

A Comparative Study On The Export Trend Of Products In The Traditional And Mechanised Sector Of Coir Industry.

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ABSTRACT

With the growing awareness on environmental consciousness among the international consumers, prospects for natural products increased in the world market from 1990s. The economic recession and heavy competition have changed the attitude of consumers towards cost-effective products. The Indian coir industry employ both traditional and modern production method. The export statistics shows that handloom-based coir products have downward trend in the market. This paper look into the effect of modern production technology in the export trend of coir products.

Keywords: Coir, Coir Export, Geo-textiles, Coir pith, Mechanization.

1.INTRODUCTION

Coir Industry is one of the oldest Cottage Industry contributing significantly to the economy of major coconut growing states in India. The eco-friendly nature of coir products has untapped opportunities in the international market together with enhancing the employment opportunities in rural areas of state. Export is the most important source of foreign exchange for all countries. Growth in coir exports not only brings in additional foreign exchange for the country but also benefits a large number of people involved in production, processing and export of such products.

India accounts for more than two-thirds of the world production of coir and coir products. In respect of international trade, India and Sri Lanka are the largest exporting countries of coir fibre and related products. Indian coir products are in great demand in the international market because it possesses special attributes like fitness, price, craftsmanship, quality and attractiveness. By the introduction of modernization in production technology, the Indian coir industry move through structural changes in the export with the innovative products in the form of tufted mat etc. The study tries to understand the effect of production technology in export performance of Indian coir industry.

II.REVIEW OF LITERATURE

Chilar Mohammed and shahul Hameed et al. (1) remarks that India face severe competition from synthetic products modern technology in production and innovative marketing strategies has to be adopted in the global market.

Soudaranpandian M and S. Jagdees pandi S. et al. (2) in their article on prospects and problems of coir industry states that the present liberalization policy of the government highly supports the coir sector. They also mentioned the need for minimum export price (MEP) to ensure better return to the exporters.

R. Sundaresan et al. (3) assess the impact of tradition and modern technology in production and states that under globalized regime technology stands in a dilemma between workers and industry and technology so far brought no fine result in both these sides.

Gouriamma et al. (4) state the importance of coir sector towards export earnings and promotion of more employment opportunities in rural areas specially to women population and signifies the coordination of all stakeholders.

The Hindu daily et al. (5) point that coir pith, a waste of coir process has uses as energy source and growing opportunities in the market

Abdur Rahman et.al. investigate the reasons towards downward movement of coir export mentioned that traditional method of production act as a hurdle in maintaining cost competitiveness in global trade. He also states the labour issues in mats and matting sector of western Europe also effected the demand of coir yarn in export.

Ganassamurthy VS and Manickam et al.(7) conduct study on the impact of WTO on coir trade states that there was downward trend in trade in post WTO regime and remark that India can compete our product in the international market only by the adoption of technology.

Coir Board et al (8) states that coir industry in Kerala has high potential of in terms of source of employment and export among other states in India also noted that Kerala occupy more than eighty percent of exports from India.

Sreedharan PR and Sreedharan TV et al. (9) states that most of the units in India adhere to traditional method of production where government agencies act as a driving force towards diversification and promotion of uses of coir products.

Jose VS and Sankaranarayanan K C, et al.(10) states that during 1984-85 to 1999-2000 demand for coir products prompted in the world market, whereas high price curtailed the demand of Indian coir products.

Kumarasamy Pillai. et al.(11) states that by the adoption of technology through mechanisation brought positive trend in the Indian Coir industry on account of quality improvement and product diversification.

III.OBJECTIVE OF THE STUDY

- To understand the performance of coir industry in the export market
- To identify the trend in the export of coir products based on technology adopted.

IV.RESEARCH METHODOLOGY

Export trend was assessed using secondary data from the Annual report of coir Board. For assessing the general trend, all the 14 coir products exported from India were considered. Impact of production technology on the export market was assessed based on five actively traded products viz, coir pith, coir

fibre, handloom mat, tufted mat and geo-textiles. Coir pith, coir fibre and Tufted mat were processed through mechanized operation. For the manufacture of geo-textiles, both traditional and modern method was used. Handloom mat comes under traditional category. The data was analysed using Mean, simple percentage, Trend percentage and comparative percentage method over the ten years export statistics from 2009-10 to 2018-19. Excel was used to perform the analysis.

V.RESULT AND DISCUSSION

Coir Export from India (Quantity)

Table-5.1
Percentage change in Export Quantity, Trend percentage and Mean value (2009-2010 to 2018-19)

Year	Quantity (MT)	Percentage change over previous years	Trend-in quantity of export based on 2009-10	Mean-value year-wise based on 14 coir products exported)
2009-10	294509		100	21036
2010-11	321016	9	109	22930
2011-12	410854	27.99	139.5	29347
2012-13	429501	4.539	145.84	30679
2013-14	537040	25.04	182.35	38360
2014-15	626666	16.69	212.78	44762
2015-16	752020	20	255.35	53716
2016-17	957045	27.26	324.96	68360
2017-18	1016564	6.219	345.17	72612
2018-19	964046	-5.17	327.34	68860
<i>Mean value</i>				45066.2

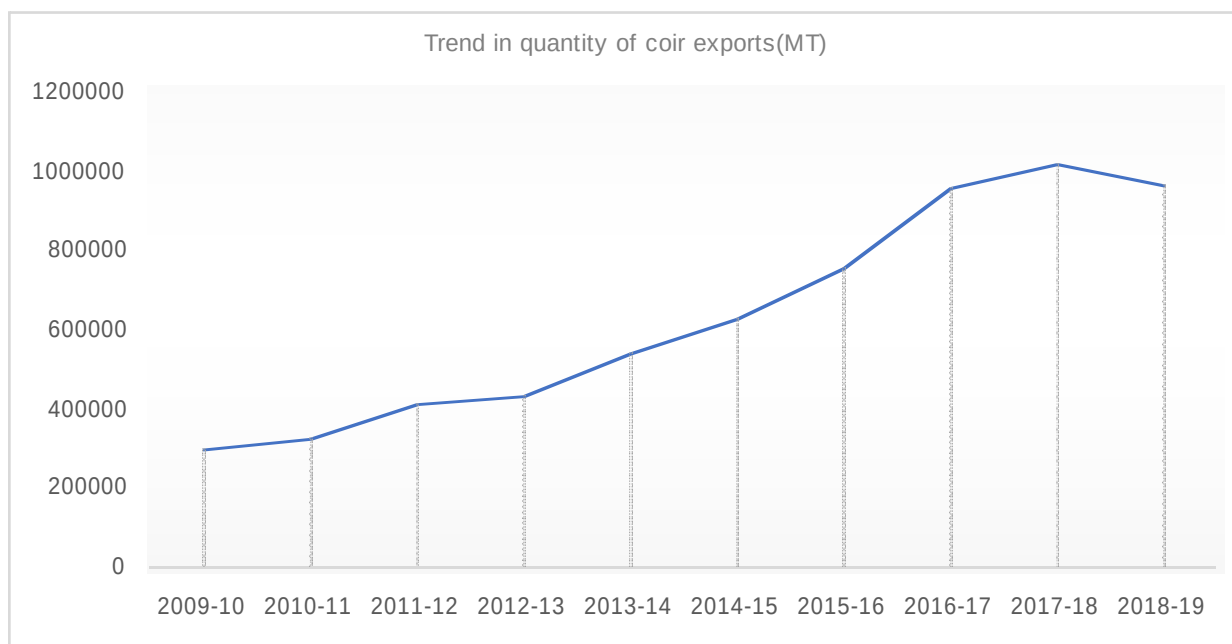
Export quantity over 10 years from 2009-10 are shown in Table 5.1. It is observed from the Table that in 2009-10 quantity of coir export was 294509 MT. During 2016-17 growth in the quantity of export rose to 27.26 percent over the previous year. During 2012-13, 2014-15 and 2017-18 percentage change was 4.539 percent, 16.69 percent and 6.29 percent respectively; depicts downward trend compared to corresponding previous years. In 2015-16 export quantity was 752020 MT with a growth rate of 20 percent over previous year. It is also observed that quantity of export was 964046 in 2018-19 making negative growth rate of -5.17 percent based on the previous year 2017-18. The reasons attributed to decrease in value of export was the severe competition from other coir producing countries and recessionary economic conditions in the world market.

Trend percentage in quantity of Coir Export stateslight decrease by the year 2018-19. Trend value shows an increasing pattern till 2017-18 with 345Percent growth. Trend in quantity of coir export was 109, 139.5, 145.84,182.35,212.78,255.35,324.96,345.17 respectively from 2009-10 to 2017-18.

Mean value on the basis of quantity of export of 14 coir products was 21036 in 2009-10, 22930 in 2010-11, 29347 in 2011-12, 30679 in 2012-13, 38360 in 2013-14, 44762 in 2014-15, 53716 for 2014-15, 68360 in 2016-17, 72612 in 2017-18. The mean value of quantity of export increased in all the years, by 2018-19 mean value was 68860.Mean value for ten years was 45066.2.

Fig 5.1

Trend in the quantity of exports from India(2009-10 to 2018-2019)



• **Value of Coir Export**

Table 5.2

Export revenue of Coir Industry from 2009-10 to 2018-19 (Percentage change, trend percentage and Mean Value)

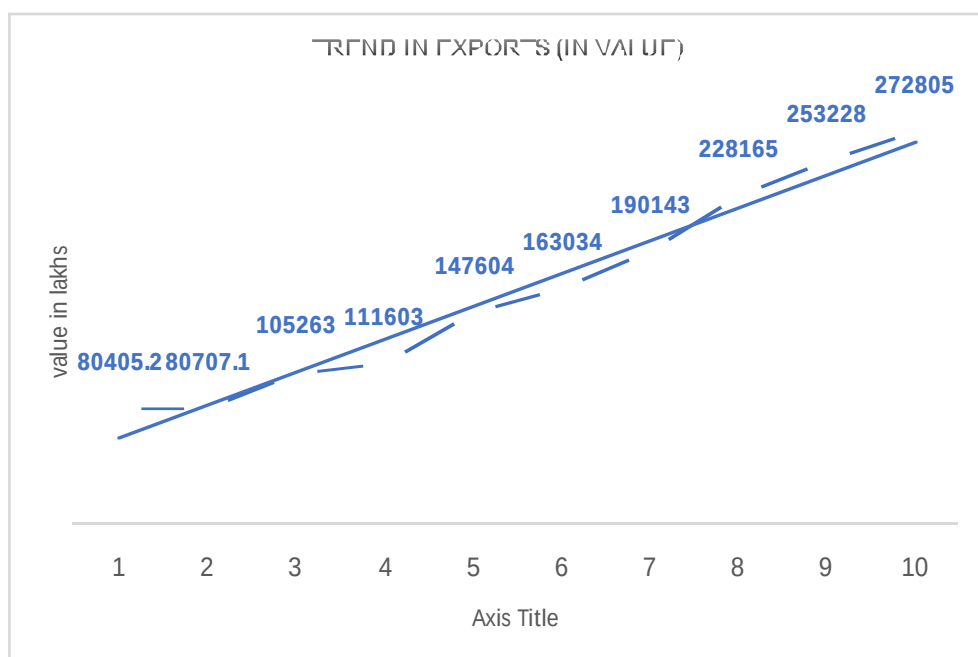
year	Value (in lakhs)	Percentage changeover previous year	Trend percentagebased on 2009-10	Mean value year-wise based on 14 coir products exported (in lakh)
2009-10	80405.2		100	5743
2010-11	80707.1	0.375	100.38	5765
2011-12	105263	30.43	130.92	7519
2012-13	111603	6.023	138.81	7972
2013-14	147604	32.26	183.58	10543.
2014-15	163034	10.45	202.77	11645.
2015-16	190143	16.63	236.48	13582
2016-17	228165	20	283.77	16298
2017-18	253228	10.98	314.94	18088
2018-19	272805	7.731	339.29	19486.
Mean Value				11664.1

Coir Export in Values was presented in Table 5.2. In 2009-10 export in value was Rs. 80405 lakhs, 253228 lakhs in 2017-18 making annual growth rate of 20 percent over the previous year. During 2011-12 growth rate was 30.43 over the previous year. During 2012-13 2014-15, 2017-18 downward trend was seen in export revenue was 6.023 percent, 10.45 percent, 10.98 percent respectively. In 2016-17 export value was 228165 lakhs with a growth rate of 20 percent. In 2018-19, market performance goes down to 7.731 percent.

The value of coir exports from India shows increasing trend from 2009-10 to 2018-19. It shows 339 percent growth in the value by 2018-19 based on the export value of 2009-10.

The mean value of exports of 14 coir products was 19486 lakhs for 2018-19, 18088 lakhs for 2017-18, 16298 lakh for 2016-17, 13582 lakhs for 2015-16, 11645 lakh for 2014-15, 10543 lakhs for 2013-14, 7972 lakhs for 2012-13, 7519 lakhs for 2011-12, 5765 lakhs for 2010-11 and for 2009-10 5743 lakhs. Total mean value was 11664.1 lakh

Fig 5.2
Trend in export value from 2009-10 to 2018-19



- **PERFORMANCE OF MAJOR COIR PRODUCTS. (PRODUCT- AND YEAR WISE ANALYSIS)**

Table 5.3

Composition of Coir Products to Total Export Quantity from India (2009-10 to 2018-19)

Quantity-(MT)

year	Total Quantity (MT)	Modern technology (Mechanised products)			Traditional Technology	Both Traditional and Modern
		coir pith (% to total)	coir fibre (% to total)	Tufted mat (% to total)	Handloom mat (% to total)	Coir geo-textiles (% to total)
2009-10	294509	45	25	12.6	12.3	1.27
2010-11	321016	49	26	10.4	9.16	1.02
2011-12	410854	50	29	8.04	6.73	0.9
2012-13	429501	49	33	8.68	5.62	0.84
2013-14	537040	51	32	8.15	4.21	0.83
2014-15	626666	50	35	6.59	4.05	0.68
2015-16	752020	54	34	6.09	2.71	0.6
2016-17	957045	51	39	5.4	2.1	0.65
2017-18	1016564	54	37	5.34	1.8	0.57
2018-19	964046	59	31	5.61	2.01	0.8

Table 5.4 states the composition of coir products to total exports quantity. Coir pith and coir fibre together constitute 70-80 percent of exports from 2009-2010 to 2011-12 and from 2012-13 onwards the proportion of coir pith and coir fibre to total export was 80-90 percent. The contribution of coir geo-textiles was below one percent in all the years. The composition of handloom mat to total export falls to 2 percent in 2018-19 while it was 12.3 percent in 2009-10. Coir fibre to total export was 31percent,tufted mat was 5.61 percent and coir pith constitutes 59 percent of total export quantity from India.

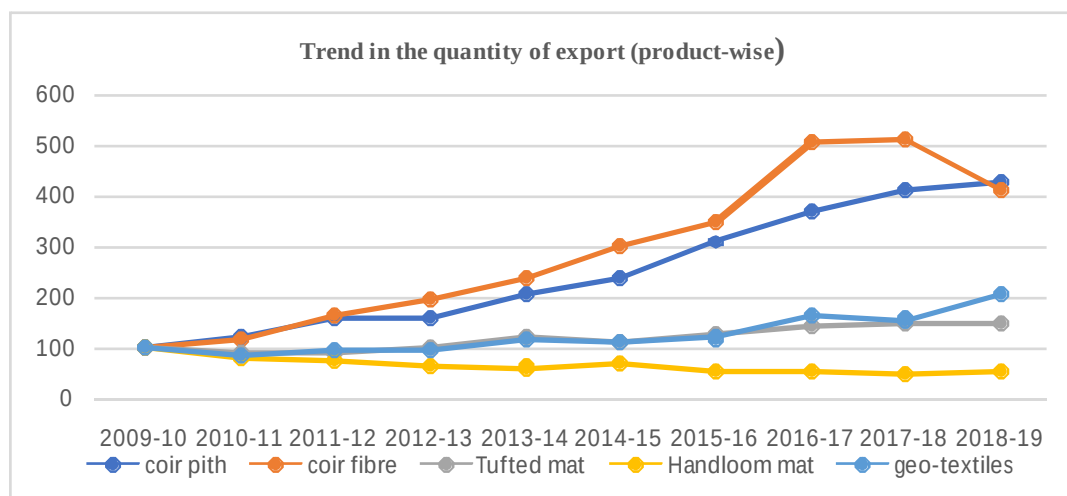
Table No-5.4
Trend in the quantity of Major coir products from 2009-10 to 2018-19

year	Mechanised products						Traditional		Both Traditional and mechanised	
	coir pith	Trend %	coir fibre	Trend %	Tufted mat	Trend %	Handloom mat	Trend %	geo-textiles	Trend %
2009-10	131917	100	73075	100	36991	100	36298	100	3754	100
2010-11	157855	120	83393	114	33349	90	29409	81	3267	87
2011-12	206425	156	119685	164	33021	89	27656	76.	3681	98
2012-13	208399	158	140693	193	37289	101	24151	67	3597	96
2013-14	271495	206	173902	238	43752	118	22609	62	4468	119
2014-15	316425	240	219103	300	41284	112	25354	70	4236	113
2015-16	408897	310	255293	349	45770	124	20386	56.	4520	120
2016-17	490552	372	370357	507	51718	140	20144	56	6219	166
2017-18	548479	416	374320	512	54279	147	18277	50.	5845	156
2018-19	566661	430	299279	410	54131	146	19367	53	7674	204.

Source: Annual report of Coir Board

Table 5.5 shows the quantity-wise Trend of coir products from 2009-10 to 2018-19.Quantity of coir Pith demand was increases to 430 percent in 2018-19.Tufted mat also shown growth, while a slight decrease in trend has shown during 2010-11 and 2011-12. The trend in the quantity of coir fibre also shows high growth (i.e; 512 percent) till 2017-18, while growth declines to 410 percent by 2018-19.Geo-textile increases to 204 percent by 2018-19. Handloom mat shows a downward trend, quantity reduces to 53 percent in 2018-19.

Figure No-5.3
Trend in the quantity of export (product-wise)



- **Composition of Major coir products on Total Value of Export(2009-10 to 2018-19)**

Table 5.5
Composition of value of each product to Total value of export

year	Total value of export	Modern Technology products			Traditional Technology	Both Traditional & Modern
		Coir Pith (%)	Coir Fibre (Percent to total)	Tufted mat (Percent to total)	Handloom mat (Percent to total)	Geo-textiles (Percent to total)
2009-10	80405.2	15.4	12.1	31.5	31.6	2.5
2010-11	80707.1	18.4	15.1	29.7	26.7	2.3
2011-12	105263	21	19.3	26.4	22.4	2.3
2012-13	111603	22.2	18.6	30.1	20.4	2.4
2013-14	147604	23.2	22.3	28.3	16	2.4
2014-15	163034	26.6	25.7	24.4	14.7	2
2015-16	190143	36.2	22	23.3	11.7	1.9
2016-17	228165	39.7	23.6	21.2	9.34	2
2017-18	253228	40.2	27.7	19.6	7.35	1.6
2018-19	272805	45.2	22.1	19.1	8.03	2.2

Table states that composition of coir pith to total export revenue was 15.4 in 2009-10, whereas it rose to 45.2% in 2018-19. Coir fibre constitute 12.1 Percent in 2009-10 whereas it rose to 22.1 percent by 2018-19. Composition of Tufted mat to total revenue was 31.5 Percent in 2009-10 whereas it reduces to 19.1 percent by 2018-19. Contribution of Handloom mat to total export revenue was 31.6 in 2009-10, whereas it drastically reduced to 8.03 % by 2018-19. In case of geo-textiles, it was 2.5 percent in 2009-10 and by 2018-19 it rose to 2.2 percent.

• **TREND IN THE VALUE OF EXPORT OF COIR AND COIR PRODUCTS**

Table 5.6

TREND IN THE VALUE OF EXPORT OF COIR AND COIR PRODUCTS FROM INDIA 2009-10 to 2018-19
(Value in lakhs)

Year	Mechanised products						Traditional		Both Traditional and mechanised	
	coir pith	Trend %	coir fibre	Trend %	Tufted mat	Trend %	Handloom mat	Trend %	geo-textiles	Trend %
2009-10	12347	100	9742	100	25351	100	25428	100	2024	100
2010-11	14829	120	12149	125	23968	95	21526	85	1823	90.
2011-12	22151	179	20324	209	27745	109.	23545	93	2433	120
2012-13	24728	200	20708	213	33573	132	22810	90	2629	130
2013-14	34173	277	32878	337	41776	162	23624	93	3504	173
2014-15	43295	351	41923	430	39726	157	23947	94.	3270	162
2015-16	68809	338	41767	429	44316	175	22280	88	3532	175
2016-17	90539	733	53914	553	48443	191	21316	84	4481	221
2017-18	101847	825	70178	720	49591	196	18614	73	3997	198
2018-19	123208	998	60164	618	52225	206	21911	86	5973	295

Table 5.6 states the value-wise Trend of coir products from 2009-10 to 2018-19. Coir pith has tremendous growth i.e.; 998 percent by 2018-19. Tufted mat reflect growth of more than 200 percentage. The sale of coir fibre recorded positive growth till 2014-15, while it reduces to 429

percent during 2015-16, by 2018-19 i.e.; 615 Percent. Export of handloom mat shows a decrease from 2015-16, whereas it shows a slight increase in the year 2018-19

FIGURE NO -5.4.1
EXPORT PERFORMANCE OF MAJOR COIR PRODUCTS (Value)

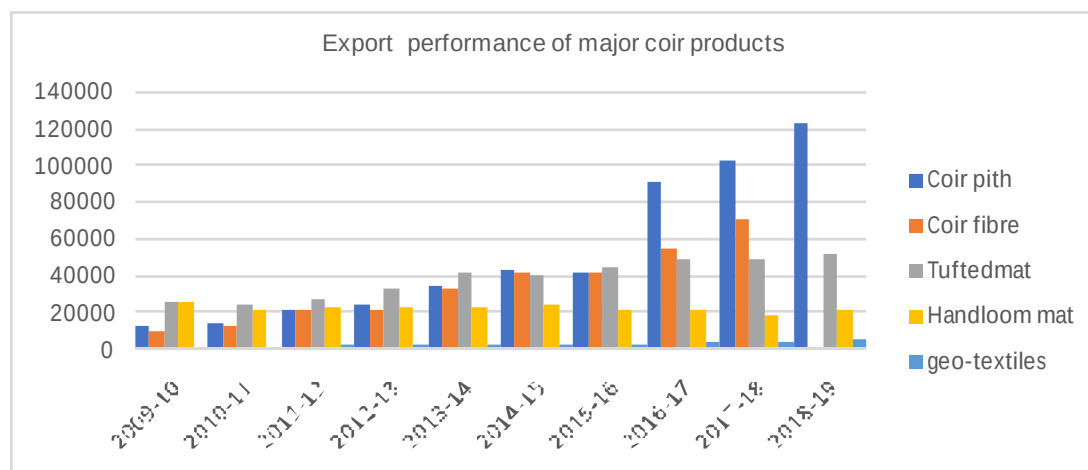
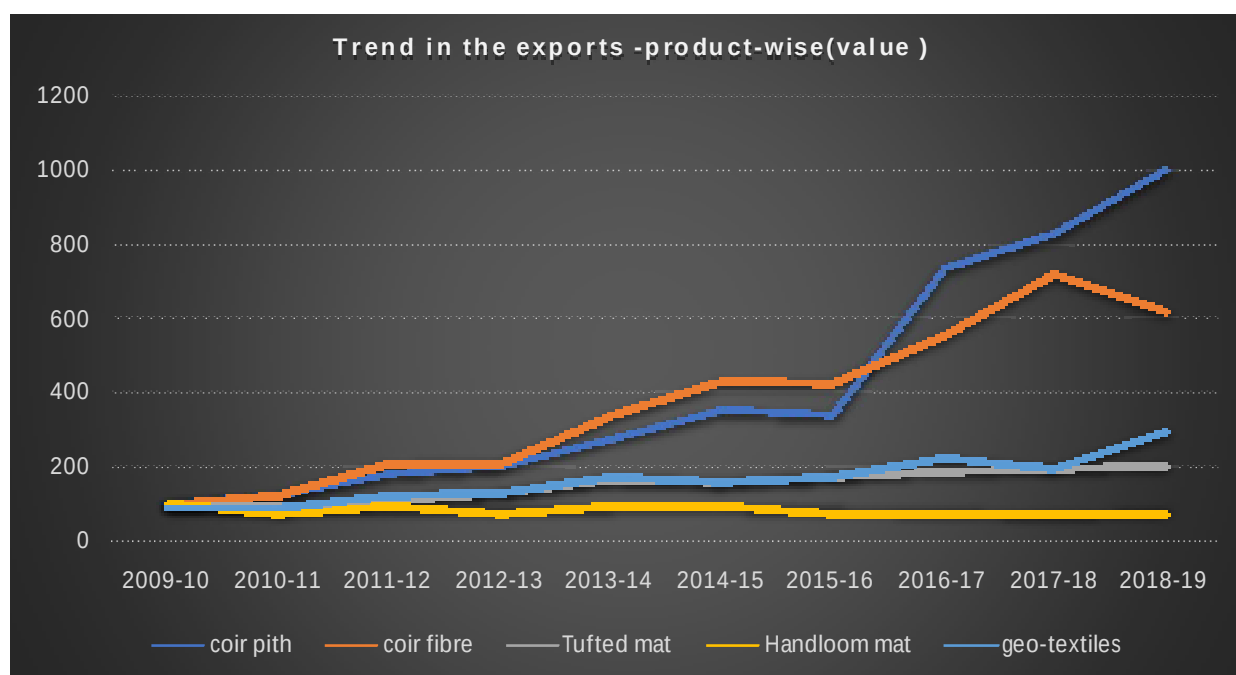


Figure No-5.4.2
Trend in value of Export of major Coir products



THEORETICAL IMPLICATION

Indian economy is basically agrarian of which traditional industry is the thread of promoting employment to mass of population mainly women, hence export of traditional products like coir assumes great significance in our export efforts. The effect of recessionary conditions and heavy competition brought a change in the attitude among buyers for cost-effective products. Modernization act as a catalyst towards new opportunities in coir export from low value products to high end standardized products of divergent use.

PRACTICAL IMPLICATION

Modernization of production technology in a traditional industry like Coir stimulate the living conditions of mass of workers mainly rural women. Enhancement of production technology through Mechanization and consequent improvement in quality and product range with economic price stimulate the global competitiveness of Indian coir products which enhance the export revenue to the country. By the adoption of mechanized production, the industry is setting positive trends in global market and has significantly contributed to Indian economy.

CONCLUSION

Coir Industry take a prominent role in the economic structure of the country as a source of income, employment and foreign exchange. Coir Industry has diverse market from food industry, upholstery, agriculture and fishing industry. The study attempts to explore the export performance of Indian Coir Industry based on production technology adopted. The trend value shows that the demand of handloom mat was decreasing every year as it still adopts to primitive technology. Quality and economic utility of Mechanised products was better which is reflected in the export revenue. The government should enact strategies to encourage modern technology adoption even in traditional products that ensure price and quality competitiveness in international market and enhance the opportunities for diversification and development.

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