

***Evaluation Study on Coir Udyami Yojana Scheme
implemented by Coir Board***



कोयर बोर्ड
सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार
COIR BOARD
MINISTRY OF MSME, GOVT. OF INDIA
AN ISO 9001:2015 CERTIFIED ORGANIZATION

**Submitted to
The Secretary
Coir Board, Coir House, MG Road, Kochi, Kerala- 682016**



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CHAPTER 1 INTRODUCTION

1.1 Genesis

Coir Industry is one of the oldest traditional industries. It generates 'value' literally out of 'waste' (coconut husk), besides providing eco-friendly products resulting in large scale employment comprising mostly women and contributing to around Rs.1900crore worth of exports annually. Presently, the utilized capacity of coir husk is only around 40%. This is essentially because the basic producers of raw material and semi finished products do not have the wherewithal to convert a higher percentage of husks into fibre, yarn and products. The machinery (ratts and looms) have been in use for decades without replacement or modernization besides being exposed to rains.

1.2 Coir Udyami Yojana Scheme

Government of India has approved the continuation of the credit linked subsidy scheme called Rejuvenation, Modernization and Technology Upgradation of the Coir Industry (renamed as Coir Udyami Yojana) to facilitate sustainable development of the Coir Industry in the country. This will in turn generate more employment opportunities especially for women and the weaker sections of people in rural areas. Coir Udyami Yojana will be a Central Sector Scheme to be administered by the Ministry of Micro, Small and Medium Enterprises. The Scheme is being implemented by Coir Board a statutory organization under the Ministry of MSME as the Nodal Agency at the national level. At the State level the scheme is being implemented through Board's Regional Offices, Sub Regional Offices, Coir Mark Scheme Office and District Industries Centres, Coir Project Offices, Banks and such other offices. The Government subsidy under the scheme released to Coir Board is routed through the identified banks for eventual distribution to the beneficiaries/entrepreneurs in their bank accounts. The Implementing Agencies viz. Coir Board Offices, DIC, Coir Project Offices etc associate with reputed Non Governmental Organizations (NGOs)/reputed Autonomous Institutions/National Small Industries Corporation/Panchayathi Raj Institutions and other relevant bodies in the implementation of the Scheme especially in the area of identification of beneficiaries, area of specific viable projects and providing training in Entrepreneurship Development, verification of units established under the Scheme.

1.3 Objectives of the Scheme

The main objectives of the scheme are as under:

- (i) To modernize Coir Industry by adoption of modern technology in production and processing of coir and coir products;
- (ii) Up gradation of the production and processing technology for improving the productivity, quality and product diversification;
- (iii) To increase the efficiency and productivity for enhancing the earnings of the workers engaged in the sector;
- (iv) To enhance the utilization of coconut husk and for increasing the production of coir Fibre/Yarn and coir products;
- (v) To generate employment in the rural areas of the coconut producing States/Union Territories;
- (vi) To provide more employment opportunities for women in the rural sector for gender empowerment;
- (vii) To enhance the socio-economic conditions of the producers/workers engaged in the industry;
- (viii) To contribute to inclusive growth of vulnerable sections of beneficiaries especially those belonging to Scheduled Castes (SC), Scheduled Tribes (ST) and North Eastern Region
- (ix) To give sufficient training to the rural youth of the coconut producing States with an eye on attracting them to the fold of coir sector.
- (x) To provide backward/forward linkages to the unit holders to whom assistance is given under the Scheme.

1.4 Quantum and Nature of Financial Assistance

Maximum admissible cost of the project is Rs.10 lakhs plus working capital, which shall not exceed 25% of the project cost. The banks shall consider composite loan instead of term loan to cater to the working capital requirements also. This should be exclusive of Rs.10 lakhs limit proposed. However, subsidy will be computed excluding working capital component

Level of funding under Coir Udyami Yojana

<i>Beneficiary's contribution(of the project cost)</i>	<i>Bank credit</i>	<i>Rate of Subsidy (of project cost)</i>
5%	55%	40%

1.5 Eligibility conditions of the Beneficiaries

- i) Any individual above 18 years of age with Indian Citizenship.
- ii) There will be no income ceiling for assistance for setting up of project under Coir Udyami Yojana.
- iii) Assistance under the Scheme is only available for projects for the production of coir fibre /yarn/products etc. coming under coir sector.
- iv) Assistance under the Scheme will be made available to individuals, Companies, Self Help Groups, Non Governmental Organizations, Institutions registered under Societies Registration Act 1860, Production Co-operative Societies, Joint Liability Groups and Charitable Trust. However the units that have already availed Govt. subsidy under any other Scheme of Govt. of India or State Govt. for the same purpose are not eligible to claim subsidy under the scheme.

1.6 Need of Study

To evaluate the scheme in order to consider continuation of the scheme in the XIIIth five year plan with the changing needs in coir sector to secure the life of coir workers. This is required for effective implementation of the Plan Schemes during 12th Five Year Plan.

The Coir Board (Ministry of Micro Small & Medium Enterprises) Government of India awarded Evaluation study of Coir Udyami Yojana Scheme implemented by Coir Board to GRES-INDIA

1.7 Objectives of the Study

- 1) To study the impact made by the Scheme towards developing the Sector and to assess how far the objectives of the scheme have been achieved and to what extent the Coir Board has been successful in implementation of the scheme.
- 2) To evaluate the existing system of implementation of the scheme including the laid down criteria for selection of beneficiaries, quality and cost of machineries supplied, the time taken at each stage of processing the proposals up to the stage of operationalisation of the unit, present level of transparency and impartiality in

selection of beneficiaries, nature and percentage of proposals rejected by the Implementing Agency and the Financial Institutions and reasons thereof and suggest improvements and modifications in implementation practices of the Scheme by the implementing agency and Financial Institutions.

- 3) To assess the adequacy of grant provided under the scheme and its effective utilization. To assess the extent of success of the units established under the Scheme and extent of sickness, if any, of the units, identify the reasons therefore and suggest possible remedial measures.
- 4) To give recommendation as to whether the scope of the Scheme needs to be expanded to cover any other category(ies) of beneficiaries.
- 5) To assess the impact of the Scheme for the development of Coir Industry in the traditional/non- traditional sector and the increase in output in these sectors on implementation of the Scheme.
- 6) To assess the percentage of increase in the utilization of raw material and production of coir yarn and value added products due to implementation of the Scheme.
- 7) To assess the number of the coir workers directly and indirectly benefited by the implementation of the Scheme.
- 8) To assess the accomplishment of the objective was to convert the worker to entrepreneur by providing infrastructural assistance through credit facility from financial institutions and to measure the impact of this objective in converting worker to entrepreneur and generating income for the coir workers/ entrepreneurs. Whether the scheme has made any socio economic status of the beneficiaries.
- 9) To assess the level of employment and entrepreneurship creation possible in groups like Women, Scheduled Cast and Scheduled Tribe etc. by the implementation of the Scheme.
- 10) To study modus operandi of assessment of the pro-rata grant released by Coir Board and reconciliation of account with the Banks and suggesting appropriate measures for improvement. To study the modus operandi of release of term loan by the Banks and the inspection procedures adopted by the banks for utilization of the grant component by the bank and suggesting ways for simplification of procedures. To

study the procedures adopted by the banks towards the repayment of the term loan by the beneficiary.

- 11) To study the reasons for rejection of applications by the banks and the time lag taken by the banks for release of the term loan for the accepted application and also the utilization of the term loan by the beneficiary. To study and report the incidence of NPA in CUY loans, the reasons thereof and suggestions for reducing the NPA.
- 12) To study interest rates charged on the term loans released by the banks to the beneficiary under the Scheme and comment on the impact of any hike in the interest rate on the sustainability of the unit, whether hike in the interest rates has affected the repayment of the loans by the beneficiary, if so suggest remedial measures to overcome the situation.
- 13) Whether the accessories included in the model project prepared by Coir Board for implementation of the scheme are beneficial for the production of quality coir products.
- 14) To study the impact of the present project cost and the machineries included in the project for setting up of the units and whether modifications needed for improving the deliverables under the scheme. To study and report the quality, price and performance of the machinery/equipments supplied by the machinery manufacturer.
- 15) To identify the hurdles faced in the implementation of the scheme in accordance to the approved operational guidelines and the impact of the deviations made, if any, in the operational guidelines for the speedy implementation of the scheme.
- 16) To assess and report the impact of the recommendations and modifications of the implementation strategy of the scheme by the Steering and Evaluation Committee constituted for the purpose.
- 17) To examine the Marketing Support Assistance provided in the Scheme to the CUY beneficiaries, and comment on the need for continuation of the same as such or modifications required.
- 18) To give recommendation for continuation or otherwise of the scheme beyond the 12th Five Year Plan. To suggest any other aspects relevant to the implementation of the scheme and suggest modification, if any required for the successful implementation of the Scheme

1.8 Scope of the Assignment & Coverage

- The evaluation study was conducted by GRES-INDIA in Coir Udyami Yojana Scheme implemented in the States during period 2012-13 to 2016-17. The study involved field survey with deployment of questionnaires, scrutiny, validation of data and statistical analysis. Samples concerning implementation of CUY scheme were identified at random sample basis in proportion to number of beneficiaries in each participating State under the scheme.
- The study was based on the actual data and information as collected from the beneficiaries of the scheme and also from the implementing agency i.e., the Coir Board, Concerned Bank Authorities and the State Governments. The data collected was statistically analyzed for reliability and validity as indicated in methodology adopted.

1.9 Methodology Adopted

The evaluation study was carried out in accordance with the objectives and terms of reference. A four-stage methodology was adopted to undertake the study, comprising of desk research, field survey for impact assessment, data analysis and report preparation.

a. Desk Research

The desk research relates to data collection from Coir Board and other State level agencies with respect to details of CUY assistance list of beneficiaries assistance given under the scheme in the year from 2012-13 to 2016-17. Strategic support extended by Coir Board for implementation of the scheme including collection of information from various agencies and other sources.

- Discussions were also held with officials of Coir Board at head quarters to identify places for conducting evaluation study followed by discussions with State governments / agencies.
- Prepared data collection sheets / questionnaires for the target beneficiaries and finalized the places to visit for the study
- The structured questionnaires include the following
 - Q-1. Questionnaire for Regional Offices & Sub-Regional Offices
 - Q-2. Questionnaire for Beneficiaries of CUY Scheme
 - Q-3. Questionnaire for Coir Workers who are working in Units of CUY
 - Q-4. Questionnaire for Bank Authorities

The structured questionnaires were administered during field survey for collecting data from respondents. The copies of the above are presented annexure I to IV

b. Field Survey

The field survey was a critical component of the methodology adopted. It was undertaken in the the States of Kerala, Tamilnadu, Karnataka, Andhra Pradesh, and Odisha where CUY Scheme was implemented.

The study team has surveyed sample respondent s in the above states. The details are furnished in the following chapters. The study team held detailed discussions with officials of the following agencies and collected necessary information by way of telephonic calls, through mails and personal interactions.

- Coir Board, Kochi
- Coir Board Regional Officers
- Coir Board Sub-Regional Officers
- Bank Managers

c. Data Analysis

The data collected during the desk research and field survey with the help of structured questionnaires / data sheets was analyzed with necessary interpretations along with the findings of the impact of the scheme in the following chapters

d. Report Preparation

The report was prepared on the basis of analysis of the above. The report includes impact assessment of CUY Scheme implemented by Coir Board and other agencies and suggestions made for improvement of the scheme. The final report will be prepared after incorporating the suggestions of the ministry.

1.10 Limitations

The study team of GRES-INDIA did not face any difficulty during field survey as the consultants of GRES-INDIA have fair knowledge of coir industry across the States in view of their earlier involvement in different coir related studies. However, limited time to cover the Nine States was a limiting factor for collection of detailed data.

CHAPTER 2

OVERVIEW OF CUY SCHEME IMPLEMENTED BY COIR BOARD

2.1 Background

- a) Coir has come a long way from the ancient uses and find applications in many areas. It is still used for agricultural, industrial and domestic purposes. It has also become an article of use in modern life as a garden article, as bags for the tea leaves as brush mats at the door steps, as long-wearing carpets in the corridors of the bungalow veranda, as tastefully planned floor coverings in the drawing room or as the runner on the staircase, as geo-fabric for controlling landslide or soil erosion, for protection of embankments of roads, railway and canals.
- b) The coir industry has to its credit, a tradition and heritage of centuries. Cultivation of coconuts and extraction of coir fiber and its further processing have taken deep roots in the States of Kerala, Tamilnadu, Karnataka, Andhra Pradesh and Orissa. Kerala is dominating the coir industry in India. The rapid expansion of coconut cultivation in nontraditional areas increased the production of coconut and the industry has also developed gradually in the States of Tamilnadu, Karnataka, Andhra Pradesh and Orissa.
- c) Coir industry in India is one of the important rural cottage industries. It provides source of income for artisans in rural areas. Among work force, women constitute 80% of the work force in coir industry.
- d) The Ministry of MSME has been assigned an important role in India's development plans. The development of coir workers is one of the key strategies adopted by the Government, as they are a chief source of employment and income generation. The Coir Industry alone provides employment to five lakhs of people especially women, and earns foreign exchange to the tune of Rs. 300 crores per annum. It is a highly labour intensive industry but the productivity levels in the industry are low. The average earning of the workers is insufficient to maintain even a subsistence standard of living. A rise in cost factors in the recent years has increased the cost of production considerably, without any corresponding increase in productivity.
- e) On the demand side, Coir Products appear to be facing tremendous global and domestic competition from synthetic products. Price fluctuations also seem to become

a perennial feature of the coir-markets. Marketing therefore has become a major problem in recent years and the future prospects of the industry depend on the expansion of domestic as well as the foreign markets.

2.2 Activities of Coir Board

1. Coir Fibre
2. Coir Yarn
3. Coir Mats & Creel Mats
4. Coir Mats-Fibre Mats
5. Coir Mats- Rod Mats, Corridor Mats, Carnatic Mats
6. Coir Mats - Loop Mats, Mesh Mats, Sinnet Mats
7. Coir Mats - Gymnasia Mats, Matting Mats, Rope Mats
8. Coir Mattings - Four Treadle Weave, Basket Weave
9. Coir Mattings - Ribbed Matting, Multishaft matting, Cricket Pitch matting
10. Matting Rugs
11. Non Woven Products
12. Non Woven Mats
13. Coir Geo-Textiles
14. Coir Pith
15. Garden Articles
16. Other Products

2.3 Coir Industry at a glance:

Coir industry in India provides employment to the tune of five lakhs people approximately of which 3.60 lakhs people belong to Kerala alone. About 80% of them are women. The women are mostly engaged in fibre extraction and spinning & men work in the coir products sector. The industry concentrated in Kerala but spread over in other States like Tamilnadu, Karnataka, Orissa, Andhra Pradesh etc. The development of industry is mainly concentrated in the area of coconut cultivation and availability of coconut husk.

In India there are about 10, 000 coir processing units spread over in deferent parts of the country apart from thousands of household units in Co-operative sector mainly involved in coir yarn and extraction of fibre. However, Kerala State has more than two third of the total units. The industry concentrated mainly at Alppuzha, Kollam, Kannur, Kottayam, Chertal & Ambalapuzha in Kerala State. New units in coir sector are also coming up in Maharashtra, Tripura, and Andaman & Nikobar Ilands and Goa.

Production of coir fibre is of the order of 4.2 lakhs metric tones and production of coir yarn is of the order of 2.8 lakhs. The coir products and rope account for 2.00 lakhs tones. The white coir fibre produced in Kerala is of superior quality to brown coir fibre produced in other States mainly Tamilnadu. The cost of white fibre is double to the cost of brown fibre. In view of this consumption of white fibre is declining.

The total output of coir and coir products (other than rubberized coir) in India estimated to be around Rs.1500.00 crore including exports of Rs.350.00 crore. The modernization process in the coir industry has been very slow especially in the spinning field and product manufacturing sector due to various socio-economic and political factors. The threat of labour displacement due to mechanization is a major reason for the slow progress. Although a few fully mechanized units of coir production have been set up for export purpose, the same handmade coir products also enjoy a price premium for some products and it cannot be ignored altogether.

The main objective of developing coir industry is to diversify and expand production and trade of value added products through better utilization of abundantly available raw material, keeping in mind the market trends –in both domestic and international markets. Apart from that there is a greater support to provide employment opportunities and to improve socio economic conditions of the people. The industry is a source of livelihood for a large number of people who generally belong to the socio-economically weaker sections of the society in many producing States. This is an agro-based sector with export potential, which can provide employment particularly to the rural folk at affordably low levels of investment. Development of this industry will in turn help to improve the livelihood and food security of the people engaged in it.

The main challenge of coir industry in domestic market today is demand generation and market development. So far the application of coir products remains as a floor covering material. Actually USP of coir is an Eco-Friendly product for various applications which needs to be strengthened. There is scope to improve the marketability by blending the coir fibre with other natural fibres without losing the benefits of Eco-Friendly product. In the

face of competition mainly for synthetics natural fibres suffered in global and domestic markets. The significance contribution of CUY scheme was mainly protecting co-operative sector and public sector undertakings for market development of coir products through providing of assistance

2.4 Coir Processing – Technology and Machinery

2.4.1 Hand Spinning

The usual practice in hand spinning is to roll the fibre into short length of 6 to 9 inches, giving a clock-wise twist by hands. When a sufficient quantity has been made, two of these short lengths are taken in hand together and made into yarn of two plies by giving a counter twist, using both palms.

When the counter twist reaches near the end of the striking, further pieces of short lengths kept ready are added one after other, while the counter twist by hand is continued till the required length of yarn for a knot is reached. This is reeled in the form of a hank and a knot is made at the end. Handspun yarn always has a soft twist.

2.4.2 Traditional Ratt Spinning

Spinning is usually done on the 'Charka' or spinning wheel. Wheel spinning is gradually displacing hand spinning. From the middle of the 19th century, coir spinning wheels have been introduced with a view to increasing production and obtaining the hard twist required for the manufacture of matting, etc.

To prepare two-ply coir yarn on the spinning wheel, one set of two wheels, one stationary and the other movable is required. The stationary wheel usually contains two spindles set in motion through the centre of the wheel. The movable wheel contains one spindle only. Two persons take the silvers of 'coir' prepared and kept ready after willowing. Usually women keeps them in their arm pits, make a loop with a small quantity of fibre and then puts the loop thus formed into the notch of one of the spindles on the stationary wheel and gives the fibre a uniform thickness while walking backward. Another operator then gives the twist to the fibre thus led by turning the handle of the spinning wheel. This

operation is continued till the required length of strand is reached. The strands are then passed through a grooved rod and tied together into the notch of the spindle, the grooved rod being allowed to move forward. The movable wheel is turned in the opposite direction. The object of the grooved rod is to regulate the twist of the yarn and to prevent entanglement of the strands at the time of doubling. When the grooved rod reaches the stationary wheel, the turning of the spindles of the spinning wheel is stopped and all the ends from that of the stationary wheel are cut off and the yarn is tested to see whether there is sufficient twist. If more twist is required, the movable wheel is turned toward its original direction till the required twist is obtained, if it contains more twist than desired, the movable wheel is turned in a direction contrary to the original twist. Traditional Wheel spinning using a spinning wheel requires three people, who may produce 12-15 kg of yarn per day.

2.4.3 Motorised Traditional Ratt

Motorised Traditional Ratt is a developed form of a coir spinning 'charka'. Here, the stationary ratt is rotated using a suitable contrivance attached to an electric motor. By attaching the rotating system to the stationary ratt one worker is avoided and the productivity is increased. The wages thus earned are divided among the two workers resulting in enhancement of wages of spinners. This system has been introduced recently and found successful in the industry for spinning all varieties of yarn.

2.4.4 Motorised Ratt

The research and development in coir industry was mainly aimed for reducing the drudgery of the workers involved in the spinning of coir yarn on traditional and motorised traditional ratts. Two or three spinners are engaged for exercising the production activity in yarn spinning, where they are exposed to changing weather conditions, which ultimately affects the production. They are also forced to walk up and down in the spinning yard for taking the individual strands and for doubling operation.

It was a long time dream of the coir industry to introduce a contrivance for reducing the drudgery of the labourer and improve the productivity and also enhance the earnings of

the workers engaged in the spinning. As a result of research and development, a spinning device for attaining the real goals of reducing the drudgery, improving the productivity and to improve the working environment, the motorised ratt was introduced in the industry. In the case of a motorised ratt the spinner is made to sit on a chair /stool and roll the well cleaned fibre stacked in the spinning trays attached to the spinning device where the yarn is spun and wound over the bobbins attached to the ratt.

The simple device is now popular in the industry and the benefit of the device has been extended to all spinning areas, all over India. Coir board has taken all efforts to popularise this spinning device and a scheme has been evolved under 'Mahila Coir Yojana Scheme' for providing motorised ratt to spinners at a subsidised rate. The introduction of the motorised ratt in the industry has paved way for increasing the employment opportunity, as the new generation has taken up the spinning activity in the coir sector as the change in the working environment. All varieties of coir yarn in the industry are produced on ratt with a slight alteration on the equipment.

2.4.5 Automatic Spinning


The production turnover in the case of hand spinning was less. The efforts to maximise the productivity of the yarn resulted in the introduction of automatic spinning machine units. The automatic spinning machine units are capable of production of yarns of runnage varying from 50 to 300 meters/kg and twists from 10 to 30 twists/feet. Coir fibre in the form of bales is the raw material for the unit. These fibres are soaked in water for one hour and are cleaned in the willowing machine. Pith content and the hard bits are removed in the process. Manual attention is also required to remove the hard bits to the fullest extent. These cleaned fibers are passed in to the feeder of silvering machine where the fibers are paralleled and drawn by draw rollers. These paralleled fibers are twisted and taken on to drum. The twisted paralleled fibers are called silvers. These silvers are fed on to the feeder of the spinning machine and are combed and made to fall on to "W" tray. Core threads of nylon/cotton/HDPE/LDPE passing in the tray are used as carrier agent for the coir fibres. These fibres are entwined on to the thread and are twisted by the grip nozzles/rollers. Two such strands are doubled and wound on to a bobbin to form the yarn of required twist

and runnage. The automatic spinning machine facilitates spinning of any varieties of yarn according to the requirement of the industry by varying the parameters of the machine to vary the twist and/or runnage. The yarns thus formed are wound in the form of balls for the easy transportation.

2.5 Coconut Production & Productivity in India

Traditional areas of coconut cultivation in India are the states of Kerala, Tamil Nadu, Karnataka, Puducherry, Andhra Pradesh, Goa, Maharashtra, Odisha, and West Bengal and the islands of Lakshadweep and Andaman and Nicobar. As per 2014-15 statistics from Coconut Development Board of Government of India, four southern states combined account for almost 90% of the total production in the country: Tamil Nadu (33.84%), Karnataka (25.15%), Kerala (23.96%), and Andhra Pradesh (7.16%). Other states, such as Goa, Maharashtra, Odisha, West Bengal, and those in the northeast (Tripura and Assam) account for the remaining productions. Though Kerala has the largest number of coconut trees, in terms of production per hectare, Tamil Nadu leads all other states. In Tamil Nadu, Coimbatore and Tirupur regions top the production list. The following table shows the details of production and productivity of coconut in various state. Coir Industry is survival due to availability of Raw material of coconut.

Table 2.1 Coconut Production in various states

 **Table 2.1(b): Coconut: Area and Production in major Producing States**

State/UTs	2014-15					2015-16 (3rd Advance Estimate)				
	Area	% to All India	Production	% to All India	Yield	Area	% to All India	Production	% to All India	Yield
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Tamil Nadu	465.11	23.54	4760.81	33.8	10236	459.74	21.95	4247.12	30.18	9238
Kerala	649.85	37.89	3370.00	24.0	5186	770.41	36.79	3669.00	28.20	5152
Karnataka	515.03	26.07	3538.30	25.2	6870	526.38	25.13	3529.83	25.08	6706
Andhra Pradesh	105.99	5.36	1007.27	7.2	9504	103.95	4.96	983.39	6.99	9460
West Bengal	29.41	1.49	256.18	1.8	8711	29.51	1.41	257.11	1.83	8712
Odisha	50.68	2.57	223.60	1.6	4412	50.91	2.43	224.25	1.59	4405
Gujarat	31.63	1.60	203.05	1.4	6420	22.81	1.09	203.05	1.44	8901
Maharashtra	28.10	1.42	129.00	0.9	4591	27.36	1.31	138.75	0.99	5071
Assam	21.14	1.07	163.45	1.2	7732	23.76	1.13	113.68	0.81	4786
Bihar	14.90	0.75	97.30	0.7	6530	14.90	0.71	97.43	0.69	6539
Others	63.96	3.24	318.21	2.3	4975	64.58	3.08	311.12	2.21	4817
All India	1975.79	100.00	14067.17	100.0	7120	2094.30	100.00	14074.73	100.00	6721

Source: Department of Agriculture, Cooperation & Farmers Welfare (Horticulture Statistics Division).

Note: States have been arranged in descending order of percentage share in production during 2015-16.

CHAPTER 3 STATUS OF COIR UDYAMI YOJANA SCHEME IMPLEMENTED BY COIR BOARD

3.1 Present Status of Coir Udyami Yojana Scheme

Coir Board, Coir House, MG Road, Kochi - 682016 is the single Nodal Agency for implementation of the scheme at the national level. At the state level the Scheme is implemented through the Field Offices of the Board viz., Regional Offices/Sub Regional Offices/Coir Mark Scheme Office/Showroom & Sales Depots. For the identification of the beneficiaries under the Scheme the Board's Field Offices co-ordinate with State District Industries Centre, Coir Project Offices, Panchayati Raj Institution and other NGOs of repute. The technical intervention, wherever necessary, is provided by Central Coir Research Institute (CCRI), Kalavoor and Central Institute of Coir Technology (CICT) and other institutions engaged in development and promotion of the Coir Sector. The Scheme is regularly monitored by the Ministry of Micro, Small and Medium Enterprises.

The Scheme is now in the 5th year of its implementation. State-wise details of funds released during the last 4 years on Pro-Rata basis and number of units assisted are shown in the Table 3.1

Table 3.1 Details of Grants/Subsidy released by Coir Board

Name of the State	2012-13		2013-14		2014-15		2015-16		2016-17	
	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs
Kerala	775	349.1	203	77.5	86	37.6	291	183.5	240	177.1
Tamilnadu	47	90.8	138	263.1	95	178.8	159	624.1	136	540.3
Karnataka	26	48.3	31	60.8	38	75.4	1	4.0	42	164.0
Andhra Pradesh	77	154.4	2	4.0	28	58.8	74	215.6	77	228.8
Odisha	51	97.2	106	203.6	21	39.8	65	146.5	34	79.4
West Bengal	10	20.0	Nil	Nil	Nil	Nil	8	13.9	9	26.0
NE Regions	Nil	Nil	Nil	Nil	Nil	Nil	13	5.5	23	10.2
A&N	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2	8.0
Maharashtra	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	5	14.6
Gujarat	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4	16.0
Total	986	759.8	480	609.1	268	390.3	611	1193.0	572	1264.5

CHAPTER – 4

ANALYSIS OF STUDY ON IMPACT OF THE CUY SCHEME IMPLEMENTED BY COIR BOARD

4.1 Introduction:

Government of India has approved the continuation of the credit linked subsidy scheme called Rejuvenation, Modernization and Technology Upgradation of the Coir Industry (renamed as Coir Udyami Yojana) to facilitate sustainable development of the Coir Industry in the country. This will in turn generate more employment opportunities especially for women and the weaker sections of people in rural areas. Coir Udyami Yojana will be a Central Sector Scheme to be administered by the Ministry of Micro, Small and Medium Enterprises. The Scheme will be implemented by Coir Board a statutory organization under the Ministry of MSME as the Nodal Agency at the national level. At the State level the scheme will be implemented through Board's Regional Offices, Sub Regional Offices, Coir Mark Scheme Office and District Industries Centres, Coir Project Offices, Banks and such other offices. The Government subsidy under the scheme released to Coir Board will be routed through the identified banks for eventual distribution to the beneficiaries/entrepreneurs in their bank accounts. The Implementing Agencies viz. Coir Board Offices, DIC, Coir Project Offices etc will associate with reputed Non Governmental Organizations (NGOs)/reputed Autonomous Institutions/National Small Industries Corporation/Panchayathi Raj Institutions and other relevant bodies in the implementation of the Scheme especially in the area of identification of beneficiaries, area of specific viable projects and providing training in Entrepreneurship Development, verification of units established under the Scheme.

4.2 Classification of respondents

The respondents, among primary and secondary for conducting evaluation study were drawn at random and representative sampling method covering all concentrated areas of CUY scheme in five implemented States of CUY scheme Coir Board.

Field survey has been taken in the following 5 states as shown in Table 4.1 and data collection through in depth interview with 20% of the beneficiaries who have established Spinning and Tiny Units under CUY scheme from each financial each year.

The sample size is mentioned in Table 4.1 Table 4.2 and Chart 4.1

Table - 4.1: Classification of Sample respondent of beneficiaries/Sample Size

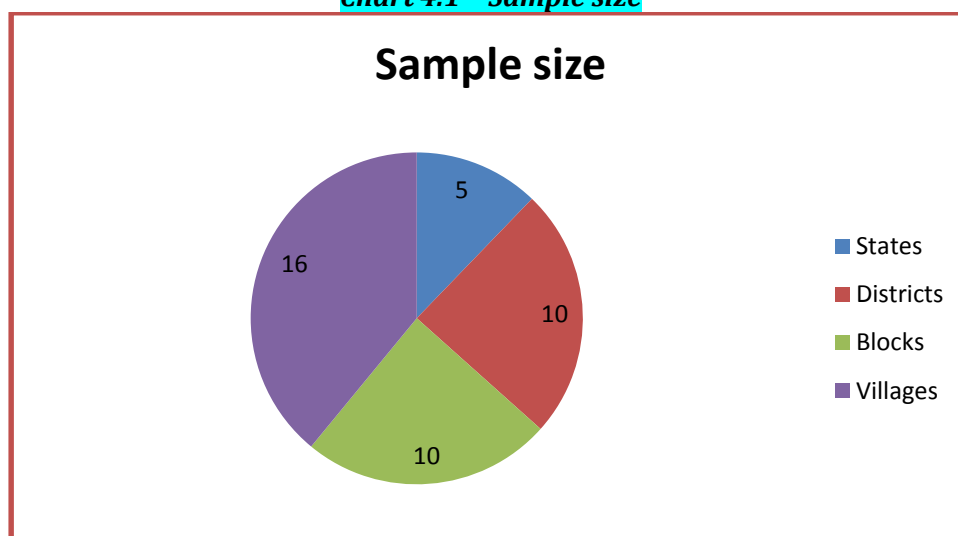
Name of the State	2012-13		2013-14		2014-15		2015-16		2016-17		Total Sampling	
	No of Units	10% of sampling	No of Units	10% of sampling	No of Units	10% of sampling	No of Units	10% of sampling	No of Units	10% of sampling	No of Units	10% of sampling
1.Kerala	775	156	203	40	86	18	291	58	240	48	1595	320
2.Tamilnadu	47	10	138	28	95	20	159	32	136	28	575	116
3. Karnataka	26	6	31	6	38	8	1	0	42	8	138	28
4. Andhra Pradesh	77	16	2	0	28	6	74	14	77	16	258	52
5. Odisha	51	10	106	22	21	4	65	14	34	6	277	56
Total	976	198	480	96	268	54	590	118	529	106	2843	572

In accordance with terms of reference of the evaluation study, the study team has visited 5 states covering 572 beneficiaries of CUY Scheme from 10 blocks in 10 district of 16 villages districts for whci the details as mentioned in the following Table 4.2 and Chart 4.1

Table 4.2 - Sample size

Locations	Sample size
States	5
Districts	10
Blocks	10
Villages	16

Chart 4.1 - Sample size



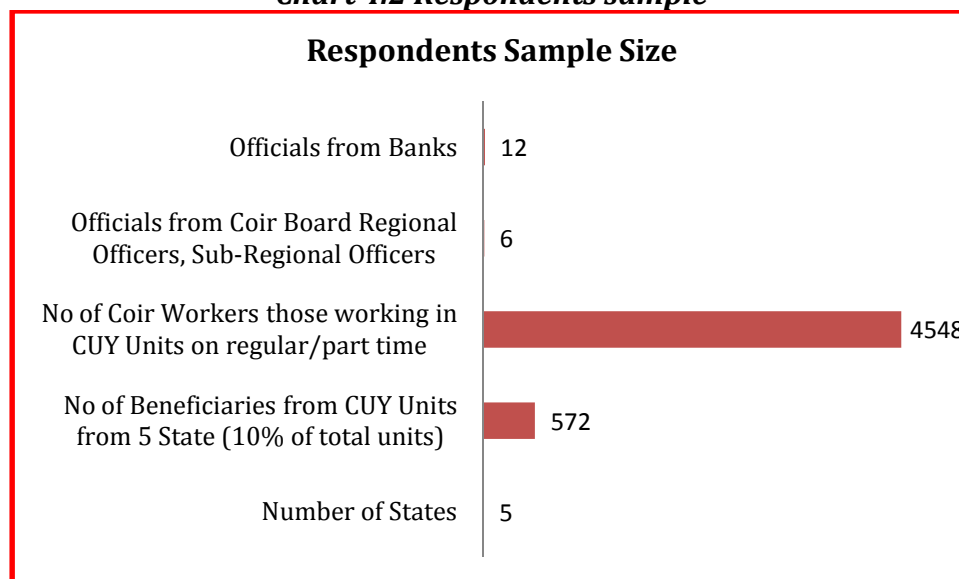
4.3 Sample Size: Structured Interview

Total 286 beneficiaries from 5 states at 20% of sample against total beneficiaries of CUY in last five years from 5 states has been taken for field survey. The following Respondents were interviewed and collected the data as per the details mentioned in Table 4.3 and Chart 4.2

Table 4.3 – Classification of Respondents

SL No	Particulars	Sample Size
1	Number of States	5
2	No of Beneficiaries from CUY Units from 5 State (10% of total units)	572
3	No of Coir Workers those working in CUY Units on regular/part time	4548
4	Officials from Coir Board Regional Officers, Sub-Regional Officers	6
5	Officials from Banks	12
TOTAL		5143

Chart 4.2 Respondents sample



4.4 State-wise Gender Breakup

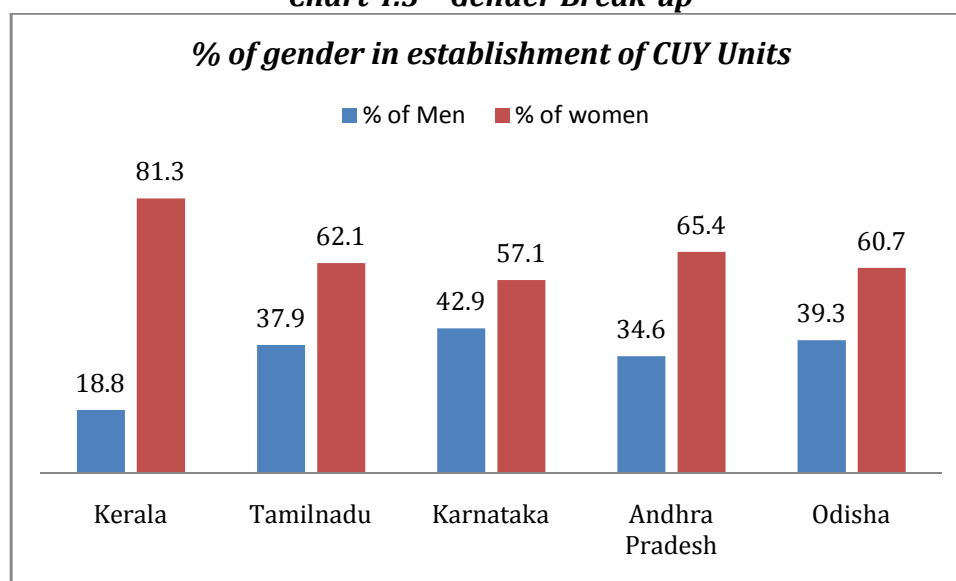
A significant majority (average 72.7%) of the women beneficiaries are running the CUY Units out of which 81.3% of women from Kerala State, 65.4% of women from Andhra Pradesh, 62.1% from Tamilnadu and only 57.1% of women from Karnataka State. This may be due to the fact that the women with family have more responsibilities when compared to the Men. Therefore, they are in need of increasing their income for the betterment of their family and they can also utilize their time in a flexible manner for income generation.

Table 4.4 and Chart 4.3 indicate that the beneficiaries involved in coir spinning activity are mostly women 72.7% and men are 27.3%.

Table 4.4 – Gender Break-up

SL.NO	States	Break-up of CUY beneficiaries interviewed				Total Beneficiaries
		Men	%	Women	%	
1	Kerala	60	18.8	260	81.3	320
2	Tamilnadu	44	37.9	72	62.1	116
3	Karnataka	12	42.9	16	57.1	28
4	Andhra Pradesh	18	34.6	34	65.4	52
5	Odisha	22	39.3	34	60.7	56
	Total	156	27.3	416	72.7	572

Chart 4.3 – Gender Break-up



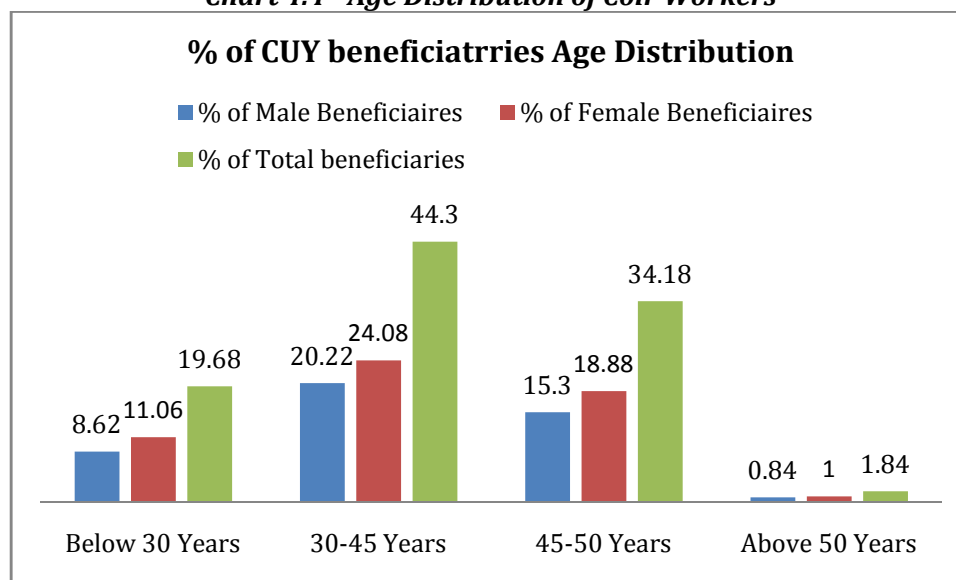
4.5 Age Distribution of CUY beneficiaries

More than one third of the beneficiaries (34.18% %) are between 45-50 years in age. Around 19.68 percent of the beneficiaries are aged below 30 years. Only 1.84 percent of the beneficiaries are found to be over 50 years. Table 2.2 indicates that the beneficiaries involved in coir spinning activity are mostly people below 45 years of age (44.3%), out of which women entrepreneurs are 24.08% which is significant. It is necessary to encourage the younger generation below 30 years. The details are mentioned in Table 4.5 and Chart 4.4

Table 4.5 - Age of CUY beneficiaries

<i>% of Age Distribution of CUY beneficiaries</i>			
<i>Age</i>	<i>% of Male Beneficiaries</i>	<i>% of Female Beneficiaries</i>	<i>% of Total beneficiaries</i>
Below 30 Years	8.62	11.06	19.68
30-45 Years	20.22	24.08	44.3
45-50 Years	15.3	18.88	34.18
Above 50 Years	0.84	1	1.84
Total	100%	100%	100%

Chart 4.4 - Age Distribution of Coir Workers



4.6 Education Qualifications of the respondents:

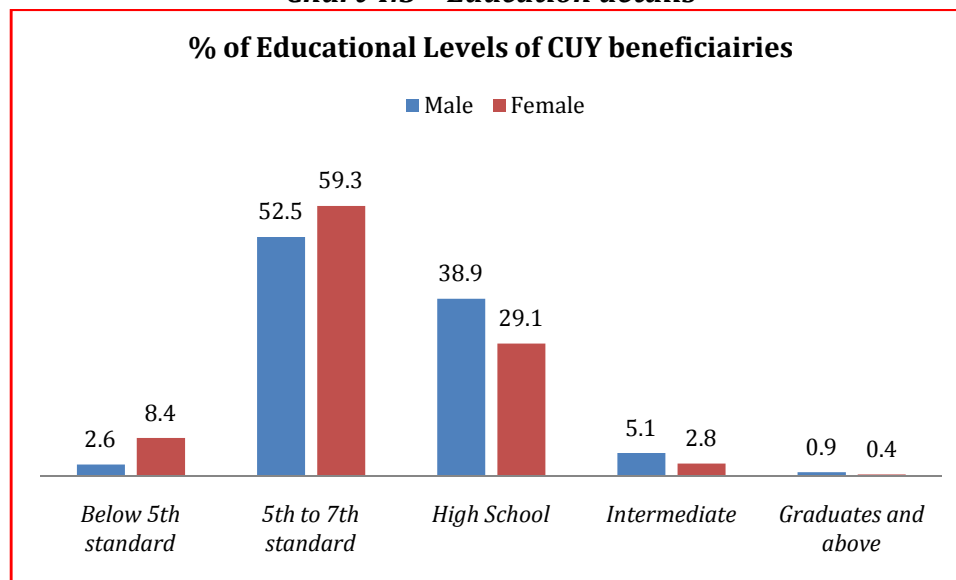
The present education qualifications of the respondent workers are detailed in the following Table which brings out that more than half of the coir workers did not reach the high school level. However only 7.2 percent of the workers are illiterate. Only 4 percent have completed intermediate. It is also revealed from the table that the male workers are slightly better educated compared to female workers.

The educational status of the beneficiaries is as follows. Nearly half of the total beneficiaries (45.48%) have completed below High school standard , out of which women are 59.3% . About 7.2 percent have completed below 5th standard. 31.2 percentage of beneficiaries have completed High school standard , out of which women are This reveals that women who are illiterates and who have education above matriculation are not interested to do the coir spinning activity. None of the beneficiaries were found to be educated above plus two as most of them opt for other jobs (Table 4.6). Graphical presentation is given in Chart 4.5.

Table 4.6 - Education Details

<i>Education</i>	<i>Percentage of CUY beneficiaries educational levels</i>		<i>Total</i>
	<i>Male</i>	<i>Female</i>	
Below 5th standard	2.6	8.4	7.2
5th to 9th standard	52.5	59.3	57.8
High School	38.9	29.1	31.2
Intermediate	5.1	2.8	3.3
Graduates and above	0.9	0.4	0.5
Total	100%	100%	100%

Chart 4.5 - Education details



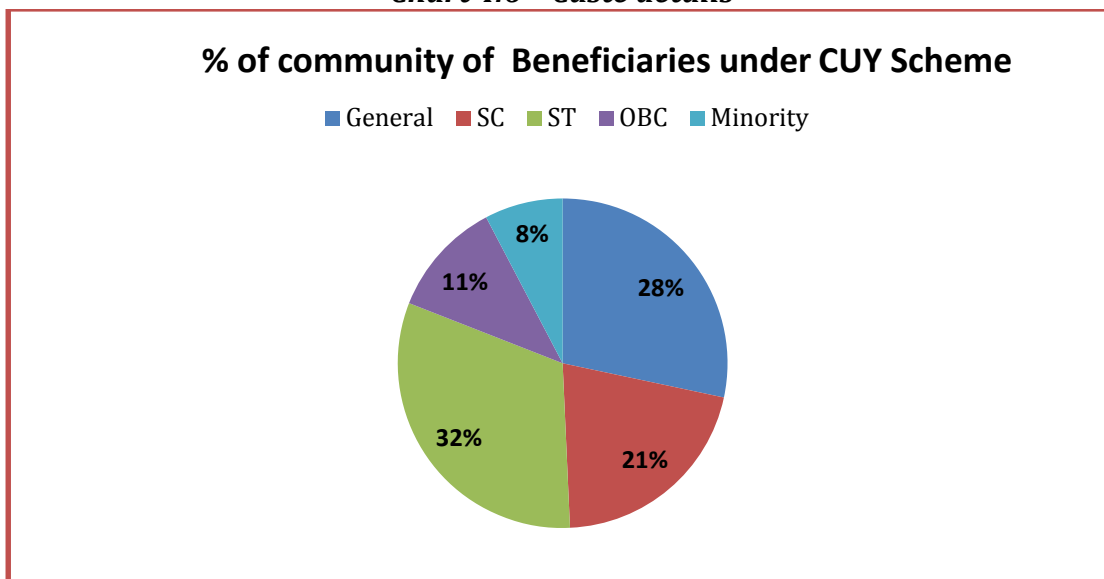
4.7 Community Distribution

A significant majority of 31.64 percent of the beneficiaries belongs to Scheduled Caste and 28.32% of beneficiaries from General Category and 20.98% of beneficiaries from Scheduled Caste which is also significant and only a small percent of 7.69% of beneficiaries are from the Minority Community. This may be on account of the fact that traditionally such types of work were done by SC, ST and General Category as the work involves unhygienic practices like decaying of husk, de-fibering, yarn etc. It is evident that the situation continues to be the same, even now. The details are shown in Table 4.7 and Chart 4.6.

Table 4.7 - Caste Details

Sl.No	Caste	No of beneficiaries	% of Beneficiaries
1	General	162	28.32
2	SC	120	20.98
3	ST	181	31.64
4	OBC	65	11.36
5	Minority	44	7.69
	Total	572	100

Chart 4.6 – Caste details



4.8 Employment Generation

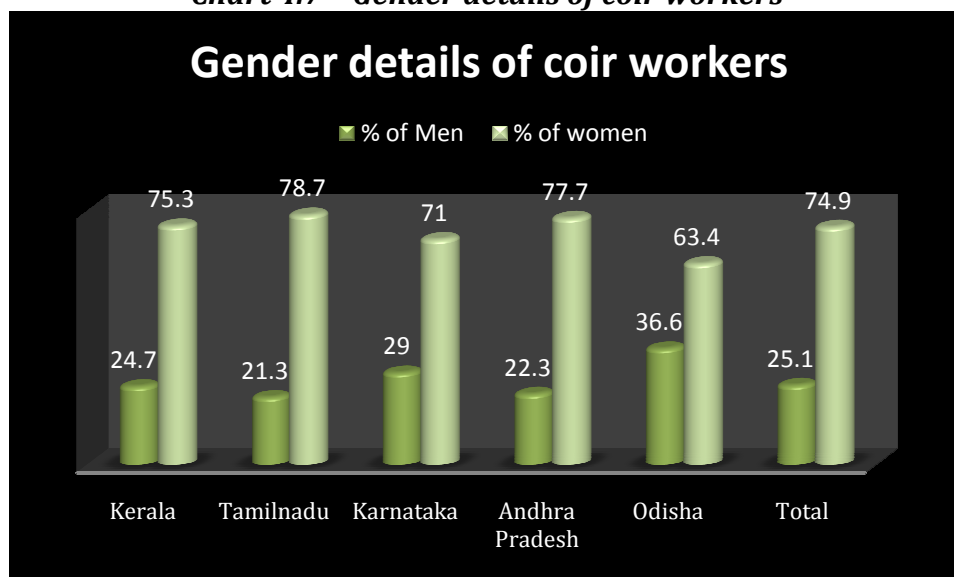
Employment is generated under CUY scheme to the tune of 4548 members, out of which women are 3404 and men are 1144. A significant majority of 74 percent of the women workers are working in CUY units and small percent of 25.1% of men are working in the CUY units. This may be on account of the fact that traditionally such types of work were done by women. A significant employment (full time/part time etc.) generated under CUY set up after availing of assistance under the CUY scheme .

From the study it is seen that the total generation of employment has increased, even though the per-unit generation of the employment has reduced. The per unit employment generation has decreased as only two people are needed for one ratt to spin the yarn. The third person who was withdrawn from a unit has obtained another ratt and by associating with another person the beneficiary has started a new unit creating employment to one more person. Besides, another 27.24 percent of respondents are new entrants in the coir industry after the implementation of the scheme. This also shows that the employment generation has been increased as a result of the scheme . The details are shown in Table 4.8 and Chart 4.7

Table 4.8 – State-wise Full time & Part time coir workers

SL.NO	States	Break-up of coir workers			
		Men	%	Women	%
1	Kerala	630	24.7	1922	75.3
2	Tamilnadu	196	21.3	724	78.7
3	Karnataka	64	29.0	156	71.0
4	Andhra Pradesh	92	22.3	320	77.7
5	Odisha	163	36.6	282	63.4
	Total	1144	25.1	3404	74.9

Chart 4.7 – Gender details of coir workers



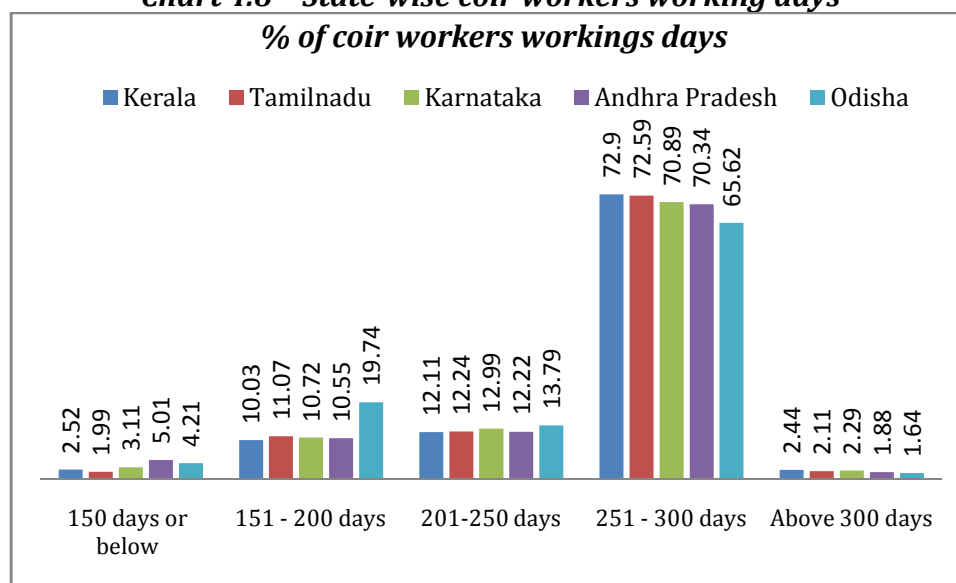
4.9 Number of Working Days

Nearly two third of the workers get work in the range of 251-300 days which is significant, as CUY is generating good employment opportunities to the skilled/semi skilled workers. In the state of Kerala , 72.0 % of wage employment is generated wherein Tamilnadu got 72.59% in second place. Wage employment in Odisha is only 65.62% for 251-300 days which indicates CUY units functioning in Odisha state is not up to the mark. The details are shown in Table 4.9 and Chart 4.8

Table 4.9 – State-wise coir workers working days

State - wise employment generation						
Sl.No	Name of the state	150 days or below	151 - 200 days	201-250 days	251 - 300 days	Above 300 days
1	Kerala	2.52	10.03	12.11	72.9	2.44
2	Tamilnadu	1.99	11.07	12.24	72.59	2.11
3	Karnataka	3.11	10.72	12.99	70.89	2.29
4	Andhra Pradesh	5.01	10.55	12.22	70.34	1.88
5	Odisha	4.21	19.74	13.79	65.62	1.64

Chart 4.8 – State-wise coir workers working days



4.10 Wages paid to the coir workers

The study further tried to collect information pertaining to wages of coir workers in 5 states. The findings reveal the wage rate of coir workers is not same. The rate varies from state to state. It is observed the government notifications on wage rate are not followed by the industry as well. While comparing the wage rate of the states, the findings reveal the wage rate is highest in Kerala and lowest in Odisha. The survey finding illustrates that majority of the coir workers (63.4 %) get the payment on monthly basis, while 36.6% workers get payment on daily basis. The details are shown in Table 4.9.

Table 4.10 – Rate of Daily wage

<i>Wages paid to the workers in Rs.</i>			
<i>S.No</i>	<i>State</i>	<i>Male</i>	<i>Female</i>
1	Kerala	225-275	200-250
2	Tamilnadu	250-300	250-275
3	Karnataka	200-250	175-225
4	Andhra Pradesh	150-200	150-190
5	Odisha	150-200	150-190

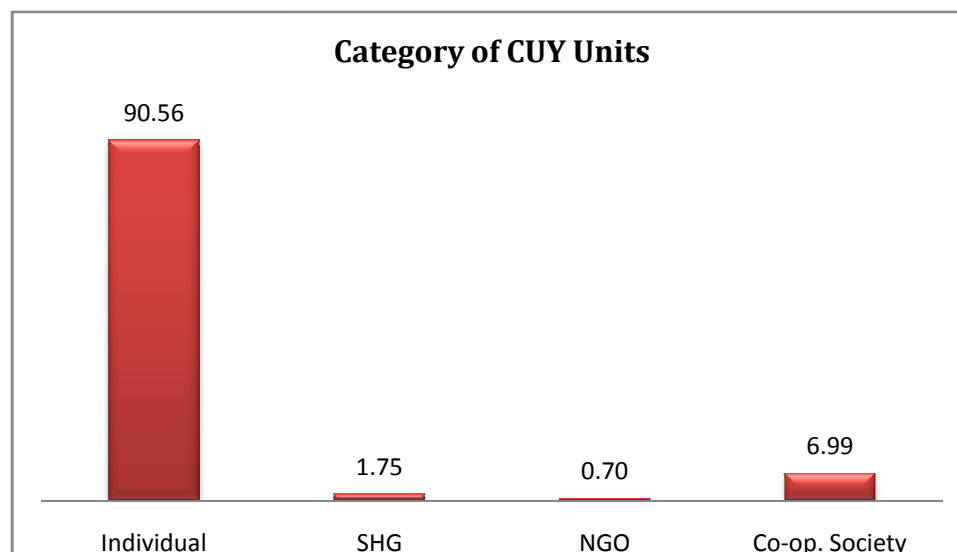
4.11 Category of the CUY Units

Majority of the individual beneficiaries 90.56 percent have established Coir Fibre Extraction and Automatic/Mechanized Coir Yarn Spinning Units under Individual category under Coir Udyami Yojana Scheme. Very few Of 6.99% have established units under co-operative societies. The details are shown in Table 4.11 and Chart 4.9

Table 4.11 – Category of the CUY Units

<i>Sl.No</i>	<i>category</i>	<i>% of category</i>	<i>No of units</i>
1	Individual	90.56	518
2	SHG	1.75	10
3	NGO	0.70	4
4	Co-op. Society	6.99	40
	Total	100.00	286

Chart 4.9 – Category of the CUY Units



4.12 Beneficiaries Selection Procedure under CUY Scheme

It was observed that there were no gaps in procedural formalities which are presented in following chapters . The Details of applications received and considered by Regional Level Standing Committee are mentioned in the following Table 4.12

Table 4.12 - Status of Applications under CUY Scheme

Sl. No.	Field Office	Particulars	General	SC	ST	OBC	Min.	Total
1	RO, Bhubaneswar	Received Applications	360	45	28	45	4	482
		Considered by RLSC	321	32	22	36	3	414
2	RO, Pollachi	Received Applications	36	63	30	964	10	1103
		Considered by RLSC	27	24	30	611	9	701
3	SRO, Port Blair	Received Applications	0	0	0	2	0	2
		Considered by RLSC	0	0	0	2	0	2
4	CMS, Alleppey	Received Applications	35	39	132	673	18	897
		Considered by RLSC	34	39	132	524	15	844
5	RO, Kannur	Received Applications	31	4	0	29	9	73
		Considered by RLSC	30	4	0	21	9	64
6	SRO, Guwahati	Received Applications	146	20	20	55	7	248
		Considered by RLSC	146	20	20	55	7	248
7	SRO, Kolkatta	Received Applications	17	6	0	3	3	29
		Considered by RLSC	16	4	0	3	3	26
8	SRO, Sindhudurg	Received Applications	33	5	0	5	3	46
		Considered by RLSC	16	1	0	2	2	21
9	RO, Bangalore	Received Applications	79	73	12	103	11	278
		Considered by RLSC	56	39	6	36	4	141

Sl. No.	Field Office	Particulars	General	SC	ST	OBC	Min.	Total
10	RO, Rajahmundry	Received Applications	122	39	4	92	5	262
		Considered by RLSC	114	31	0	84	3	232
11	RO, Trivandrum	Received Applications	24	22	1	144	13	204
		Considered by RLSC	23	22	1	112	10	168

Source of Information from Coir Board website

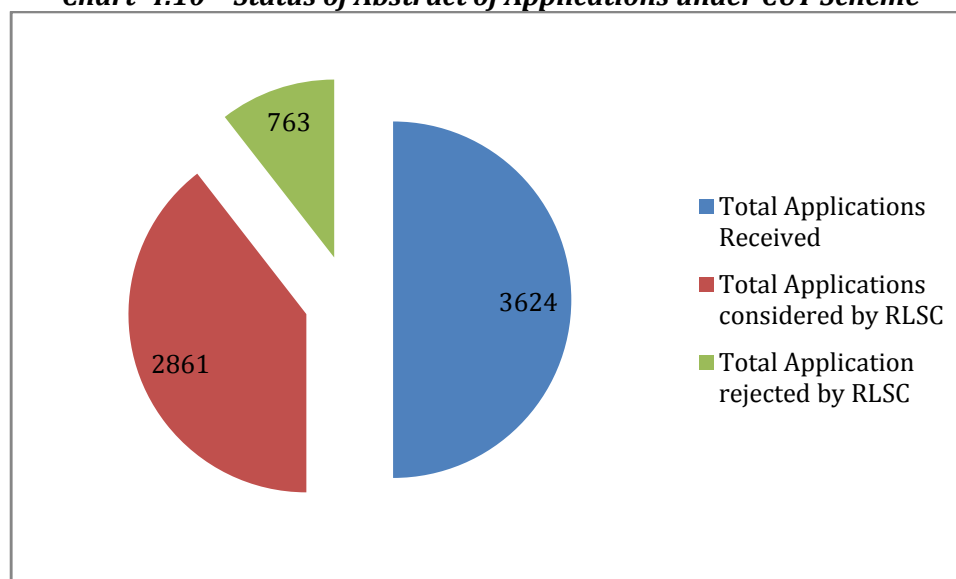
4.13 Abstract of Applications Status

Overall 79.95 percent applications were considered by RLSC which is significant. Only 21.05 percent of applications rejected by RLSC. It is significant that the selection of beneficiaries was made systematically, thoroughly on transparent manner and uploaded the details beneficiaries whose applications considered by RLSC in website of Coir Board www.coirboard.gov.in. The total details in abstract is shown in the Table 4.13 and Chart 4.10

Table 4.13 - Status of Abstract of Applications under CUY Scheme

Total Applications Received	3624	100%
Total Applications considered by RLSC	2861	78.95%
Total Application rejected by RLSC	763	21.05%

Chart 4.10 - Status of Abstract of Applications under CUY Scheme



4.14 Observations on Criteria for selection of Beneficiary

It is found that the selection of beneficiaries under CUY scheme has been done on very transparency manner and on systematic way .The team members have verified the documents maintained by Regional Office of Coir Board and found the observation mentioned in the following chapters

4.15 Type of production

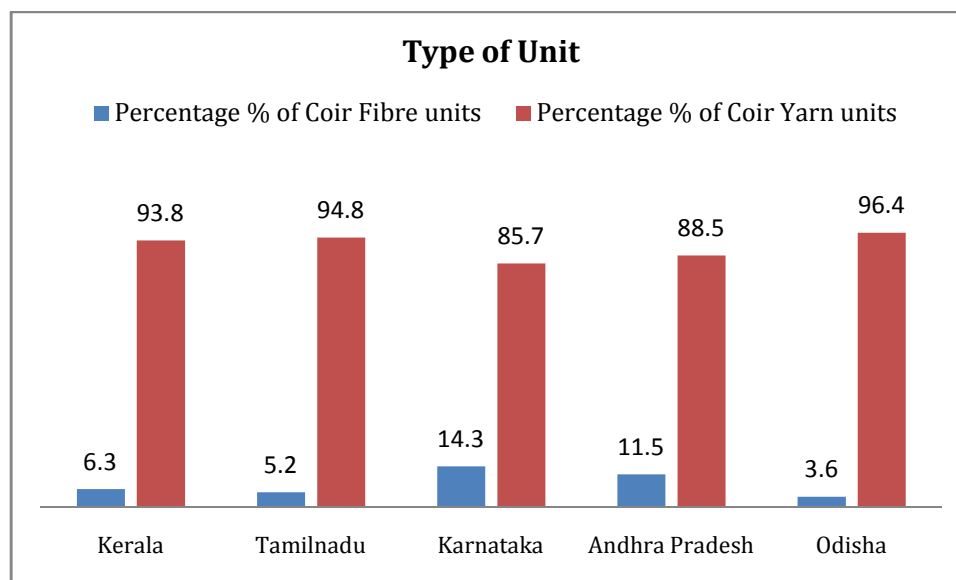
More than 93% of the beneficiaries have established Automatic/Mechanised Coir Yarn Spinning Unit under CUY Scheme and remaining 7% of the Beneficiaries have established Coir Fibre Extraction Unit-Decorticating Unit. It is understood that the majority of the beneficiaries want to establish Automatic/Mechanized Coir Yarn Spinning Units where more margin are generating

The total number of coir units inspected by the team members is around 284 units of which 19 Nos. are engaged in Fibre Extraction, 227 Nos. engaged in Yarn Spinning, 40 Nos. engaged in Curled Coir Rope Making, The details are shown in Table 4.14 and Chart 4.13

Table 4.14 - Type of production

Sl.No	State	No of units inspected	Type of production		Percentage	
			Coir Fibre	Coir Yarn	Coir Fibre	Coir Yarn
1	Kerala	160	10	150	6.3	93.8
2	Tamilnadu	58	3	55	5.2	94.8
3	Karnataka	14	2	12	14.3	85.7
4	Andhra Pradesh	26	3	23	11.5	88.5
5	Odisha	28	1	27	3.6	96.4
	Total	286	19	267	6.6	93.4

Chart 4.11 - Type of production



4.16 Performance of the CUY units sanctioned during the year 2012-13 and 2013-14

During the two years period of 2012-13 and 2013-14, 43.8 percent of units are not in existence in Odisha State, 35.5 percent of units from Andhra Pradesh, 33.6 percent of units from Karnataka and 31.6 percent of units in Tamilnadu are not in existence. It is very significant that very few of 3.1 percent of units in Kerala are not in existence. During the FGDs with the local NGO, Gram Panchayat officials and local citizens, it is found that soon after subsidy amount is released to the beneficiary accounts, they have disposed the machinery to others. This is happened due to lack of frequent inspections either by joint inspections by bankers and State Level Officials or individual inspections by banks/coir board officials. Frequent monitoring is advised to avoid this type of situation in future.

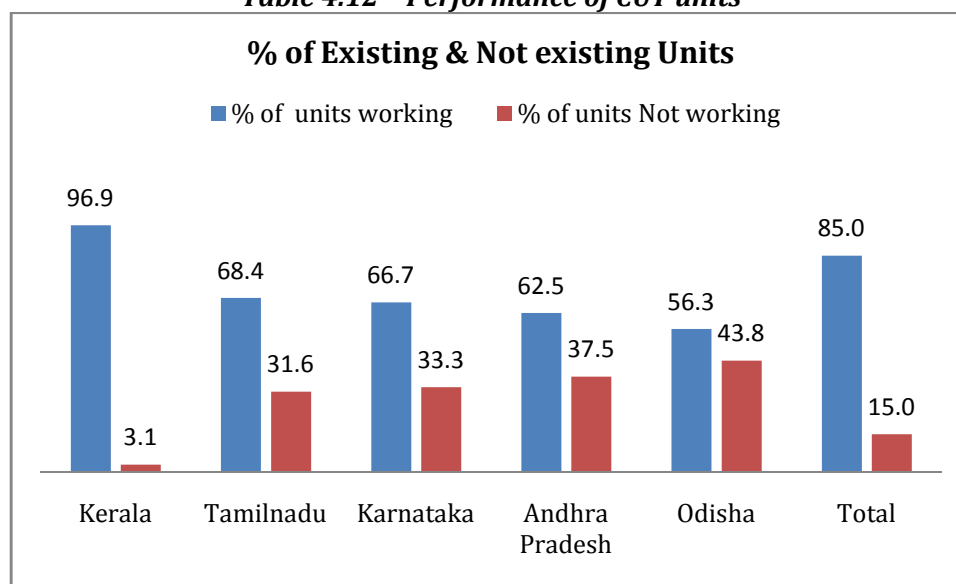
All the units pertaining to the year 2014 -15 to 2016-17 are in existence and running the units in profits, due to new modifications in the CUY scheme i.e formation of Regional Level Standing Committees and provided awareness on modern techniques to improve the production of Fibre and yarn. The performance details are shown in Table 4.15 and Chart 4.14

Table 4.15 - Performance of CUY units

No of the	Performance of CUY units		
	2012-13	2013-14	Grand Total

		No of units inspected	No of units working	No of units Not working	No of units inspected	No of units working	No of units Not working	No of units inspected	No of units working	No of units Not working	% of units working	% of units Not working
1	Kerala	156	152	4	40	38	2	196	190	6	96.9	3.1
2	Tamilnadu	10	6	4	28	20	8	38	26	12	68.4	31.6
3	Karnataka	6	4	2	6	4	2	12	8	4	66.7	33.3
4	Andhra Pradesh	16	19	6	0	0	0	16	10	6	62.5	37.5
5	Odisha	10	6	4	22	12	10	32	18	14	56.3	43.8
	Total	198	178	20	48	37	11	294	252	42	85.0	15.0

Table 4.12 - Performance of CUY units



4.17 Performance of the units pertaining to the year 2014-15, 2015-16 and 2016-17

It is significant that Total 278 units were verified by the team members and found that all the units are running in perfect manner with good profits pertaining to the year 2014-15, 2015-16 and 2016-17. The details are shown in Table 4.16.

Table 4.16 - Performance of Units pertaining to the year 2014-15 to 2016-17

S.No	Name of the State	2014-15		2015-16		2016-17		Total Units	
		No of units inspected	No of units working	No of units inspected	No of units working	10% of sampling	No of units working	No of units inspected	No of units working

1	Kerala	18	18	58	58	48	48	124	124
2	Tamilnadu	20	20	32	32	28	28	78	78
3	Karnataka	8	8	0	0	8	8	16	16
4	Andhra Pradesh	6	6	14	14	16	16	36	36
5	Odisha	4	4	14	14	6	6	24	24
	Total	56	56	118	118	106	106	278	278

4.18 Financial Assistance received by the beneficiaries under CUY Scheme

All 572 beneficiaries have contributed an amount of Rs223 lakhs towards 5% of beneficiary contribution for establishment of Automatic/Mechanized Coir Yarn Spinning Units and Coir Fibre Extraction Units , Banks have provided term loans of Rs.2,453 lakhs towards 55% of the project cost, and Coir Board has provided grant/subsidy amount of Rs. 1,784 lakhs towards subsidy amount of 40% of the project cost. The subsidy amount of Rs.1784 lakhs has been kept in Fixed Deposit for two years. After 2 years period, subsidy amount will be transferred to beneficiaries account subject to satisfaction of the performance of the unit in joint inspection by bankers and Coir Board officials. All 572 beneficiaries have undergone enterprenuer development got 5 days EDP Training Programme. The details are mentioned in Table 4.17

Table 4.17 - Financial Assistance under CUY Scheme

S.No	State	No of units inspected	Project Finance (Rs. in Lakhs)			
			Bank credit	Govt. of India Grant	Beneficiary contribution	Total Loan sanctioned
			A	B	C	(A+B+C)
1	Kerala	320	1556.50	1132.00	141.50	2830.00
2	Tamilnadu	116	451.00	328.00	41.00	820.00
3	Karnataka	28	60.50	44.00	5.50	110.00
4	Andhra Pradesh	52	203.50	148.00	18.50	370.00
5	Odisha	56	181.50	132.00	16.50	330.00
	Total	572	2453.00	1784.00	223.00	4460.00

4.19 Source of income for Beneficiary Contribution

Regarding the source of the beneficiary contribution, nearly 65 percent of the beneficiaries have replied that their contribution was met from their own earnings. Over 35 percent of the beneficiaries have paid their contribution by availing hand loans. The details are shown in Table 4.18

Table 4.18 - Source of income for Beneficiaries contribution

<i>S.No</i>	<i>Source</i>	<i>No of beneficiaries interviewed</i>	<i>Percentage</i>
1	Own earnings	486	85%
2	Hand Loans	86	15%
	Total	572	100%

4.20 Fund Flow Mechanism:

The team members have interacted with the bankers and Regional Officers in 5 regions of Kerala, Tamilnadu, Karnataka, Andhra Pradesh and Odisha to find out the Funds Flow Mechanisation adopted to release the loans to the applicants of Coir Udyami Yojana and found that the funds flow mechanization system is adopted in significant manner and detailed observations are mentioned in following chapters.

4.21 Machinery

During the field verification and interaction with the beneficiaries It is found that the choice is given to the beneficiaries to purchase machinery whichever is liked by them. The coir machinery/accessories purchased from manufacturer must comply with the standards set up by the Coir Board from time to time. Since beneficiaries are facing power shortage under the project they have the option to consider purchase of generator with reasonable capacity for working the coir machinery in order to get full utilization of the machinery purchased. It has brought to the notice of team members by the beneficiaries that 100% exemption on custom & excise duties on the plant & machinery, consumables, embellishments on natural fibres for enhancing the quality.

4.22 Entrepreneurship Development Programme (EDP)

The objective of EDP is to provide orientation and awareness pertaining to various managerial and operational functions like finance, production, marketing, enterprise

management, banking formalities, book keeping etc. The EDP was conducted by Coir Board through the nodal agencies approved by the Coir Board or Ministry of MSME, Rural Development and Self Employment Training Institutes (RUDSETI) reputed NGOs, and other organizations / institutions, identified by Coir Board from time to time. The duration of the EDP is 5 days. EDP is mandatory for all Coir Udyami Yojana beneficiaries. The findings indicate, all of the beneficiaries of CUY scheme have got training on general coir work training and on yarn, mat making and coloring and it is needed to provide skill up gradation training programme to the beneficiaries to improve their production with new techniques.

4.23 Production & Turnover of Coir products of Fibre & Yarn

The study found 93.35 % coir Yarn units have annual turnover of Rs105.64 crore and 6.64% coir Fibre units have annual turnover of Rs.22.70 Crore. 7.34% of the units are not in existence. The details are shown in the Table 4.19. The study reveals all existing coir Fibre and Yarn units are running on profit. The profit margin revolves around 10 percent to 20 percent. 74 percent of Yarn unit beneficiaries said their profit margin is within 10 percent while 17 percent Yarn Unit beneficiaries said it is in the range of 11 to 15 percent while 9 percent of the beneficiaries said profit margin is in the range of 16 to 20 percent in the year 2014-15.

Table 4.19 - Turnover details

State	No of units inspected	Not working	Type of production		Production in Mts		Turnover (in Crores)	
			Fibre	Yarn	Fibre	Yarn	Fibre	Yarn
Kerala	320	6	20	194	9600	19488	12.48	70.16
Tamilnadu	116	12	6	98	2700	5016	3.52	17.96
Karnataka	28	4	4	20	1760	1142	2.28	4.08
Andhra Pradesh	52	6	6	46	2700	2202	3.52	7.88
Odisha	56	14	2	40	700	1560	0.92	5.56
Total	572	42	38	534	17460	29408	22.7	105.64
<i>Percentage</i>		<i>7.34%</i>	<i>6.64%</i>	<i>93.35%</i>	<i>459</i>	<i>55.07</i>	<i>0.60</i>	<i>0.20</i>

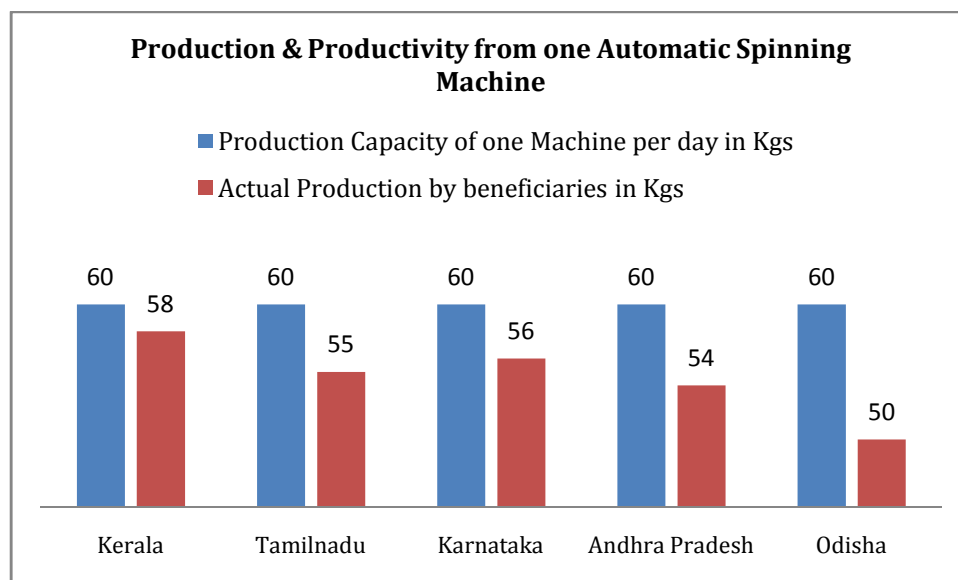
4.24 Yarn Production & Productivity from each machine per day

Yarn can be produced @ 60 Kg from each machine per day per 8 hours. CUY beneficiaries in Odisha are able to produce at 50kg per day in one shift for which the beneficiaries explained the reasons for low production that power fluctuations are more and frequent absent of labour . Whereas, the Beneficiaries from Kerala state are capable to produce 58 kg per day per one shift which is significant. An average production of 55 kg per day by beneficiaries from Tamilnadu, Karnataka and Andhra Pradesh are found good. The details are shown in Table 4.20 and Chart 4.19

Table 4.20 – Production & Productivities

<i>Yarn Production & Productivity per each machine per day</i>			
<i>S.No</i>	<i>State</i>	<i>Production Capacity of one Machine per day</i>	<i>Actual Production by beneficiaries</i>
1	Kerala	60 kg	58 kg
2	Tamilnadu	60 kg	55 kg
3	Karnataka	60 kg	56 kg
4	Andhra Pradesh	60 kg	54 kg
5	Odisha	60 kg	50 kg

Chart 4.12 – Production & Productivities



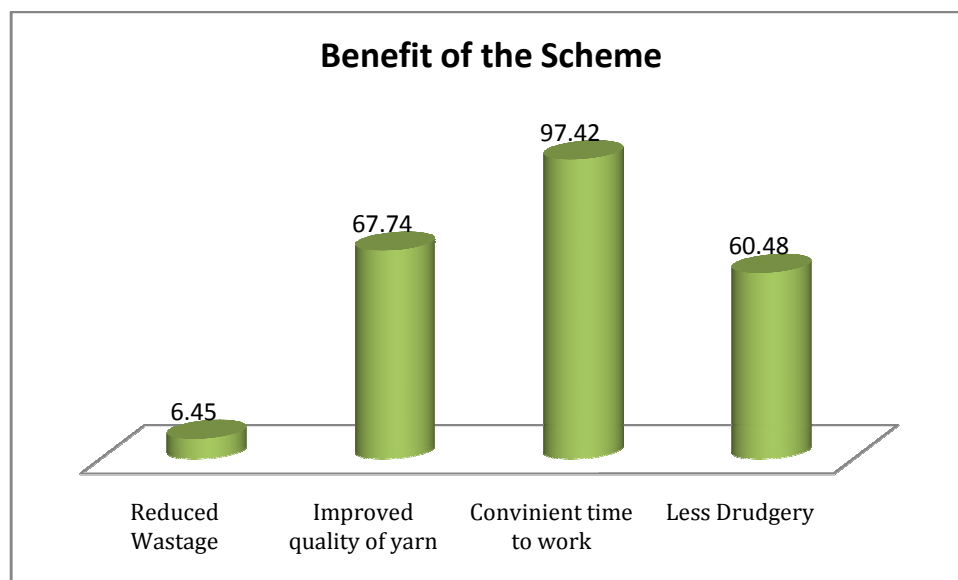
4.25 Other Benefits of the Scheme

Besides increased income generation, production and employment, the beneficiaries also enjoy certain other benefits which contribute to an enhanced living condition. A majority of the beneficiaries are of the opinion that the flexible working time is most convenient for them. This is because they can take care of their school going children, husband and for doing their house hold activities. This has also reduced their drudgery (Chart 4.3).

Table 4.21 - Other Benefits of the Scheme

Sl.No	Benefit of the scheme	No of Beneficiaries	Percentage
1	Reduced Wastage	18	6.45
2	Improved quality of yarn	194	67.74
3	Convinient time to work	21	97.42
4	Less Drudgery	173	60.48

Chart 4.13 - Other Benefits of the Scheme



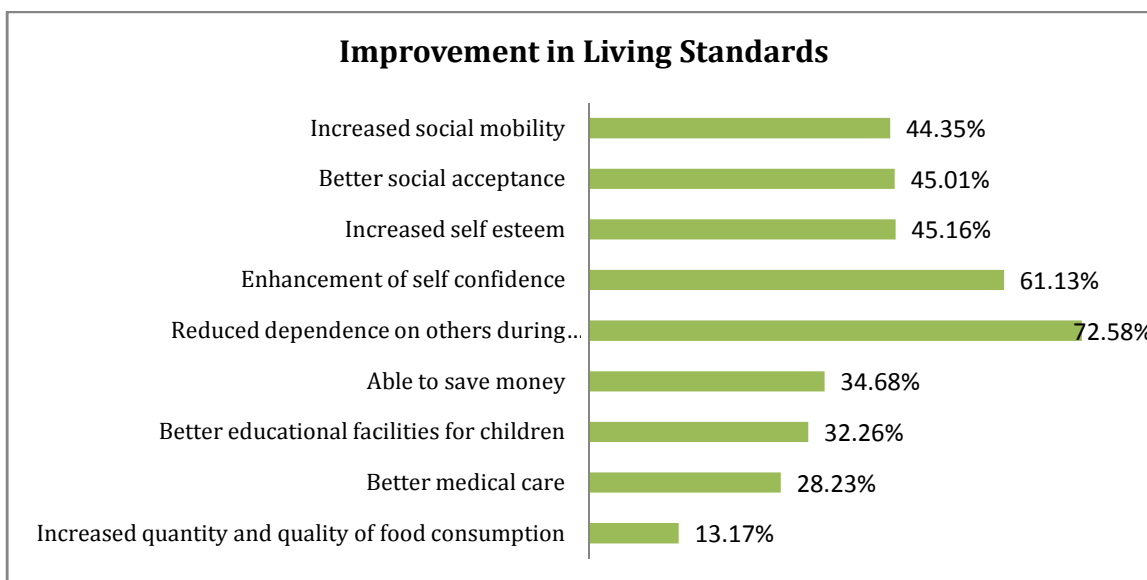
4.26 Improvement in Living Standards

Due to the increased income generated by the women of a family they are able to save some money and this leads to their reduced dependence on others during exigencies (72.58%). This has led to more self esteem, self confidence, social mobility and social status among the beneficiaries. It is also seen that as women earn money they spend it for education and health of their children, as opposed to men, who often spend it on drink, tobacco and so on. The areas in which the impact is seen are indicated in Table 4.22 and Chart 4.21.

Table 4.22 - Improvement in Living Standards

S.No	Improvement in Living Standards	No. of Beneficiaries	Percentage
1	Increased quantity and quality of food consumption	76	13.17
2	Better medical care	162	28.23
3	Better educational facilities for children	184	32.26
4	Able to save money	198	34.68
5	Reduced dependence on others during emergencies/immediate needs	416	72.58
6	Enhancement of self confidence	350	61.13
7	Increased self esteem	158	45.16
8	Better social acceptance	158	45.01
9	Increased social mobility	254	44.35

Chart 4.14 - Improvement in Living Standards



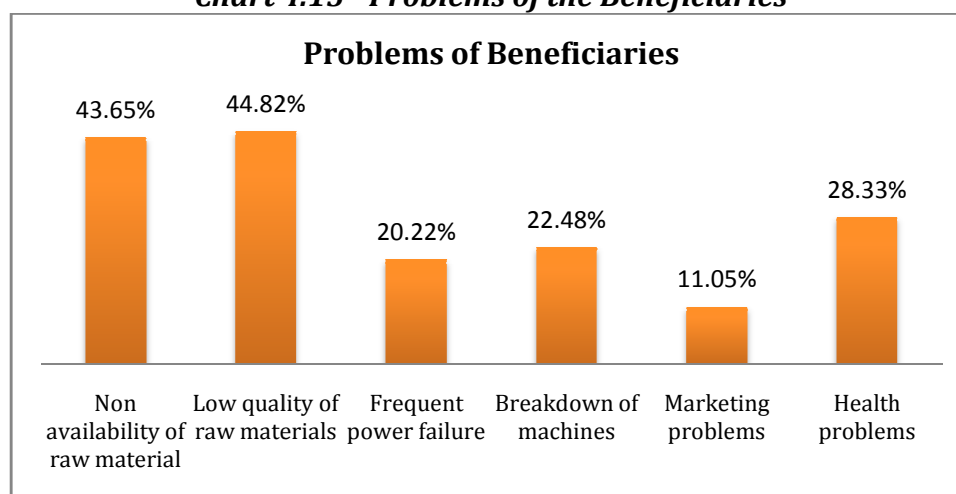
4.27 Problems of the Beneficiaries

Some of the major problems of the beneficiaries identified during the study are given in Table 4.23 and Chart 4.22

Table 4.23 - Problems of the Beneficiaries

S.No	Problems	No of beneficiaries	Percentage
1	Non availability of raw material	250	43.65%
2	Low quality of raw materials	156	44.82%
3	Frequent power failure	116	20.22%
4	Breakdown of machines	128	22.48%
5	Marketing problems	64	11.05%
6	Health problems	162	28.33%

Chart 4.15 - Problems of the Beneficiaries



- 4.27.1 From the Table 4.5 it is seen that the major problems identified by the beneficiaries are poor quality of raw materials (44.82%) and non-availability of raw material (43.65%). The other problems acknowledged by the beneficiaries are health problems (28.33%), breakdown of machines (22.48%) and frequent power failure (20.22%) (Chart 4.5).
- 4.27.2 Availability and quality of the raw materials were the main problems identified by the beneficiaries. In a state like Kerala the reduction in area under coconut cultivation has adversely affected the availability of raw material. Currently, most of the fibre needed for coir making is coming from Pollachi, Tamil Nadu. Moreover, the retting of coconut husk is also not approved by the general public due to growing environmental consciousness among them.
- 4.27.3 Cleaning of the raw materials is the first step before starting the spinning process. This process consumes considerable time resulting in very less time available for spinning there by affecting the production.
- 4.27.4 Some of the beneficiaries in Tamil Nadu informed that the cost of raw material is very high for them. The cost of one bundle of raw material (30kg.) is Rs. 400/-, of which 5 kg. will be waste.
- 4.27.5 Most of the beneficiaries are of the opinion that the irregular supply of electricity during the day time affects both the quantity and quality of yarn produced. Some of the beneficiaries held that the exorbitant electricity bills often restraints them from using the Automatic Spinning ratts continuously for a long time.
- 4.27.6 As there is no direct marketing facility for the beneficiaries in Andhra Pradesh, Odisha and Karnataka are facing difficulty in marketing their products. Therefore they are compelled to sell their products to middlemen and they are paying the price of the products less than the market price. It affects their income generation.
- 4.27.7 As there is no health insurance such as ESI, most of the beneficiaries are suffering from various health problems like asthma, back pain, joint pains, etc.

4.28 Marketing Support Assistance to the beneficiaries of Coir Udyami Yojana

It is noticed that Marketing Consortium of Coir Udyami Yojana beneficiaries is not established in Andhra Pradesh, Odisha and karnataka. Due to lack of Marketing Consortium of Coir Udyami Yojana beneficiaies, lot of problems are facing by the CUY beneficiaries as follows

1. Sale their production in local market where lot of price variations are found
2. Purchase the Raw Material with high rates

CHAPTER - 5

Summary of findings, observations and recommendations

5.1 Findings

- a) **State-wise Gender Breakup:** A significant majority (average 72.7%) of the women beneficiaries are running the CUY Units out of which 81.3% of women from Kerala State, 65.4% of women from Andhra Pradesh, 62.1% from Tamilnadu and only 57.1% of women from Karnataka State.
- b) **Age Distribution of CUY beneficiaries:** More than one third of the beneficiaries (34.18% %) are between 45-50 years in age. Around 19.68 percent of the beneficiaries are aged below 30 years. Only 1.84 percent of the beneficiaries are found to be over 50 years.
- c) **Education Qualifications of the respondents:** The educational status of the beneficiaries is as follows. Nearly half of the total beneficiaries (45.48%) have completed below High school standard, out of which women are 59.3%.
- d) **Community Distribution:** A significant majority of 31.64.1 percent of the beneficiaries belongs to Scheduled Caste and 28.32% of beneficiaries from General Category and 20.98% of beneficiaries from Scheduled Caste which is also significant and only a small percent of 7.69% beneficiaries are from the Minority Community.
- e) **Employment Generation:** Employment is generated under CUY scheme to the tune of 4548 members, out of which women are 3404 and men are 1144. A significant majority of 74 percent of the women workers are working in CUY units and small percent of 25.1% of men are working in the CUY units. This may be on account of the fact that traditionally such types of work were done by women. A significant employment (full time/part time etc.) generated under CUY set up after availing of assistance under the CUY scheme.
- f) **Number of Working Days:** Nearly two third of the workers get work in the range of 251-300 days which is significant, as CUY is generating good employment opportunities to the skilled/semi skilled workers. In the state of Kerala, 72.0 % of wage employment is generated wherein Tamilnadu got 72.59% in second place. Wage employment in Odisha is only 65.62% for 251-300 days which indicates CUY units functioning in Odisha state is not up to the mark.

- g) **Beneficiaries Selection Procedure under CUY Scheme:** Overall 79.95 percent applications were considered by RLSC which is significant. Only 21.05 percent of applications rejected by RLSC. It is significant that the selection of beneficiaries was made systematically, thoroughly on transparent manner and uploaded the details beneficiaries whose applications considered by RLSC in website of Coir Board www.coirboard.nic.in.
- h) **Type of production:** More than 93% of the beneficiaries have established Automatic/Mechanised Coir Yarn Spinning Unit under CUY Scheme and remaining 7% of the Beneficiaries have established Coir Fibre Extraction Unit-Decorticating Unit.
- i) **Performance of the CUY units sanctioned during the year 2012-13 and 2013-14:**
- j) During the two years period 2012-13 and 2013-14, 43.8 percent of units are not in existence in Odisha State, 35.5 percent of units from Andhra Pradesh, 33.6 percent of units from Karnataka and 31.6 percent of units in Tamilnadu are not in existence. It is very significant that very few of 3.1 percent of units in Kerala are not in existence. During the FGDs with the local NGO, Gram Panchayat officials and local citizens, it is found that soon after subsidy amount is released to the beneficiary accounts, they have disposed the machinery to others.
- k) **Performance of the units pertaining to the year 2014-15, 2015-16 and 2016-17:**
- l) It is significant that 278 units were verified by the team members and found that all the units are running in perfect manner with good profits pertaining to the year 2014-15, 2015-16 and 2016-17.
- m) **Financial Assistance received by the beneficiaries under CUY Scheme:** 572 beneficiaries have contributed an amount of Rs223 lakhs towards 5% of beneficiary contribution for establishment of Automatic/Mechanized Coir Yarn Spinning Units and Coir Fibre Extraction Units , Banks have provided term loans of Rs.2,453 lakhs towards 55% of the project cost, and Coir Board has provided grant/subsidy amount of Rs. 1,784 lakhs towards subsidy amount of 40% of the project cost. The subsidy amount of Rs.1784 lakhs has been kept in Fixed Deposit for two years. After 2 years period, subsidy amount will be transferred to beneficiaries account subject to

satisfaction of the performance of the unit in joint inspection by bankers and Coir Board officials.

n) Entrepreneurship Development Programme (EDP):EDP is mandatory for all Coir Udyami Yojana beneficiaries. The findings indicate, all of the beneficiaries of CUY scheme have got training on general coir work training and on yarn, mat making and coloring

o) Production & Turnover of Coir products of Fibre & Yarn: The study found 93.35 % coir Yarn units have annual turnover of Rs.105.64 crore and 6.64% coir Fibre units have annual turnover of Rs.22.70 Crore. 7.34% of the units are not in existence.

p) Yarn Production & Productivity from each machine per day: Yarn can be produced @ 60 Kg from each machine per day per 8 hours. CUY beneficiaries in Odisha are able to produce at 50kg per day in one shift for which the beneficiaries explained the reasons for low production that power fluctuations are more and frequent absent of labour . Whereas, the Beneficiaries from Kerala state are capable to produce 58 kg per day per one shift which is significant. An average production of 55 kg per day by beneficiaries from Tamilnadu, Karnataka and Andhra Pradesh are found good

q) Problems of the Beneficiaries

a) The major problems identified by the beneficiaries are poor quality of raw materials (44.82%) and non-availability of raw material (43.65%). The other problems acknowledged by the beneficiaries are health problems (28.33%), breakdown of machines (22.48%) and frequent power failure (20.22%) (Chart 4.5).

b) Availability and quality of the raw materials were the main problems identified by the beneficiaries.

c) Some of the beneficiaries in Tamil Nadu informed that the cost of raw material is very high for them. The cost of one bundle of raw material (30kg.) is Rs. 400/-, of which 5 kg. will be waste.

d) Most of the beneficiaries are of the opinion that the irregular supply of electricity during the day time affects both the quantity and quality of yarn produced. Some of the beneficiaries held that the exorbitant electricity bills often restraints them from using the Automatic Spinning ratts continuously for a long time.

- e) As there is no direct marketing facility for the beneficiaries in Andhra Pradesh, Odisha and Karnataka are facing difficulty in marketing their products. Therefore they are compelled to sell their products to middlemen and they are paying the price of the products less than the market price. It affects their income generation.
- f) As there is no health insurance such as ESI, most of the beneficiaries are suffering from various health problems like asthma, back pain, joint pains, etc.

Marketing Support Assistance to the beneficiaries of Coir Udyami Yojana

It is noticed that Marketing Consortium of Coir Udyami Yojana beneficiaries is not established in Andhra Pradesh, Odisha and Karnataka. Due to lack of Marketing Consortium of Coir Udyami Yojana beneficiaries, lot of problems are facing by the CUY beneficiaries as follows

- 3. Sale their production in local market where lot of price variations are found
- 4. Purchase the Raw Material with high rates

5.2 Observation on Procedure for selection of beneficiary under CUY Scheme

It is observed and found as per the desk review that all the beneficiaries have submitted their applications to the Regional Offices, Sub-Offices of the Board through District Industries Centres to avail financial assistance by way of the term loan from banks, subsidy from Coir Board, One of the members of the Regional Selection Committees of the Scheme is District Industries Officer of the area. DIC is also the nodal agency for promotion of CUY Scheme and collection resource for application and to take up any issues with District Level Bankers' Committee Meeting. The beneficiaries have attached the following document which are mandatory along with prescribed Application Form for Scheme assistance

- 1. Copy of Title Deed of the property where unit is proposed to establish
- 2. Proof of Coir Industry experience
- 3. Proof of training availed from Coir Board
- 4. Machineries proposed to be purchased along with Invoice
- 5. Industrial Establishment Certificate issued by DIC
- 6. Plan & Estimate for construction of workshop duly certified by Chartered Engineer
- 7. Project Profile of the proposed project
- 8. In case of SC/ST, copy of Caste Certificate

The applications received by the Regional Offices, Sub-Offices of the Board through District Industries Centres were referred to the Regional Level Selection Committee for its consideration.

A Regional Level Selection Committee, consisting of the following members, was set up to scrutinize the applications received by it.

- I. Industries Commissioner / Director of Industries / Officer-in-charge of coir activities in the State - Chairman*
- II. Lead Bank Manager / SLBC Nominee - Member*
- III. Representatives (one each) from 3 major Banks operating in the region - Member*
- IV. One representative of SC/ST Corporation - Member*
- V. Representatives of Zilla Panchayat - Member*
- VI. General Manager, DIC - Member*
- VII. One nominee of the State Industries Department of each State of the region - Member*
- VIII. Officer-in-charge of the Field Office of Coir Board – Convener*

- a) The Beneficiaries selection was made by the Regional Section committee consisting of Regional Officer , Coir Board, Bankers, General Manager of District Industries Centre, and concerned Panchayati Raj Institutions .
- b) The identification of beneficiaries at different regions were done by a committee consisting of representatives of the Coir Board, DIC, Coir Project Office, Banks, Panchayati Raj Institutions etc.
- c) The committee was headed by the Industries Commissioner / Director of Industries / Officer-in-charge of coir activities in the State.
- d) The Banks, DICs, Project Offices, Panchayati Raj Institutions have referred the applications to the Selection Committee Convenor, who is the Officer-in-charge of the respective Coir Board Field Offices, for its consideration.
- e) The selection process has been done in a thorough, transparent, objective, just and fair process and the names of the selected application by the committee were displayed in the website of the Coir Board.

Rejections: Cases of inflated costing on machinery/building and other elements of a project with a view to availing higher amount of subsidy were not allowed and such applications have been rejected and the applicant who is not having experience in coir sector are also rejected. Non-viability of the unit in some areas were also rejected by the committee.

5.3 Observations on Criteria for selection of Beneficiary

- 1 The selection of beneficiary has been done on merit on 'first-come-first-served' basis.
- 2 As Entrepreneurship Development Programme is mandatory for all beneficiaries of the Coir Udyami Yojana. the applicants have undergone EDP before the Regional Level Selection Committee recommends the applicants to the Bank along with the training certificate enclosure to the application while it is recommending to the banks for consideration.
- 3 The Officer-in-charge of the Field Office of the Coir Board has scrutinized the applications and the applications which are complete in all respects were placed before the Regional Level Selection Committee.
- 4 The Regional Level Selection Committee has scrutinized the application based on experience, skill and viability of the projects and also interview the applicants to assess their knowledge about the proposed project, aptitude, interest, skill and entrepreneurship abilities, market available, sincerity to repay and make the proposed project success.
- 5 Thereafter the selected applications were forwarded to the Banks.
- 6 The banks have taken their own decision on the basis of the viability of each project. No collateral securities are insisted by the banks in line with the guidelines of RBI for projects covered under CGTF Scheme.
- 7 When the applications are rejected by the Bank, the reasons for rejection were furnished by the banks in writing to the Coir Board Field Office and the applicants concerned mentioned in the following chapters

5.4 Observations on Fund Flow Mechanism:

The team members have interacted with the bankers and Regional Officers in 5 regions of Kerala, Tamilnadu, Karnataka, Andhra Pradesh and Odisha to find out the Funds Flow Mechanisation adopted to release the loans to the applicants of Coir Udyami Yojana and

found that the funds flow mechanization system is adopted in significant manner and detailed observations are as follows:

- a) Government of India has provided the funds under the Coir Udyami Yojana to the Coir Board.
- b) After the application is approved by the bank, the bank has intimated the approval to the beneficiary and Coir Board. On receipt of sanction from the bank the eligible Government Grant for the approved project was deposited by Coir Board with that bank. Banks have taken their own credit decisions on the basis of viability of each project. They have appraised the projects both technically and economically for ensuring the investment actually warranted by their own mechanism.
- c) Margin Money (subsidy) in advance based on the sanction received was placed lump sum deposit in the name of Coir Board with the Nodal Bank in each State for release of Margin Money (subsidy).
- d) The beneficiary has deposited their quantum of investment (beneficiary contribution) necessary for the purpose to the concerned bank within 30 days of the receipt of letter from the bank confirming sanction of his loan.
- e) The bank has released the term loan to the beneficiary within 30 days of receipt of Margin Money (subsidy) from Coir Board.
- f) The Margin Money (subsidy) on the actual investment in terms of capital expenditure only was retained for commencement of production.
- g) The loan has been covered under the CGTF Scheme under O/o. Development Commissioner, Ministry of MSME. The guarantee fee for the coverage was borne by the beneficiary or the bank. No collateral / third party guarantee has not been obtained from beneficiary for release the loans.
- h) Coir Board has carried out the important task envisaged in the forward and backward linkages including e-tracking, web management, publicity, physical verification of units through APITCO Government Autonomous body ,organized training programme, awareness workshops etc.
- i) Since the bank representatives are also a member of the Selection Committee it is ensured that maximum number of projects, cleared by the Selection Committee is

sanctioned by the banks. The selection committee has also reviewed the performance of the banks and the loan recovery and repayment status in the quarterly review meetings.

- j) Once the project proposals are received by the Coir Board Field Office the details of such proposals are uploaded in the web based application tracking system with a unique registration number for each beneficiary to enable the entrepreneurs to track their application status at any point of time.
- k) Till such time the e-tracking system use to be fully operational (for which detailed guidelines should be issued by Coir Board separately to the Field Offices). This aggregated data in respect of progress of each application assistance availed by beneficiaries belonging to special categories (category wise), employment details etc. are maintained by the Field Offices and data will be reconciled by Coir Board Head Office.
- l) The details of the sanction received from the Banks was reported to the Coir Board Head Office by the Field Offices and Head Office has deposited lump sum subsidy in the Savings Bank Account in the name of Coir Board in the Nodal Bank of the respective Bank.
- m) The eligible subsidy for the approved project was released by the Nodal Bank after receiving the official confirmation from the Implementing Bank that 1st installment of the loan has been released to a particular beneficiary based on the projections of Capital Expenditure in the project report.
- n) The Banks have not charged the interest on the loan to the extent of subsidy amount from the total loan.
- o) Once the Margin Money (subsidy) is released in favour of the beneficiary, it is kept in the Term Deposit Receipt of two years at branch level in the name of the beneficiary.
- p) Since the Margin Money (subsidy) is to be provided in the form of subsidy (grant), it is credited to the beneficiary's loan account after two years from the date of first disbursement to the beneficiary, by the Bank.

5.5 Observation from Bank Managers on CUY Scheme performance

- a) All the Loans Covered under Credit Guarantee Trust Fund Scheme by the Nationalized Banks
- b) In few cases around 10% of the loans are defaulted and rest of the loans are regular

- c) A very few loans around 2% have been classified as NPAs and rest of the Loans are classified as Standard
- d) *Individual Inspections are being taken up and suggested for joint inspections*
- e) *The present procedure for sanction of loans is quiet sufficient and opined that no need of other simplification of proceduresl*
- f) *Few Applications for sanction of loan under CUY are rejected due to Non-viability of the unit*
- g) *Frequent Monitoring is only suggestion for reducing the NPA regarding the incidence of NPA in CUY loans*
- h) *The Rate of Interest @ 11.25% is being charged on the term loans released by the banks to the beneficiary under CUY Scheme*
- i) *Rate of interest chargeable for the loans shall be at par with base rate. Repayment schedule may not exceed 7 years , hence rate of interests will be declined which will not be affected the repayment of the loans by the beneficiary and their sustainability.*
- j) *Opined that all the accessories included in the model project prepared by Coir Board for implementation of the scheme are beneficial for the production of quality coir products and Generator is to be added in the project to avoid power fluctuation which effects the production.*
- k) *It is opined by the Bankers that they did not identified the hurdles faced in the implementation of the scheme in accordance to the approved operational guidelines.*
- l) *It is strongly suggested by the Bankers from Andhra Pradesh, Odisha and Karnataka that the Marketing Support Assistance /Establishing Marketing consortium is required to be provided in the Scheme to the CUY beneficiaries to avoid non availability of market and to avoid variation in the sale price.*
- m) *It is strongly opined by the Bankers that the Coir Udyami Yojana scheme is to be continue, as good employment generation and self sustainable scheme*

5.6 Recommendations

- a. Marketing Consortium with CUY beneficiaries is needed to be established under CUY Scheme especially in Andhra Pradesh, Odisha and Karnataka
- b. Advised to Introduce New Value Added Products and to create a Digital market for producers to sell their products anywhere at the best price

- c. Skill up gradation training programmes are to be provided to the beneficiaries and coir workers, so as to increase the production with new techniques
- d. For the availability of the coir fibre for spinning, sufficient measures should be taken to reduce the shortage of the fibre by procuring the coconut fibre from production centres in other coir producing states to supply in states like Kerala
- e. Proper awareness has to be created for all beneficiary societies regarding the procedural formalities to enable them to submit applications with necessary required documents in time
- f. Government of India may take necessary initiatives through Coir Board and State agencies for modernizing industry with up gradation of technology and focus on design development & skill development among the workers on war footing basis. In this regard necessary funds may be provided under various available schemes for all needy beneficiaries.
- g. The health condition of most of the beneficiaries is found to be poor. So in order to take care of the health problems of the beneficiaries, ESI facility may be extended to the beneficiaries and all the beneficiaries may be advised to register their names with Pradhan Mantri Suraksha Bima Yojana Policy of Government of India for coverage of life risk insurance
- h. After evaluation of the scheme, it is strongly recommended to consider continuation of the scheme in the XIIIth five year plan with the changing needs in coir sector to secure the life of coir workers duly taking up the scheme under **Prime Ministers Employment Generation Programme (PMEGP)** where financial assistance is being provided up to the project cost of Rs.25 lakhs, out of which 5% contribution from beneficiaries, 35% subsidy will be provided under PMEGP programme and remaining 60% amount will be provided towards Term Loan by concerned Banks. The Subsidy will be provided on working capital also under PMEGP. As more benefits are involved under PMEGP Scheme, the Coir Udyami Yojana Scheme may be merged with PMEGP and technical assistance can be provided by the Coir Board. Women, SC, ST and Minorities may be provided financial assistance under CUY Scheme duly reducing the Targets.

5.7 Conclusions

- a. The impact assessment of Coir Udyami Yojana Scheme(CUY)on various aspects of implementation and outcomes of the scheme indicates that the scheme has been successful in the selected states of the country. The scheme has enabled provide employment generation to the men and women to increase their income thereby accelerating their empowerment and self esteem. Certain modifications in the implementation of the scheme will help in repeating the success in the coming years. The Scheme is required to be continued in the XIIIth five year plan plan with the changing needs in coir sector to secure the life of coir workers duly taking up the scheme under **Prime Ministers Employment Generation Programme (PMEGP)** where financial assistance is being provided up to the project cost of Rs.25 lakhs, out of which 5% contribution from beneficiaries, 35% subsidy will be provided under PMEGP programme and remaining 60% amount will be provided towards Term Loanby concerned Banks. The Subsidy will be provided on working capital also under PMEGP. As more benefits are involved under PMEGP Scheme, the Coir Udyami Yojana Scheme may be merged with PMEGP and technical assistance can be provided by the Coir Board. Women, SC, ST and Minorities may be provided financial assistance under CUY Scheme duly reducing the Targets.

GRES-INDIA										
Evaluation Study of Coir Udyami Yojana Scheme of Coir Board										
Interview Schedule for CUY Beneficiaries										
1. General										
1.1 Name of Applicant / Institution / Consortium and Unit										
1.2 Address for communication										
State :					District					
Taluk :					Village					
PIN :										
Mobile No :										
Email ID										
1.3 Category <i>(Please put Tick (√) mark in the appropriate boxes)</i>										
Individual	SHG	NGO	Co-op. Society	JLG	Charitable Trust	Pvt. Ltd. Co	Public Ltd.co	exporter		
1.4 Gender: Male Female										
Age :										
Community		SC	ST	OBC	Minority	others				
1.5 Registration details <i>(Please put Tick (√) mark in the appropriate boxes)</i>										
Individual	SHG	NGO	Co-op. Society	JLG	Charitable Trust	Pvt. Ltd. Co	Public Ltd.co	exporter		
1.6 Whether Entrepreneurship Development Programme (EDP) undergone:							Yes		No	
If yes , who has provided EDP training Programme: Coir Board/Others(pl. specify)										
Unit Details: New					Existing					
If existing , since how long										
2. Selection Procedure										
2.1 Have you applied for sanction of Capital Expenditure loan under CUY Scheme of coir board : Yes/no										
If yes, mode of submission of application:					online		Off line			
2.2 Have you furnished all the relevant documents: Yes/No										
2.3 Please furnish Loan requirement details at the time of submission of application:										
Capital Expenditure Loan										

Evaluation Study of Coir Udyami Yojana Scheme implemented by Coir Board

Building Type(own/leased/rented)	Work shed, Building etc	Machinery & Equipment	Pre-Operative cost	Total Project cost(excluding working capital)	Working Capital/Cash credit limit	Grand Total
a	b	c	d	e	f	e+f

2.4 What for loan required: *(Please put Tick (✓) mark in the appropriate boxes)*

a. Expansion of existing unit	
b. Establishment of New Unit	

If existing, year of establishment:

2.5 Details of Cost of investment of existing unit (Rs. in lakhs)

2.6 Have you registered with Coir Board before submission of application:

Yes No

3. Project Details

3.1 What Type of product ion made /produced:

Yarn	Fabre	Mats	Matting	Others(Pl. specify)

3.2 Project Cost (Rs.)

i) Building/Work shed

ii) Machinery

iii) Subsidy

iv) If the unit is availing working capital loan, loan amount (Rs.):

3.3 Project Finance (Rs.)

Bank credit (55% of Project cost)	Govt. of India Grant (40% of project cost)	Beneficiary contribution(5% of project cost)	Total Loan sanctioned	Working Capital Loan if any sanctioned
A	B	C	(A+B+C)	

3.4 Have you availed Coir Board Grant/Subsidy:

Yes No

3.5 Date of commencement of project

4. Employment Generation and welfare activities

4.1 How many workers are employed?

	Male	Female	SC	ST	OBC	Others
Full Time						

Part Time						
Seasonal						
4.2 What are the wages pay to the workers per day						
	Male		Female			
Full Time						
Part Time						
Seasonal						
4.3 Do you face any labour problems? Yes/No If 'Yes', rank the following :						
a) Scarcity of workers during b) Hesitation to undergo Peak agri-season training c) Lack of industrial work culture d) Mobility of workers from unit to unit e) Absenteeism f) Frequent advance sought g) Absence of workers' union						
4.4 Specify the source of recruitment of workers						
(a) Through Existing workforce (d) Through partners						
(b) Through Supervisors (e) Direct applications						
(c) Through friends and relatives						
4.5 Specify the type of training imparted to your workers :						
(a) On the job training (b) off the job training						
4.6 Specify the type of motivation						
(a) Financial (b) Financial & Non-financial						
4.7 Please tick the facilities available in your unit						
a. Provision of Masks e. Uniforms						
b. Fire Protection Guard f. Drinking Water Facilities						
c. Disposal of Effluents g. Lavatory Facilities						
d. Rest Rooms						
4.8 Please tick the welfare facilities you offer your workers:						
a. Compensation for accidents/ death f. Canteen Facilities						
b. First aid g. Vehicle Shed						
c. Crèche Facilities h. Maternity Benefits						
d. Insurance Coverage i. Transport Facilities						
e. Refreshment						
5. Production Capacity						
5.1 Annual production capacity of the manufacturing unit as per project	Quantity in tones with Unit					
	Value per Tone					
5.2 Annual expected sales as per project	Quantity in tonnes with					

Evaluation Study of Coir Udyami Yojana Scheme implemented by Coir Board

	Unit	
	Value per Tonne	
6. Production and Productivity Details		
6.1 What is your annual production	Total Qty in MTs	
	Total Value	
6.2 Annual sales	Total Qty in MTs	
	Total Value	
What is average Monthly production:	Qty	Value
What is average cost of production per month		
What is average Sales per month		
What is average profit per month		
6.3 Are you a member of the Marketing Consortium established under CUY Scheme: Y/N		
6.4 Is your Unit Assets insured/renewed? Y/N		
6.5 Whether refund/repayment of loan is made regularly: Y/N		
If not, reasons		
7. Marketing		
7.1 Do you have sufficient demand for your fibre/Yarn?		
7.2 Through whom do you sell your fibre/yarn?		
<ul style="list-style-type: none"> a) Direct b) Through Coir Board Show Rooms c) Native Trader d) Market Trader e) Commission Agent f) Wholesaler 		
7.3 Specify the reasons for selling through native traders:(Rank the reasons)		
<ul style="list-style-type: none"> a. Immediate sales b. Advance payment c. Convenient to sell in small lots d. Long term practice e. Absence of commission agent f. Less rejection cost g. No transport cost 		
7.4 Specify the reasons for selling through Market Traders:		
<ul style="list-style-type: none"> a. Better Price b. Bulk Sales c. Immediate Payment d. Absence of Fibre extraction at Terminal markets f. Less local demand g. Awareness of current industry trends 		
7.5 What are the future prospects for the coir udyami yojana scheme?		
7.6 Give your suggestions for improving the performance of coir udyami yojana scheme		

GRES-INDIA
Evaluation Study of Coir Udyami Yojana Scheme of Coir Board
Interview Schedule for workers in CUY Units

1. Name of the respondent : _____
2. Age : _____
3. Literacy level : No formal education
 : 10th Standard
 : Higher secondary
4. Gender : Male Female
5. Marital status : Married Unmarried
6. Community : SC / Non-SC _____
7. Years of experience : Below 3 years _____
8. Basic work status : Agri Based / Industry Based _____

9. Please tick in the appropriate box:

S. No	Particulars	HS	S	NSND	DS	HDS
I. Wages						
1.	Just and fair considering my workload					
2.	Overtime wages are reasonable					
3.	Considering my experience, the wage is reasonable.					
II. Working Conditions						
1.	Machines and Equipment are in good condition					
2.	Rest pauses are adequate.					
3.	Work places are hygienic.					
III. Financial and Non-financial incentives						
1.	Satisfied with leave facilities					
2.	Satisfied with payment of Bonus					
3.	Loan and advance facilities adequate					
IV. Health and Safety measures						
1.	Insurance facilities adequate					
2.	Safety accessories provided adequately					
3.	Compensation package is just and fair					
V. Supervision						
1.	My supervisors are cordial and friendly					
2.	I can trust what my superior says					
3.	Supervisor handles work-related issues satisfactorily.					
VI. Motivation						
1.	Get appreciation for the work done from my owners					
2.	My skills and experience are adequately used					
3.	My suggestions and views are always accepted					

GRES-INDIA						
Evaluation Study of Coir Udyami Yojana Scheme of Coir Board						
Interview Schedule for Regional Officers of Coir Board						
1. Name & Designation of the Regional Officer, Coir Board						
2. Regional Office Address & Contact Number						
3. How Many Projects sanctioned under CUY Scheme and releases made so far as follows:						
Year	No of Units	Bank credit (55% of Project cost)	Govt. of India Grant (40% of project cost)	Beneficiary contribution(5% of project cost)	Total Loan sanctioned	Working Capital Loan if any sanctioned
		Rs	Rs	Rs	Rs	Rs
2012-13						
2013-14						
2014-15						
2015-16						
2016-17						
4. How did beneficiaries selected for loans under CUY Scheme?						
5. Pl. specify whether subsidy from Coir Board Received Yes/No						
6. Coir Board subsidy amount credited to Beneficiary's A/c (Yes/No)						
7. Coir Board grant amount received by bank reconciled with grant amount credited to beneficiary's account (Yes/No). If No, provide details						
8. Please specify the status of the units year wise						
Year	No of Units sanctioned and loans disbursed	No of units Existing	No of units Working	No of units Not working		
2012-13						
2013-14						
2014-15						
2015-16						
2016-17						
9. Grant Transferred to concerned bank for adjustments to beneficiary account in proportion to the bank loan disbursed. Yes/No						
10. Covered under Credit Guarantee Trust Fund Scheme Yes/No						
11. Pl. specify Whether the loan is defaulted / regular? Yes/No						

Annexure - IV

GRES-INDIA						
Evaluation Study of Coir Udyami Yojana Scheme of Coir Board						
Interview Schedule for Bankers						
<i>Name & Address of the financing branch and Bank</i>						
<i>Name of the State and District</i>						
How Many Projects sanctioned under CUY Scheme and releases made so far as follows:						
<i>Year</i>	<i>No of Units</i>	<i>Bank credit (55% of Project cost)</i>	<i>Govt. of India Grant (40% of project cost)</i>	<i>Beneficiary contribution(5% of project cost)</i>	<i>Total Loan sanctioned</i>	<i>Working Capital Loan if any sanctioned</i>
		Rs	Rs	Rs	Rs	Rs
2012-13						
2013-14						
2014-15						
2015-16						
2016-17						
How did beneficiaries selected for loans under CUY Scheme?						
Pl. specify whether subsidy from Coir Board Received Yes/No						
Coir Board subsidy amount credited to Beneficiary's A/c (Yes/No)						
Coir Board grant amount received by bank reconciled with grant amount credited to beneficiary's account (Yes/No). If No, provide details						
Please specify the status of the units year wise						
<i>Year</i>	<i>No of Units sanctioned and loans disbursed</i>	<i>No of units Existing</i>	<i>No of units Working</i>	<i>No of units Not working</i>		
2012-13						
2013-14						
2014-15						
2015-16						
2016-17						
Grant adjusted to beneficiary account in proportion to the bank loan disbursed. Yes/No						

Covered under Credit Guarantee Trust Fund Scheme Yes/No

Pl. specify Whether the loan is defaulted / regular? Yes/No

If no, details

If yes, since when loanee is defaulted?

Pl. specify Whether the loan A/c has been classified as:

i) Standard

ii) Sub-Standard

iii) NPA

What is the procedure adopted to release of term loan and the inspection procedures adopted by the banks for utilization of the grant component by the bank

Kindly suggest the ways for simplification of procedures, if you feel

What are the reasons for rejection of applications and the time lag taken by the banks for release of the term loan for the accepted application and also the utilization of the term loan by the beneficiary..

What are your suggestions for reducing the NPA regarding the incidence of NPA in CUY loans

What is the interest rates charged on the term loans released by the banks to the beneficiary under CUY Scheme

Pl. suggest whether the impact of any hike in the interest rate on the sustainability of the unit, whether hike in the interest rates has affected the repayment of the loans by the beneficiary, if so suggest remedial measures to overcome the situation.

Pl. suggest Whether the accessories included in the model project prepared by Coir Board for implementation of the scheme are beneficial for the production of quality coir products.

Pl. mention whether identified the hurdles faced in the implementation of the scheme in accordance to the approved operational guidelines and the impact of the deviations made, if any, in the operational guidelines for the speedy implementation of the scheme.

Pl. suggest whether report the impact of the recommendations and modifications of the implementation strategy of the scheme by the Steering and Evaluation Committee constituted for the purpose.

Pl. suggest whether the Marketing Support Assistance provided in the Scheme to the CUY beneficiaries, and comment on the need for continuation of the same as such or modifications required.

Pl. suggest whether to recommend for continuation or otherwise of the scheme beyond the 12th Five Year Plan.

Pl. suggest any other aspects relevant to the implementation of the scheme and suggest modification, if any required for the successful implementation of the Scheme.

What are the future prospects for the coir udyami yojana scheme?

Give your suggestions for improving the performance of coir udyami yojana scheme