



PROBLEM AND PROSPECTS COIR INDUSTRY IN KANYAKUMARI ECONOMY WITH SPECIAL REFERENCE TO SMALL SCALE ENTREPRENEURS

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ABSTRACT

Coir industry provides employment opportunities and generates income to the people particularly in Kanyakumari economy. It is a labour-intensive industry which provides employment to more than 30,000 persons of whom majority are from rural areas belonging to the economically very weaker sections of the society. Nearly 60 percent of the workers are women in the fibre extraction and spinning sectors. In Kanyakumari district, 8 percent of the coir and coir products are exported to foreign countries and remaining 92 percent is domestically consumed. The study mainly based on primary and secondary data. The sample size was fixed at 300. The important finding, the most important problem faced by the coir units is inadequate finance and shortage of workers.

KEYWORDS: *Coir industry , labour-intensive industry , foreign countries.*

INTRODUCTION

The coir industry in India is an important traditional cottage industry contributing significantly for economic development, especially in the rural sector providing with employment. The coir industry is high labour intensive industry employs more than 6.4 lakh persons of whom a majority is from the rural areas belonging to the economically weaker sections of the society. Nearly 80% of the coir workers in the fiber extraction and spinning sectors are women. India is the largest coir producer in the world accounting for more than 80 per cent of the total world production of coir fiber. India is the premier coir producing country in the world earning foreign exchange to the tune of over Rs.807 crore annually by way of export of coir and coir products.

STATEMENT OF THE PROBLEM

The coir industry was chosen for study because of its social and economic significance in Kanyakumari economy. The industry employs vast numbers of disempowered social sections, mostly of the backward castes and outcastes. 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 an extraordinary share in the foreign market for the value added coir products. The industry also fetches crores of foreign exchange by export of coir and coir products. It is expected that the export will cross more than 2000 crores in last year. Coir and coir products is base for living of the people in both rural and urban areas. At the same time coir industry in India is an agro-based, village and cottage industry which affected by large number of problems in the form of labour material, machinery and finance. These problems may affect the growth and development of coir industry. Further, it has great opportunities for investment, employment, production, workers,



technology, marketing, productivity, profitability and earning more income. Therefore, an attempt is made in the study for indicating problems and prospects of coir industry in Kanyakumari economy with special references to small scale entrepreneurs.

OBJECTIVES:

1. To analyze the factors influencing coir industry entrepreneurs in Kanyakumari district.
2. To study major problem faced by coir industry entrepreneurs in Kanyakumari district.
3. To suggest suitable policies for further improvement of coir industry.

METHODOLOGY:

The research design adopted for the study is both descriptive and analytical in nature. The study is based on both primary data and secondary data. It is an empirical research based on the survey method. For collecting required primary data from the entrepreneurs of coir units, well-structured and pre-tested interview schedule was used. Secondary information was also collected from Annual Reports of Coir Board, Kochi, Kerala, various books, journals and websites relevant to the coir industry. The sample size was fixed at 300, sample entrepreneurs were selected through random sampling method. Determinants of problems of coir industry has been analysed by using statistical tools like Percentage and Garrett's Ranking Technique.

DATA ANALYSIS AND INTERPRETATION:

FACTORS INFLUENCING TO START THE INDUSTRIES:

The factors responsible for starting the units by the respondents in Kanyakumari district are confined to self-confidence, employment opportunities, technical skill, government policy, availability of loan, financial support, high profit, family support, leadership quality, self-employment, no stiff competitor, business experience, hereditary, unemployment and risk taking.

Table.1
Factors Influencing to start the units

Motivation Variables	Mean Score	Rank
Self-confidence	69.3	IX
Employment Opportunities	41.6	XV
Technical skill	72.5	VIII
Government policy	66.2	X
Availability of loan	80.0	V
Financial support	88.8	II
High Profit	90.6	I
Family support	79.9	VI
Leadership quality	82.9	IV
Self-employment	61.4	XII
No stiff competitor	75.1	VII
Business Experience	85.1	III
Hereditary	65.4	XI
Unemployment	55.3	XIV
Risk taking	59.3	XIII

Sources: Computed data

Table 1 shows that the factor influencing to start the business units, high profit with mean score 90.6 contributed first rank, financial support with mean score 88.8 contributed second rank, business experience with mean score 85.1 contributed third rank, Leadership quality with mean score 82.9

contributed fourth rank, Availability of loan with mean score 80 contributed fifth rank, Family support with mean score 79.9 contributed sixth rank, No stiff competitor with mean score 75.1 contributed seventh rank, Technical skill with mean score 72.5 contributed eighth rank, Self-confidence with mean score 69.3 contributed ninth rank, Government policy with mean score 66.2 contributed tenth rank, Hereditary with mean score 65.4 contributed eleventh rank, Self-employment with mean score 61.4 contributed twelfth rank, Risk taking with mean score 59.3 contributed thirteenth rank, Unemployment with mean score 55.3 contributed fourteenth rank and Employment Opportunities with mean score 41.6 contributed last rank.

PROBLEM FACED COIR INDUSTRY

The production problems which are generally faced by the owners of the units are raising the required finance, procuring the raw material, finding the skilled labour, problem in power supply and problem of obsolescence and modernization. In this table, the problems so identified and ranked by the respondents were converted into scores by using the Garrett's Ranking Technique. The mean scores were worked out for each problem and arranged in a descending order.

Table.1 Problem faced by coir industry in Kanyakumari district

Problems	Mean Score	Rank
Inadequate finance	69.61	II
Price fluctuation	51.67	V
Lack of skilled labourers	44.52	VI
Inadequate supply of raw-materials	72.28	I
Heavy machine maintenance expenses	39.11	IX
Traditional method production	56.44	IV
Marketing problem	61.38	III
Problems of drying fibre during rainy seasons	40.92	VIII
Transport problem	43.65	VII
Irregular power supply	33.42	X

Source: Primary data

Table.2 shows the problem faced by the coir units; the problem of inadequate supply of raw-materials with a mean score of 72.28 was ranked first, inadequate finance with mean score of 69.61 contributed second rank, marketing problem with mean score of 61.38 contributed third rank, traditional methods of production with mean score of 56.44 contributed fourth rank, price fluctuation with mean score of 51.67 contributed fifth rank, lack of skilled labourers with mean score 44.52 contributed sixth rank, transport problem with mean score 43.65 contributed seventh rank, problems of drying fibre during rainy seasons with mean score of 40.92 contributed eighth rank, heavy machine maintenance expenses with mean score of 39.11 contributed ninth rank and irregular power supply with mean score of 33.42 contributed last place.

FINDINGS:

The study shows that the factor influencing to start the business units, high profit with mean score 90.6 contributed first rank, financial support with mean score 88.8 contributed second rank and Employment Opportunities with mean score 41.6 contributed last rank.

The study express that the problem faced by the coir units; the problem of inadequate supply of raw-materials with a mean score of 72.28 was ranked first, inadequate finance with mean score of 69.61 contributed second rank and irregular power supply with mean score of 33.42 contributed last place.

SUGGESTIONS:

- ❖ Insufficient finance is a major production problem faced by 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, particularly to coir units to meet out their working capital requirements during peak seasons.
- ❖ Labour problem is the most important production problem faced by the coir units. Hence, it is suggested that the government may encourage the entrepreneurs to start manufacturing value-added coir products, which will help them to earn more to pay attractive wages to their workers. If attractive wages are paid, more workers will be attracted towards the coir units.
- ❖ The entrepreneurs should take necessary steps to introduce improved machines and appropriate technology.
- ❖ The Government must take the effort to increase the coir product prices.

CONCLUSION:

This study has given a clear picture about, “Problem and Prospects Coir Industry in Kanyakumari Economy with Special Reference to Small Scale Entrepreneurs”. Nowadays coir industry is the important sector providing vast employment opportunity to rural areas in Kanyakumari district. The sector mainly suffers from financial shortage. So the government must take necessary steps to improve the financial position of coir industry. The major problems of the coir industry are in lack of skilled labour, lack of seed capital, financial problems and marketing problems. So the Government should take necessary steps to rectify the above problems.

The study concludes that, the performance of coir units in production can be improved. Let us do all our best so that they develop coir industry, who have proper education, training and contribute their might for their personal development and if so, the coir industry will have a very bright future in this district.

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