

Coir fibre is a potential export oriented sector

This newsletter is in continuation of the previous newsletter that argues for the development of a vibrant village and tribal economy for the overall progress of the country. There are countless opportunities for value addition of products derived from farm activities such as agro-waste and bi-products. Some such agro-wastes are straws of rice, wheat, barley and other cereals, banana fibre, sugarcane bagasse, cotton staples etc. Another key farm by-product that poses huge value addition potential is coir fibre, which is an eco-friendly, low cost and renewable fibre obtained from coconut husk.

India and Sri Lanka are abundantly blessed with this natural resource as both the countries account for 90% of global coir fiber production. In India, coconut plantation, which is the source of coir fibre is largely grown in Kerala, Tamil nadu, Andhra Pradesh, Karnataka, Maharashtra, Goa, Orissa, Assam, Andaman & Nicobar, Lakshadweed, Pondicherry, etc.

Coir, which is derived from the husks of coconut is widely used in producing value added products such as coir mats, matting and other floor coverings, ropes and coir biodegradable fabric which is used in farming for retention of soil. Coir is a suitable material for producing various products through value addition because it is one of the hardest natural fibres with high content of lignin.

Untapped potential

The coir manufacturing is a dominant cottage industry, with huge export potential. Despite the rising export trend, experts feel that this renewable resource is underutilized in the country as local coir mills process hardly a fraction of the available coconut husks, which is obtained as a waste from coconut throughout the year. With the increasing focus on sustainability and environment friendly economic development, coir has untapped growth potential. Coir fibre is regarded as an eco-friendly substitute for wood and synthetics; Further, the coir pith, which is a by product of coir industry has vast application in farming and gardening as it has useful properties of soil conditioning and moisture retention. Scientists at the Central Coir Research Institute have found that coir can be made into nonwoven fabric that can be used as horizontal blanket over vertical drains for consolidation of soil.

Another commercial application of value added coir product is the rubberised coir which is used in car seat and household furniture products such as cushions and mattings. Coir fibre is also used for products goods used as fire retardants, cement and gypsum polymer.

Exports

Despite the pandemic situation, India's export of coir and coir products has grown a whopping 40% to USD 477 million in 2020-21 from the previous year. Exports of coir products have improved significantly from USD 262 million in 2015-16. The country has earned a trade surplus of USD 474 million from this sector as our imports of coir products is hardly USD 2 million. Our major export destination for coir products are USA, China, Netherlands, South Korea, Spain, Australia etc.

Although coir fibre is abundantly available in India, the country has to compete with Sri Lanka, Thailand, Indonesia, Vietnam and other Asian countries in export of value added products. India has made sizeable progress in value added processing and export of coir products in recent years. But there is still huge scope for developing this industry into a world class export sector. Industry reports suggest that a large part of the coconut husk remains unutilised for value addition into coir fibre products as it is used as fuel in rural areas. State governments, especially the local bodies, should ensure that more and more coconut husk is diverted for value added processing of coir materials that can generate more jobs and increase income of households. State governments, in association with the Ministry of MSME, should support coir mills in modernising their production process so that they become globally competitive. Already, the Coir Board is taking several measures for transfer of technology of cutting edge machineries and processes to coir mills. We need more awareness in north Indian states about the value addition potential of coir products as currently the industry is largely concentrated in southern states. There is also a need for upgrading the skills of workers engaged in coir industry. There is also a possibility of engaging women self help groups by training them on production of commercially valuable coir products. The role of state level institutions such as Coir Marketing Federations and State Coir Corporations are essential in this regard.

Notifications

PIB

Cabinet clears Loan Guarantee Scheme for COVID affected sectors

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1731454>

India to play much greater role in post pandemic world

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1731755>

Government cuts duty on Crude Palm Oil (CPO)

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1731715>

Tariff notification for Edible Oils, Brass Scrap, Areca Nut, Gold and Silver

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1731749>

DGFT

Removal of restriction on import of refined palm oil

<https://content.dgft.gov.in/Website/dgftprod/3bc35849-4631-4805-9a66-163455f1a842/Notification%2010%20dt%2030-06-21%20%20Eng.pdf>

CBIC

Reduction in basic custom duty on Crude Palm Oil

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs34-2021new.pdf>

Amendment in Sea Cargo Manifest and Transhipment Regulations

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt56-2021.pdf>

Amendment in notification on crude palm oil, refined palm oil

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt55-2021.pdf>

Extension of anti-dumping duty on 'Plain Medium Density Fibre Board (MDF) imported from Vietnam

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd40-2021.pdf>

Extension of anti-dumping duty on Viscose Staple Fibre (VSF) imported from China and Indonesia

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd39-2021.pdf>

Extension of anti-dumping duty on PVC Flex Film imported from China

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd38-2021.pdf>

