



कयर बोर्ड Coir Board

(सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार
Ministry of MS&ME, Govt. of India)

कयर हाउस, एम.जी.रोड., कोच्ची - 682016
Coir House, M.G. Road, Kochi - 682016
तार/ Gram : COIR BOARD
दूरभाष/ Ph : 0484-2351954, 2351807, 2351788
फैक्स / Fax : 0484-2370034, 2354397
ई-मेल/ E-mail : coir@md2.vsnl.net.in
वेब/ Web : www.coirboard.nic.in, www.coirboard.gov.in

NATIONAL COIR POLICY

With a view to develop coir industry in a holistic manner, Coir Board has evolved a draft National Coir Policy and Vision 2025. The policy broadly defines the vision of the Government of India on Coir sector development and the targets to be achieved by 2025.

It has been decided to give wide publicity to the draft policy for seeking comments/suggestions for improvement. The viewers are requested to go through the draft hosted and furnish their comments/suggestions, if any (email id: coirboardplanning@yahoo.co.in) for improvement. The comments/suggestions will be received till 30th January, 2015.

Sd/-
JOINT DIRECTOR (Plg)

VISION 2025

NATIONAL COIR POLICY

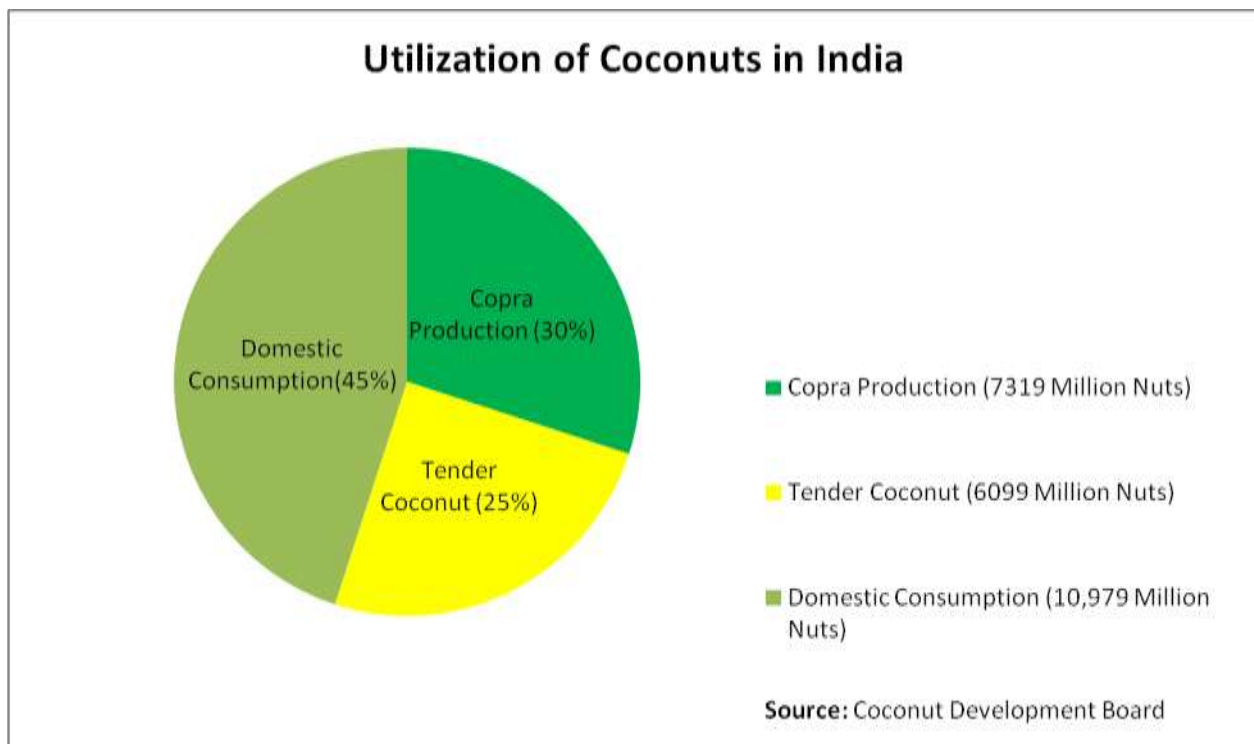
OVERVIEW

Coconut palm is also known as 'Kalpavriksha' as each and every part of it can be of use for the mankind. The trunk can be used for furniture making, leaves for thatching roof of village houses, nut in the tender form as a nourishing drink, shell for making handicrafts, kernel for extraction of oil and for cooking. Finally the husks can be used as a raw material for extraction of coir fibre and pith, which sustains large number of people in the coastal belts of the country.

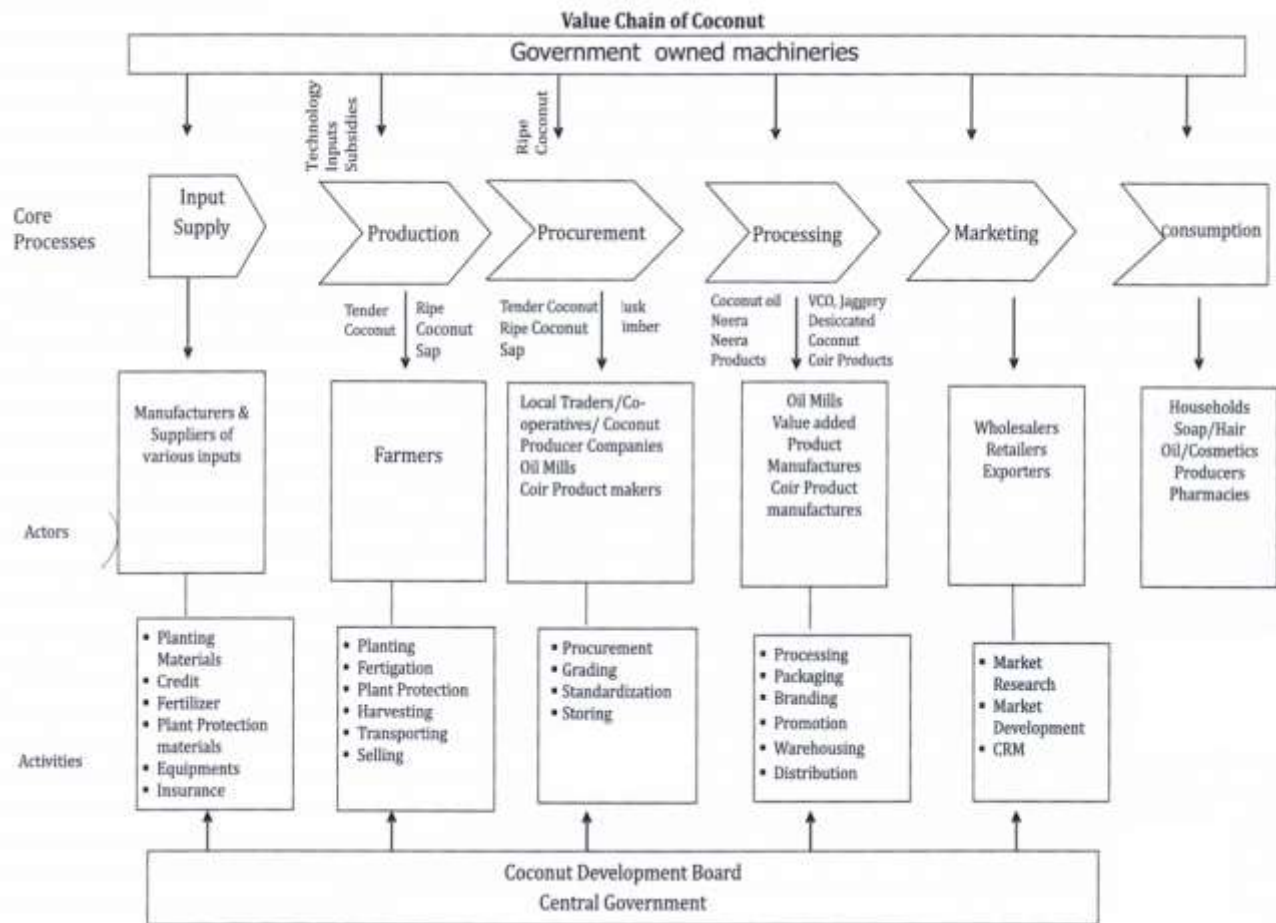
1.1 Coconut – the source of raw material for coir sector

Even in the traditional States where coconuts are grown, the farmers have been neglecting the cultivation due to the uncertainty in price, variety of pests and diseases affecting the coconut palms etc. Value addition in coconut products has been least where coir sector is an exception.

1.1.1 Utilization of Coconuts in India



Coconut is relatively a sturdy crop and not easily perishable. Still the gap between consumer price of coconut in urban centers and farm-gate price at which farmers are forced to sell their coconut is very big. Inefficiencies in aggregation, transportation, storage and distribution, coupled with multiple levels of intermediation result in such a huge gap. The modern concepts of supply chain management have to be introduced to improve the situation.



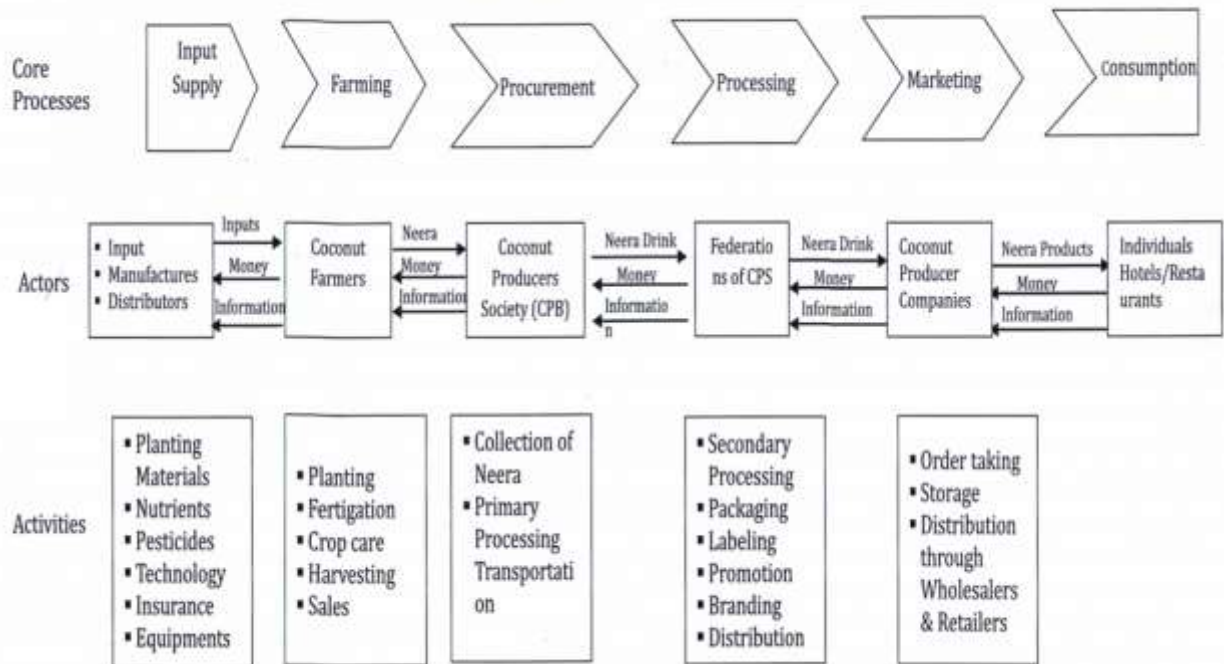
1.2 Value chain of coconut and Neera

1.2.1 The Anand pattern value chain has the potential to be replicated in the case of coconut also. Coconut farmers are not getting stable prices for their produce. The price of coconut fluctuates in tune with the price of coconut oil which again is dictated by the price of substitutes, demand-supply dynamics and; import policy of the Government. The age old product mix of the sector viz., coconut-copra-coconut oil is still predominating the value chain of coconut even

today without much differentiation. Though, several other coconuts producing countries, smaller than India, like Philippines and Sri Lanka have diversified their product mix and captured international markets for value added products, India's record in value addition is not that encouraging. Unless we are able to decouple coconut price from coconut oil price and link to value added products, the future of coconut farmers will remain bleak.

1.2.2 The pioneering efforts made by the Coconut Development Board to produce and market Neera through Coconut Producer Companies will be a game changer in the coconut sector. Neera is the new ray of hope for the coconut growers of the country who are often destined to bear the brunt of fluctuating and falling prices. The objective of the Neera value chain must be to enhance the income of the farmers by creating and delivering value to the consumers. Producing what the consumer demands is totally a different ball-game from consuming whatever is produced. It is a departure from production driven supply chains to market driven value chains and will entail huge investments in creating appropriate marketing ecosystem like post-harvest logistics, processing, packaging, retailing and information systems. The creation of an integrated value chain will promote healthy relations among the various actors, eliminate value sucking activities, bring in coir reduction, accelerate responsiveness, magnify the returns of farmers and provide value for the money paid by the consumers. The value chain models of coconut and Neera and Neera products are given below.

Value Chain of Coconut Neera



The three-tier organizational structure (Coconut producer societies at the bottom, Federations of societies at the middle level and coconut producer companies at the apex level) proposed by Coconut Development Board for the production and marketing of Neera and Neera based value added products is to be reinforced by a value chain anchored on cutting edge technology, functional terms of trade and corporate governance mechanisms to make it sustainable. These re-organisation efforts in the coconut sector will provide the coir industry with adequate quantity, if not surplus, of raw material i.e. coconut husks.

2. Historical Background

Coir Industry had its beginning in the country in the later half of the 19th Century. The first coir factory was established in the ancient port town of Alleppey in the year 1859. Later, the coir industry has spread over to other coconut growing States like Tamil Nadu, Karnataka, Andhra Pradesh, Orissa, West Bengal, UT of Lakshadweep etc. With the interventions of the Govt. of India through the Coir Board and the State Governments, the industry has taken roots in all the coconut producing States including Assam and Tripura in the NE Region. Coir is primarily a traditional, labour intensive, export oriented, agro based cottage industry. There are thousands of

household units engaged in fibre extraction and spinning of coir yarn throughout the coir producing regions. The industry employs about 7 lakhs of coir workers and majority of them are from rural areas belonging to economically weaker sections of the Society. Women constitute 80% of the work force in the industry.

Coir Products belong to the genre of cent percent nature friendly and bio-degradable products. Traditionally, the use of coir was limited to the manufacture of floor coverings, cushions, mattresses etc., The coir products have great potential to save scarce non-renewable natural resources which is being realized by customers world over. Coir Geo-textiles, Coir ply, Coir pith Organic Manure, Coir Garden Articles, etc., are the products which can contribute a great deal in respect of environment protection. Coir ornaments are latest addition to the list which are hand crafted and can be promoted as a souvenir.

The basic raw material of this industry i.e. 'Coconut husk' has only negligible commercial value, if not used by the coir industry. Coir Board has identified the growth potential of the industry considering the fact that at present only around 40% of the coconut husks available in the industry is utilized for coir fibre extraction.

2.1 The details of State wise potential for production of coir fibre at the present level of coconut production are given below:

2011-12			
States /Union Territories	AREA ('000 Hectares)	Production in million nuts	Coir fibre potential @ 60% utilization of coconut husks (M.T.)
A & N Islands	21.80	113.00	5,424
Andhra Pradesh	142.00	1985.00	95,280
Assam	20.80	304.47	14,615
Bihar	15.20	152.39	7,315
Chhattisgarh	0.80	9.85	473
Goa	25.70	139.11	6,677
Gujarat	20.90	340.58	16,348

Karnataka	511.00	5915.33	2,83,936
Kerala	766.00	6211.21	2,98,138
Lakshadweep	2.60	76.11	3,653
Maharashtra	21.00	187.56	9,003
Mizoram	0.00	0.16	@
Nagaland	0.90	0.47	@
Orissa	53.90	403.25	19,356
Puducherry	2.10	31.26	1,500
Tamil Nadu	430.70	7057.88	3,38,778
Tripura	6.20	28.29	1,358
West Bengal	29.10	395.28	18,973
All India	2070.70	23,351.20	11,20,827

Source: Advisor, Horticulture Division, Ministry of Agriculture, Govt. of India.

@ negligible

2.2 The coconut production in the country is also expected to grow with the extension of coconut cultivation in new areas and increase the yield of coconuts from the existing palms. As a result, the coir fibre potential will also increase proportionately. A table showing the projection of coir fibre potential for 10 years is given hereunder.

Coconut Production and Coir fibre potential – Projection for 10 years

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Coconut production in million nuts	23,351	24,519	25,744	27,031	28,383	29,802	31,293	32,857	34,500	36,225
Coir fibre potential @ 60% utilization of husks in MT	11,20,848	11,76,912	12,35,712	12,97,488	13,62,384	14,30,496	15,02,064	15,77,136	16,56,000	17,38,800

Note: 1. The annual growth in coconut production is estimated at 5%.

2. The yield of coir fibre from 1 million nut is estimated at 80 MT.

2.3 The value addition in coir sector is very high. In the case of high value products like coir composite boards, rubberized coir mattresses, the value addition is to the tune of 140 times.

A flow chart on Coir Value Chain of the coir production is attached.

2.4 By and large the coir workers are poorly paid workers in most of the coir producing States. The enhancement of productivity through modern technologies of production would pave way for payment of increased wages to workers. It is a fact that almost 80% of the work force in the coir sector is women and the special feature of this industry is that they are able to do their household chores even when they are engaged in the coir production related activities in the primary sector of the industry. The development of coir industry can contribute immensely for the economic emancipation and empowerment of rural women.

Since the coir sector development contributes to the sustainable development agenda and also creation of environment friendly products, its application for domestic use, and also in housing, building, agriculture and infrastructure development is significant. The world population is becoming more and more conscious about the need of preserving the nature and an increasing number of people are opting environment friendly products. This is the opportune time to promote the case of coir to replace synthetic furnishings and certain wooden building materials.

It is therefore extremely important that a major collective initiative has to be taken up to promote the cause of coir by identifying the thrust areas leading to a quantum jump in coir sector development. There is a need for better synergy in the activities. It is needed to adopt a two pronged strategy for the development of the coir industry in India. While in the State of Kerala, the strategy would be to sustain the existing workers and give them employment for more number of days, in other States it would be to create additional employment opportunities to the coir workers by setting up of more units in the field of extraction of coir fibre, yarn and products. Encompassing all these aspects a National Coir Policy for a holistic development of the industry has to be drawn up.

2 Aims and Objectives

The National Coir Policy has the following aims and objectives:

- Enhancing the utilization of coconut husks available in the coconut producing states of the country for coir fibre extraction.
- Focusing on improving the quality of coir fibre, yarn and products manufactured in India.
- Women empowerment through value addition of coir products and coir pith.
- Zero wastage in the fibre extraction and manufacturing process.

- Inventions in product and process for use in betterment of river water, urban waste management, disaster management, urban environment benefit, Interventions in terms of avoidance of Urban heat islands, rain water harvesting, avoidance of rain flood water , light weight roof lawns, use of urban walls for sound reductions and pollution , Improvement of quality of life in indoor of homes and office by gardens, In horticulture process for better water utilization and higher yields in vegetable production, popularization of production of organic vegetables by the application of coir pith and coir geo-textiles.
- Phasing out the traditional production process in the coir industry by replacing with modern equipments so as to eliminate drudgery in the production processes and enhance productivity and quality.
- Addressing the problem of infrastructure bottlenecks by providing assistance under the various schemes of the Union Government.
- Supporting modernization and technology upgradation of various segments of the coir industry to increase its competitiveness.
- Providing assistance for capacity building in both industry segment and human capital required for further processing the expected surge in the fibre production and its further processing.
- Providing fuller employment to the existing coir workers and generating additional employment to achieve "one million job" in coir sector predominantly for women.
- Undertaking vigorous research and development activities for finding new user areas for coir especially in soil bio-engineering applications and coir pith as a growing medium.
- Development of high productivity defibering units & mechanical spinning machines.
- Finding new uses for Coir Wood, Coir Pith and explore more business opportunities within India and abroad.
- Augmenting investment and providing support on both fiscal and non-fiscal front to increase fibre availability in the country and facilitate high growth and competitiveness of the coir sector.
- Developing domestic and export market of coir products so as to ensure remunerative returns to the producers of coir products and fair wages to the coir workers.
- Promoting Consortium approach in the production and marketing of coir products and implementing schemes for welfare of coir workers.
- Promoting towns of export excellence in coir in areas of coir production.
- Dovetailing various schemes under the Govt. of India for infrastructure development and modernization of coir industry.

4. GAP ANALYSIS

4.1 Coir is one of the best resource contributing to sustainable development. Due to deficient collection mechanism, the availability of husks is becoming a weak link and only less than 40% of the husks are utilized by the coir industry. The husks of coconuts used at the domestic level are never being utilized for value addition. There should be some mechanism in place to collect the coconut husks used in the households for fibre extraction. The local self governments should be involved in the job. The coconut husks are also used widely as an alternate fuel in brick Kiln units where high prices are offered to coconut husks. Due to this, the fibre extraction units in many States are facing problem in mustering coconut husks required for the units. The utilization of husks for coir industry will lead to generate employment to thousands of workers from the rural sector of the coconut producing states in the extraction of coir fibre and its further processing. Therefore, there is a need to ensure supply of adequate quantities of coconut husks to the coir fibre units. Considering the seriousness of the issue, the State governments of Tamil Nadu and Karnataka have issued government orders banning the use of coconut husks as a fuel in brick units and similar other units. Other coconut producing States should also follow the initiatives taken by the Governments of Tamil Nadu and Karnataka.

4.2 The production of coir fibre at the present level of utilization of coconut husks is around 5,25,000 MT per annum. The Coconut Development Board and the respective State Governments of the coconut producing States are implementing various programmes to enhance the production of coconuts in the country by increasing the yield of coconut trees as well as expanding the area under coconut cultivation. The Coir industry has to muster atleast 60% of the total coconut husks produced in the country for fibre extraction. The coir sector has a unique strength for its continued regeneration capacity as coconuts have a 40-50 day cycle of yield right through the year.

4.3 The main reason for the degradation in the quality of the coir fibre and in turn the coir products is due to the current fibre extraction technique. The days of retting and manual extraction of fibre are gone. In today's process, the fibre length is short which results in excessive shedding in the products. Research activities to be taken up with

maximum percentage of long staple length fibres. It is imperative that the R & D efforts have to be directed to cater to the needs of the industry.

4.4 Depletion of forest cover is affecting supply of raw material to traditional Ply Wood, Hard Board, and Particle Board Industries. Coir is a ligno-cellulosic material and the lignin content in coir is 46% as against 39% for best timber like Teakwood making it more durable and more resistant to insect / termite. However, the housing sector and furniture industry are yet to recognize the coir wood as an ideal substitute for the traditional wood. Imparting skill development to carpenters and technicians are required for them to use **coir wood**.

4.5 Coir has multi various applications like door mats, mattings, carpets, Geotextiles, Rubberised fibre, Curled coir, Coir wood, Garden articles, handicrafts, etc. Coir pith, which is yet another by product during the extraction of Coir fibre from husk is having greater export/domestic potential. These products need to be popularized extensively within the country and abroad.

4.6 In the States like Tamilnadu and Karnataka, the fibre extraction process is suffering due to acute shortage of power. There is a need to ensure uninterrupted supply of power through alternate sources at competitive rates.

4.7 Accumulation of Pith even where the defibering operations are taken up, is one of the critical gaps due to lack of efforts for utilizing the pith in Kerala, though successful pith utilization for block making for export purpose has been done in Tamilnadu. A strategy for disposal of coir pith accumulated in the coir production centres has to be evolved and implemented. Mechanisms must be put in place so as to convert the accumulated pith into useful organic manure or growing medium at the point of production and popularization of coir pith as green house substrates

4.8 The conservative mindset of the technocrats in the construction industry has also not been able to appreciate the full potential of the innovative products like coir wood and thereby continue to resort to many other traditional options. There is also lack of awareness and advertising and marketing support for the versatile application of the

product. The problem has to be addressed by giving adequate publicity for coir and coir products.

4.9 The existing coir workers in the spinning and manufacturing sectors of the industry hardly get work for around 120 days per annum. Coir Board focuses on providing fuller employment to the existing workers. There has been a considerable deterioration of quality of coir fibre, coir yarn and coir products produced in the country owing to various reasons like mite disease affected the coconut palms, decline in production of retted fibre etc. The international buyers often lodge complaints on the quality of coir products and eventually go for substitutes. It has come to a stage that the large retailers and supermarkets have started avoiding displays of coir products due to excessive shredding. This will be detrimental to the coir industry, if this trend continues. This is evident from the statistical data on the declining of export of handloom products during the past 10 years. The handlooms and machinery used for the manufacture of coir products should be maintained properly so as to produce quality products. Mobile workshops with a team of technicians should be put on the job.

4.10 Coir is a natural fibre which is environment friendly too. Coir products are bio-degradable and hence do not pollute the environment. However, these USPs of Coir has not been popularized for leveraging the market potential for coir products. Eco-labeling of coir products has to be taken up through Ministry of Environment & Forest for using as a tool in the export market promotion.

4.11 With the boom in housing, building and infrastructure construction taking a quantum jump, coir wood as building material products / application for doors, furniture and woodwork has major opportunities to garner a larger market slice. At present coir composite building material has a very insignificant slice and it has all the potential to take a 10 to 20% slice of the wood and wood substitute market of around Rs.25,000 Crores per annum.

4.12 In the marketing side, there is severe competition for Indian coir products in the international markets mainly from Sri Lanka and other countries like Vietnam, Indonesia etc. These countries due its geographical proximity to the potential markets due to lesser sea freight and low production cost enjoy a major market share especially for products like coir geotextiles, pith products etc. In addition, coir products

are also facing severe competition in the international market from other natural fibre products like jute, sisal etc. and synthetic products. Coir has to be made competitive through design development, quality upgradation and technological upgradation. R & D efforts should be directed to continuously produce newer products at competitive rates.

4.13 Increased incentives under the Foreign Trade Policy have to be made available to the coir sector to make Indian Coir globally competitive. The Board has already taken up with the DGFT to allow increased incentives to Coir geotextiles and Coir pith considering the fact that both these products are low valued items. Further, the Board has recently taken up with the Govt. of India, Ministry of Commerce and Industry to declare Pollachi as a town of export excellence in Coir and Coconut products. This will enable the industry in Pollachi to avail assistance under various Schemes of the Govt. of India including ASIDE.

4.14 Another cause of concern for the traditional coir industry is the age old equipments and processes practiced in the industry. Being so the industry is not able to attract younger generation of workers to take up coir as an avocation. There is a need to modernize the industry by popularizing modern machinery/equipments widely. The spinning and manufacturing sectors of the coir industry is highly decentralized. While the women workers in the villages take up spinning on traditional/motorized traditional rats/electronic rats, the small scale manufacturers are engaged in the manufacture of handloom mats/mattings in their households as micro-enterprises. The output in these sectors are comparatively low and hence the workers are not able to get reasonable wages. Mechanisation has made a little impact in coir yarn spinning notwithstanding the R&D efforts made in this direction. What is needed is high end mechanization of spinning to yield quantum production to balance the productivity of the PVC/Rubber tufting units. Research and Development activities should focus on the development of a versatile spinning machine which could match the productivity of machines in the jute/sisal industry. Similarly, the weaving sector also needs a face lift by developing user friendly **and high productivity** modern looms.

4.15 Large Scale export of coir fibre from India to China is posing a potential threat on the possibilities of value addition in China and competing with India in the international market. Value addition should

be the key word and efforts to be augmented for promoting the export of more value added products out of coir.

4.16 Coir industry is an export oriented industry. The industry was established by the Europeans during the second half of 19th century for the manufacture of coir floor coverings required for the European markets. With the green movement gaining momentum especially in the fight against climate change, the relevance of coir in various applications has been realized world over. The exports of coir and coir products has been showing increasing trend in the recent past. During the year 2013-14, the exports have fetched an all time high record of Rs.1,476 crores. The details of exports of Coir and Coir products during the past 5 years are attached.

4.17 Taking advantage of the congenial atmosphere prevailing world over on the use of natural fibre material to prevent further damage to the nature, the exports of coir and coir products should aim at a quantum jump over a period of 10 years to reach Rs.5000 crores by 2024-2025.

4.18 India is a vast country having a population of more than 127 crores which is only second to China. All the European countries and Asian economies consider India as a great potential market for their products. Coir industry should also take leverage of the market potential available within the country so that the market for coir products can be enlarged to a great extent. The Govt. of Kerala has exempted Coir and Coir products from the purview of VAT to facilitate enhanced consumption of coir in the domestic market. Rubberised coir is figuring in the least VAT category in Kerala. Coir being an agro based labour oriented industry, to sustain the large number of coir workers and improve their socio-economic conditions, coir and coir products and the machinery items for manufacture of coir/spinning coir yarn should be exempted from the purview of VAT and excise duty. At present, it is estimated that around Rs.2000 crores worth coir products including rubberized coir are being marketed annually within the country. Institutional selling, educating the builders & architects, mandatory use of geo-textiles by the CPWD, etc will help us to achieve the estimated overall sales target of Rs.6000 crores by 2024-25. To achieve this target, we have to evolve a clear policy intervention for the holistic development of coir industry in the country. We have to create a greater awareness on the USPs of the product by giving wide publicity regularly organizing exhibitions and road shows.

4.19 Coir industry needs higher credit facilities through financial institutions at lower interest rates. The Banks are not forthcoming in providing loans to the coir artisans/entrepreneurs and this has affected the implementation of many schemes of the Govt. of India like REMOT. Therefore, the Banks and other lending institutions may include coir in the priority lending sector and provide soft loans to start coir units. The SLBCs may also make adequate provisions in their annual credit plan for lending to the coir sector and monitored regularly.

5. National Fibre Policy

The Govt. of India have announced a National Fibre Policy which encompasses most of the natural fibres available in the country except Coir. The policy in its 168th para has given specific recommendations on the fiscal measures for promotion of other natural fibres which are reproduced below:

- 100% exemption on custom & excise duties on the import of plant & machinery, consumables, embellishments on natural fibres for enhancing the quality.
- 50% capital subsidy for entrepreneurs promoting Other Natural Fibre based industries.
- Tax holidays for manufacturing and exporting units for 10 years
- Interest subsidy for establishments (like TUFs)

6. Major Policy Interventions required to meet the Gap

The Policy Interventions should have an implicit vision of evolving a globally competitive and sustainable national value chain for coir and related products with a human face. The following interventions may be taken up by the government through Coir Board and the State governments concerned.

6.1 To achieve optimal utilization of coconut husk for the coir industry. It may not be appropriate to fix a uniform target to all coconut producing States due to various supporting factors like husk collection mechanism required to achieve the target. The States which are already having coir industry established should aim at a bigger target whereas the States where the coir industry is in a fledgling stage should begin with a moderate target. The overall target may be fixed at 60%. Coir Board jointly with the State Govts. and the local self government of coconut producing States devise and implement a husk collection scheme to achieve the target.

6.2 Skill and Entrepreneurship development should be taken up by the Union government vigourously so as to create a skilled manpower base required for the industry. The skilled coir workers can either take up self employment projects in coir sector or may be employed by the coir units. The aim should be to profitably utilize the entire skilled manpower for the coir industry by providing them adequate financial and technical support through appropriate schemes. Coir Technology Incubation Centres should also be established to provide training and create new enterprises in the coir industry.

6.3 Infrastructure development which will pave way for modernization of the spinning and manufacturing sector has to be taken up by the Union Government by implementing schemes like Development of Production Infrastructure, REMOT, etc. The industry may also take up projects by dovetailing schemes of other Ministries/Departments aiming at infrastructure development. Mobile workshops may be introduced in coir producing areas. The Union Government has to provide adequate funding support under the Schemes of the Coir Board and also provide a special quota for coir sector in the infrastructure upgradation schemes of Ministry of MSME and other Ministries. These schemes should be extended to the private sector export community who generates more than 95% of the total exports business of the country.

6.4 The coir workers in the decentralized sector are generally getting nominal wages. Besides the workers get hardly work for 120 days an year. There is a tendency of coir workers migrating to urban areas to take up work in construction industry for better wages. There should be concerted efforts from the Union government and State governments concerned to sustain the coir workers in the industry by eliminating drudgery in the manufacturing process, enhancing productivity and wages. The workers should also be given adequate social security measures and health insurance considering the hardships they encounter in the industry right from fibre extraction to finishing operations of coir products.

6.5 Creation of Common Facility Centres required for the industry for enabling the units in the clusters to access modern processing techniques installed and made available in the CFCs at an affordable rates may also be taken up. For setting up of such CFCs, the industry may consider twinning with other schemes of the Govt. of

India for cluster development. The SFURTI clusters have to be supported to become self sustaining. Common facility centres for treatment of liquid effluents & solid waste has to be set up in each Panchayat, with the required modifications in the Laws, so that the purpose of clean environment and the dream project of our Prime Minister Swachh Bharat Mission could be achieved.

6.6 The fiscal measures recommended under the National Fibre Policy for promotion of other natural fibres may be provided to the coir industry units also.

6.7 The Govt. of India may facilitate the coir sector to actively participate in the international fairs, delegations abroad, Buyer Seller Meets etc. to tap the vast potential available for coir products in the world market. The Export Market Development Scheme should be more flexible and made accessible to all in coir sector irrespective of the turnover.

6.8 The government may also take lead in fostering the friendly relations by India with other coir producing countries so as to avoid unhealthy competitions in the international market for coir products. The government may draw a strategy for joint marketing initiatives by the coir producing countries for dictating terms with the buying countries by transforming coir from the buyers' market to sellers' market.

6.9 In the domestic market, coir should be popularized vigorously. The ultimate aim is to reach out all households of the country. The slogan coined by the Govt. of Kerala "**One house, One Coir product**" should be popularized for achieving market development.

6.10 Coir processing technologies have to be developed for producing coir fibre with enhanced quality and finer yarn without any defects. The industry should make use of the fibre and yarn for making traditional as well as diversified products. Modern machinery items capable of enhanced productivity without any drudgery have to be developed. A versatile coir yarn spinning machine capable of producing "one tone per unit" of uniform quality coir yarn without defects should be developed through R&D. If needs, the industry and other technical institutions both of national & international repute have to be involved in the project as partner institutions.

6.11 The Union government may consider providing enhanced support to coir industry under the Foreign Trade Policy of the Govt. The SOPs provided now is quiet inadequate considering the nature of the industry and the labour component in the price structure. The fact that the industry provides employment to more than 7 lakhs of coir workers of which 85% are women in the rural areas has to be considered while deciding the policy.

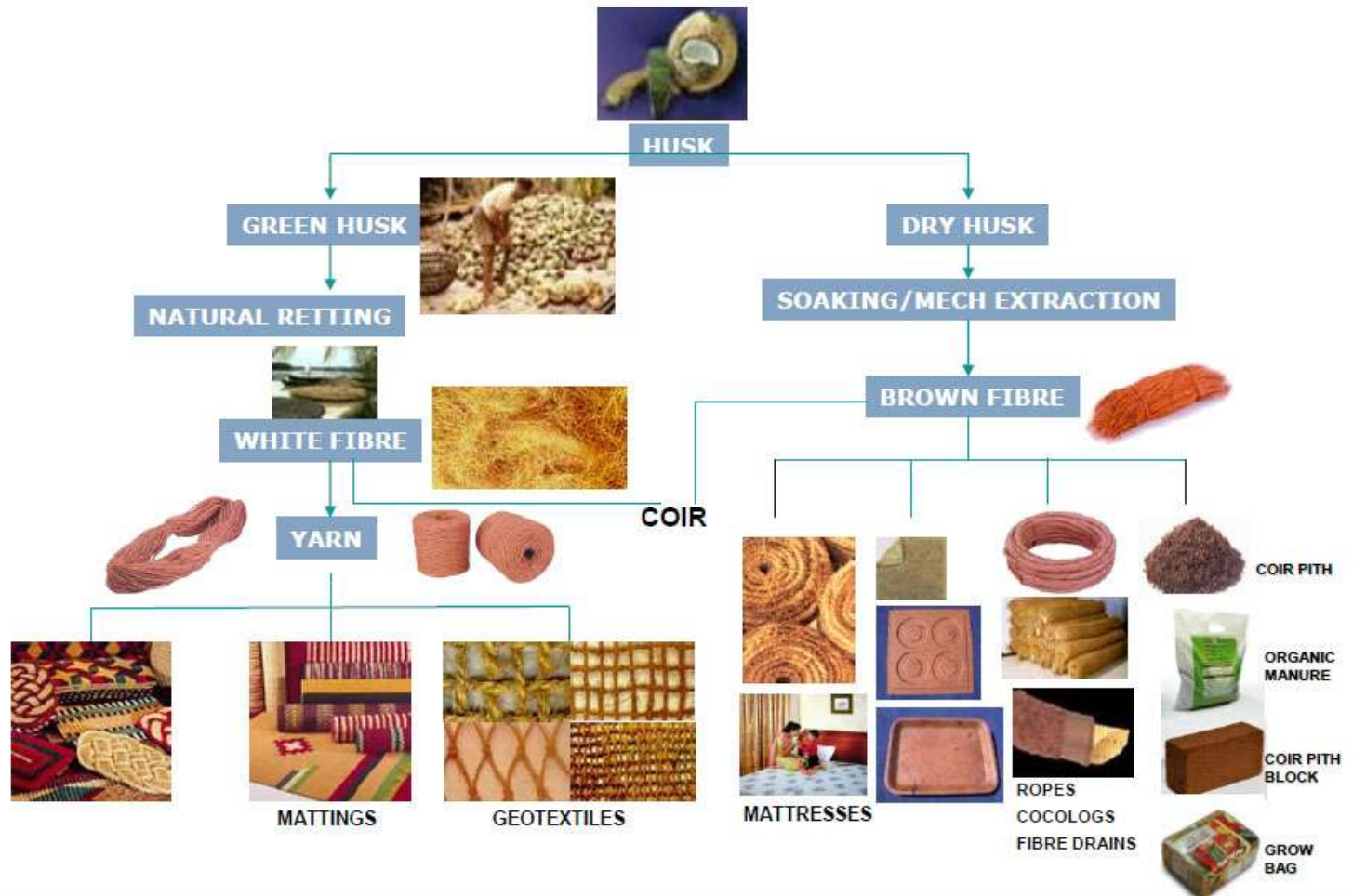
7. Financing requirements

In the event of achieving a targeted production of one million MTs over a period of 10 years and further processing of the fibre for value addition for export and domestic consumption, the industry will require huge investments. Further, the activities envisaged by the Coir Board and the coir producing States like Kerala, Tamil Nadu etc. will also require adequate fund allocation. The overall financial outlay for coir sector during the XIIth Five Year Plan period by the Govt. of India is Rs.365 crores. Similarly, the Govt. of Kerala also incur huge expenditure for coir development. The annual budget during 2014-15 for Coir development in Kerala for the Plan Schemes is Rs.127 crores. Likewise the Govt. of Tamil Nadu, Karnataka have allocated budget provision in the state budget for the coir sector development in the State. Hence the total annual plan expenditure for coir sector development by the Govt. of India and the State governments put together would work out to nearly Rs.250 crores per annum. This will work out to not less Rs.2500 crores over a period of 10 years. Considering the requirements for modernization of the industry for technology upgradation and infrastructure development, the funds available would be grossly inadequate. Besides dovetailing other Schemes like Industrial Infrastructure Upgradation Scheme of Dept. of Industrial Policy and Promotion, MSE-CDP etc., a separate National Coir Mission with an overall outlay of Rs.1000 crores has to be evolved and implemented on a priority basis.

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ANNEXURE I

COIR VALUE CHAIN



ANNEXURE-II

Export of Coir and Coir Products during the last five years

(Year : April - March)

PRODUCT NAME	2009-2010		2010 - 2011		2011-2012		2012-2013		2013-2014		2014 Apr - 2014 May	
	Q	V	Q	V	Q	V	Q	V	Q	V	Q	V
CURLED COIR	3365.70	668.33	5527.08	1056.52	11855.97	3171.30	8883.14	2112.46	11262.66	2947.93	1927	532.19
COIR FIBRE	73074.93	9742.03	83393.01	12148.55	119684.54	20323.98	140692.93	20707.66	173901.72	32878.11	29808	6360.71
COIR RUGS	46.17	45.38	1146.81	826.22	191.00	185.55	94.83	133.37	93.43	105.99	43	42.23
COIR PITH	131916.67	12347.06	157854.93	14829.02	206424.57	22150.70	208399.28	24727.61	271494.76	34173.23	58289	7425.73
COIR ROPE	430.56	165.92	211.56	86.72	792.82	340.99	419.62	282.41	497.84	390.17	73	52.91
COIR OTHER SORTS	55.04	28.52	45.96	35.84	58.36	68.75	30.36	39.33	88.86	163.13	26	23.57
COIR YARN	6108.35	2461.21	5021.96	2685.34	5562.87	3140.70	4202.30	2387.22	4246.88	2848.26	774	526.6
GEO- TEXTILES	3754.44	2023.77	3266.63	1823.05	3680.91	2433.12	3597.30	2628.74	4468.27	3503.78	667	506.21
HANDLOOM MATS	36297.71	25428.01	29409.00	21525.80	27656.17	23545.00	24150.93	22810.10	22608.90	23623.82	3419	3640.48
HANDLOOM MATTING	1832.24	1425.28	1406.49	1244.72	1473.78	1582.83	1418.31	1702.76	3425.63	3353.91	389	387.48
POWERLOOM MATS	2.84	2.03	0.00	0.00	36.14	24.56	1.94	3.15	234.21	278.36	26	37.57
POWERLOOM MATTING	2.41	3.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14	19.68
RUBBERISED COIR	629.78	713.39	383.39	476.89	415.60	549.80	321.47	495.02	965.43	1560.76	58	79.71
TUFTED MATS	36991.21	25351.24	33349.20	23968.41	33021.17	27745.26	37288.51	33572.91	43751.79	41776.39	5541	5439.87
TOTAL	294508.05	80405.21	321016.02	80707.08	410853.90	105262.54	429500.92	111602.74	537040.38	147603.84	101054.00	25074.94