities, a five-year (April 2017 – March 2022) study highlights India's hegemony in the global market. Indian coir and coir products, with exports to more than 100 countries, have steadily increased over the research period. The success of these environmentally friendly products can be ascribed to their distinctive features and superior quality, which have opened up potential opportunities in the worldwide market going forward.

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