ABSTRACT

The coir industry has been organised primarily on cooperative basis. There are at least three different types of cooperatives developed for coir industry. They are 1) Cooperatives for collection and distribution of husks 2) Cooperatives for production of yarn, mat and mattings 3) Cooperatives for marketing the coir products. The economic viability of the coir cooperative units depend on such aspects like full employment for all working members, optimum productivity, adequate turn over and working capital.

The objectives of the study are i) to study the growth and development of coir cooperative units in Tamil Nadu ii) to review the performance of the coir cooperatives in selected districts of Tamil Nadu iii) to find out factors influencing for the effective performance of the coir units iv) to review the problems and v) to give suitable suggestions for the effective running of the coir cooperative units.

The study is designed to use secondary data. The coir cooperatives are mainly concentrated in the districts of Kanyakumari, Tanjavur, and Madurai in Tamil Nadu. A sample of 24 Societies were selected in the above mentioned districts. These three districts were identified as they had the most concentration and the districts cover 37.3 per cent of the coir cooperative units. The data were collected from the Directorate of Industries and Commerce and record maintained by the respective coir societies. The study covers a period of 7 years from 1993-1994 to 1999-2000. The collected data were fitted into suitable statistical tools such as Compound Growth Rate for finding Annual Growth of the Societies and the Multiple Regression for the purpose of production function analysis and the factors influencing profit and loss.
The major findings of the study are:

A deep fluctuation is seen in production and only 45.83 percent of the societies recorded above 20 per cent of compound growth, while 4 (16.16 percent) of them negatively expressed their growth performance in production. Regarding sales, 9 (37.5 percent) societies registered higher than 20 per cent of annual growth, while 5 (20.53 percent) societies revealed negative performance. The workers level have seen a downward trend due to diversification of the workers to agriculture and the societies' decision to reduce the low productive workers.

The wage payment had a significant raising trend, shows that 6 (25 percent) societies recorded above 30 percent and 7 (29.16 per cent) societies recorded between 20 to 30 percentage of growth rate. With regard to share capital 3 (12.5 percent) societies registered above 35 per cent and 7 (29.16 percent) societies recorded between 10 to 35 per cent of growth. The societies experienced losses due to high cost of production, unremunerative price in sales. The factor elasticity of raw material had greater effect on influencing the production and expressed its significance in 12 (50 per cent) societies. The value of sales is an important factor in determining the profitability of the coir cooperative societies.

While concluding the state is favourably endowed with coir production, yet the economic progress of coir cooperative units is rather disappointing. It reveals that bulk of the coir units have been running and operating losses continuously for several years. If the state government, the cooperative departments, the office bearers, and the members of coir cooperative units make sincere efforts for improving the working of this industrial units, would certainly help in bringing about a basic change in the operational efficiency and economic performance of this coir units.