

A Study on Organizational Aspects of the Coir Industry Units

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Abstract

Work as a social security is part of man's life. Every man seeks satisfaction in the work he performs. In coir industry, job satisfaction assumes significance from the stand point of employee morale. It is a complex of different attitudes possessed by an individual. These attitudes relate to several aspects of the job in the industry such as wages, supervision, job security, working hours, incentives and working conditions. Job satisfaction describes how contented an individual is with his or her job. The happier people are within their job, the more satisfied they claim to be. In this paper, we survey on focusing on their location, age, type, sources of raw material, period of stocking raw material and finished fiber, sources of capital and its pattern of investment based on the primary data collected through a well-structured interview schedule.

Keywords: Indian coir industry, plan periods, study period

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INTRODUCTION

D.G. Girdhari (1993) in his study —Development of Human Resources in Small Industry identified that there was considerable diversity amongst small-scale industries in relation to their use of human resource practices. Shinnny Philip (1998) in her study observed the human resource management practices and the level of satisfaction of workers in private, the public and co-operative sectors of coir industry. The study showed that due to lack of manpower, planners the coir units were unable to utilize human resources effectively. K. Eresi (2001) in his article stated that a large majority of the units did not have personnel departments and Human Resource Policies.

P. Chillar Mohamed (2004) in his article presented an overall picture of the industrial sickness of coir industries in Tamil Nadu. V. Richard Paul (2004) in his study examined the nature of returns to scale and analyzed the resource-use efficiency in the production and marketing of coconut with the help of the marginal value product using the Cobb-Douglas production function. M. Srimannarayana (2006) after conducting a study in small business units of the Adityapur Industrial Area located at Jamshedpur of Jharkand State in his article observed that the small units did not have formal Human Resource Management policies in place, but they did have Human Resource Management practices which were characterized by the respect of recruitment and selection, training and performance appraisal, informality and flexibility on finding the constraints and opportunities of small business units.

Here, an attempt has been made to study the level of satisfaction of the coir workers in the study area across

their select socio-economic factors keeping them as independent variables. It is believed that the socioeconomic characters of workers play a significant role in determining their level of satisfaction with the job they perform. Accordingly the factors age, gender, marital status, educational qualification; community, basic work status and work experience are taken to measure the level of satisfaction of the workers.

As the Coir industry is a highly labour intensive industry, it is imperative to study the human resource management problems encountered by it. The present study, by analyzing the practices, problems and level of satisfaction of workers, would help the owners of the units to address the labour issues including working conditions so as to make the industry labour-friendly. Hence, the present study, by exposing its potentiality for future growth, could help the industry make an indelible mark in Theni district in particular and Tamil Nadu in general.

Methodology

This section has been devoted to discuss the organisational aspects of the coir units, focusing on their location, age, type, sources of raw material, period of stocking raw material and finished fibre, sources of capital and its pattern of investment based on the primary data collected through a well-structured interview schedule.

Location of units

The selection of an appropriate location ensures smooth and efficient functioning of units with less of operational expenses. Location plays an important role in determining the type of diversification and the nature of linkages generated. It is estimated that production and distribution cost may vary to an extent of 10 per cent simply by virtue of the choice of the enterprise location.¹²⁶ The location-wise distribution of coir units in the study area is presented in Table 3.1.

Table 3.1: Location-Wise Distribution Of Coir Units

Location	Small Units	Medium Units	Total Units
Urban	6 (17.14%)	20 (64.51%)	27 (40.90%)
Rural	29 (82.85%)	11 (35.48%)	39 (59.09%)
Total	35 (100%)	31 (100%)	66 (100%)

Source: Primary data

Figures in brackets are percentages to the total.

Table 3.1 discloses that nearly 58 per cent of the total units of the district are concentrated in rural areas where as. 42 per cent of the units are located in urban areas. With regard to the size of the units, nearly 83 per cent of the small units are located in the rural areas and only 17 per cent of them are located in urban areas. In the medium group units, 73.91 per cent are located in urban areas, followed by 26.09 per cent in rural areas.

Table 3.2: Block-Wise Distribution Of Coir Units In The Study Area

Name of the District	Name of the Block	Number of Units in Block
Theni	Theni	6 (9.09%)
	Cumbam	42 (63.63%)
	Oothukattu	11 (16.67%)
	Kombai	5 (7.57%)
	Gudalur	2 (3.03%)
Total		66 (100%)

Source: District Industries Centre, Theni, 2019 Figures in brackets are percentages to the total

It is learnt from Table 3.2 that out of the total 52 Units, the Pattukkottai, Peravurani, Orathanadu blocks in the district accounts for 36 units (69.23 per cent). Out of these Peravurani, Pattukkottai and Orathanadu units have 18, 14 and 4 units respectively. Next to this block, Thiruvudaimarudur accounted for 6 units by registering 11.54 per cent followed by the Tiruvaiyaru, block with 4 units, (7.69 per cent), Kumbakonam 4 units (7.69 per cent) and Papanasam, 2 units (3.85 per cent).

Age of the Unit

The age of the unit has been the most important factor that determines the experience and performance in coir fibre making. The year-wise formation of the units of the study area is presented in Table 3.3.

Table 3.3: Year – Wise Formation Of Units In The Study Area

Year of Formation	Small Units	Medium Units	Total	Cumulative Total
Before 2009	26	21	47	47
2009 – 2010	1	-	1	48
2010 – 2011	1	2	3	51
2011 – 2012	2	-	2	53
2012 – 2013	-	1	1	54
2013 – 2014	1	2	3	57
2014 – 2015	-	1	1	58
2015 – 2016	1	-	1	59
2016 – 2017	-	2	2	61
2017 – 2018	1	1	2	63
2018 – 2019	2	1	3	66
Total	35	31	66	

Source: Primary data

Figures in brackets are percentages to the total

From Table 3.3 it is clear that out of the total 52 units, 13 (25 per cent of the total units) were started between 1986 and 1990. Between 1991 and 2000, 24 (46.16 per cent) units were started. In group-wise formation, only 7 small (24.14 per cent) units were started prior to 1985. The table further shows that out of 23 medium units, 15 (65.22 per cent) were started after 1996. The lowest number of 3 (13.04 per cent) units were started during 1986-90. However, it is noted that out of the total 20 medium units, 15 were started after 1996.

Type of Organisation

The Selection of the right type of organisation is one of the basic inputs for any business. The details of coir units and their types of organisation are given in Table 3.4.

Table 3.4: Forms Of Organisation Of Coir Units

Type of Organization	Small Units	Medium Units	Total Units
Sole Trading Concern	29 (82.85)	16 (51.61)	45 (68.18)
Partnership Concern	6 (17.15)	15 (48.39)	21 (31.82)
Total	35 (100.00)	31 (100.00)	66 (100.00)

Source: Primary data

Figures in brackets are percentages to the total

From Table 3.4, it is evident that the coir units located in the study area are managed by two types of organizations namely sole proprietorship and partnership. 63.46 per cent of the coir units are sole trading concerns and the remaining 36.54 per cent belong to the partnership type of organization.

The coir units in the study area are either sole proprietorship or partnership type. Among 52 units 33 are sole trading concerns whereas 19 are of the partnership type. Table 3.5 shows the total number of partners in the partnership type of coir units.

Table 3.5: Distribution Of Partners In Partnership Type Of Coir Units

Number of Partners	Number of Units		Total Units	Total no. of Partners
	Small	Medium		
2 Partners	6	8	14 (66.67)	28
3 to 4 Partners	-	6	6 (28.57)	20
5 to 6 Partners		1	1 (4.76)	5
Total	6	15	21 (100.00)	53

Source: Primary data

Figures in brackets are Percentages to the total

Table 3.5 shows that out of the 19 partnership type of coir units, 7 units (36.84 per cent) are managed by 2 partners, where as 11 units (57.90 per cent) by 3 to 4 partners and the remaining 1 unit (5.26 per cent) has 5 to 6 partners. The medium firms with 3 to 4 partners are 11 in number and in total they have 35 partners out of the total 54 partners in the coir units which are the highest. It is also clear that 2 small units have only 2 partners each.

Sources of Raw Material

The raw material is considered as the flesh and blood for any industry. The fibrous husk surrounding the coconut palms basically feeds the coir units. Husks are generally available at rock bottom prices Rs.200-Rs.300 per thousand pieces. The sources from which they meet their requirement is presented in Table 3.6.

Table 3.6: Sources Of Raw Material

Sl. No	Sources	Number of Units		Total
		Small	Medium	
1.	Coconut Groves (own source)	6 (17.14)	8 (25.81)	14 (21.21)
2.	Coconut Merchants	11 (31.43)	14 (45.16)	25 (37.88)
3.	Intermediaries / Husk Dealers	18 (51.43)	9 (29.03)	27 (40.91)
Total		35 (100.00)	31 (100.00)	66 (100.00)

Source: Primary data

Figures in the brackets are Percentages to the total.

It is observed from Table 3.6 that out of the 52 units, 22 (42.31 per cent) depend on husk dealers as their source followed by 19 units (36.54 per cent) who depend on coconut merchants. Only 11 units (21.15 per cent) got husk from their own source (Coconut Groves).

Average Stocking Period of Raw material

The average stocking period of raw material in the small and medium units is presented in Table 3.7.

Table 3.7: Average Stocking Period Of Raw Material (Small And Medium Units)

Avg. Stocking Period (in days)	Small Units		Medium Units	
	No. of Units	Total Avg. Period (in days)	No. of Units	Total Avg. Period (in days)
18.5	9	166.5	8	148
23.5	15	352.5	10	235
28.5	11	313.5	13	370.5
Total	35	832.5	31	753.5
Avg. Stocking Period	23.7857		24.3065	

Source: Primary data

It is understood from Table 3.7 that the prevailing stocking period of raw material for coir units in the study area ranges from a minimum of 17.5 days to a maximum of 27.5 days. Among the 29 small units, 9 have a maximum stocking period of 27.5 days, whereas 6 units have a minimum stocking period of 17.5 days. In between, a maximum of 14 units have a stocking period of 22.5 days. Overall, the average stocking period of raw material for the small unit, worked out to 23.02 days.

In the case of the medium-size units of 23, a maximum of 12 units have a maximum stocking period of 27.5 days, followed by 7 and 4 units which have 22.5 and 17.5 days respectively. Overall, the average stocking period of raw material for these units worked out to 24.24 days.

Average Stocking Period-Finished Fibre

The average stocking period of finished fibre by both small and medium units is presented in Table 3.8.

Table 3.8: Average Stocking Period Of Finished Fibre (Small And Medium Units)

Avg. Stocking Period (in days)	Small Units		Medium Units	
	Number of Units	Total Avg. Period (in days)	Number of Units	Total Avg. Period (in days)
5.5	9	49.5	7	38.5
8.5	11	93.5	14	119
11.5	15	172.5	10	115
Total	35	315.5	31	272.5
Avg. Stocking Period	9.0143		8.7903	

Source: Primary data

It is understood from Table 3.8 that the prevailing period of finished stock of fibre for coir units in the study area ranges from a minimum of 4.5 days to 10.5 days. Among the 29 small units, 11 have a maximum stocking period of 11 days, whereas 8 units have a minimum stocking period of 4.5 days. In between 10 units have a stocking period of 7.5 days. Overall, the average stocking period of the finished coir fibre for the small-size units worked out to 7.81 days.

In the case of 23 medium-sized units, a maximum of 15 units have a maximum stocking period of 10.5 days, followed by 5 and 3 units which have 7.5 and 4.5 days respectively. Overall, the average stocking period for these medium-size units worked out to 9.07 days.

Capital Investment Pattern of Units

Like any other sector, the investment required and the pattern of investment vary from unit to unit in the coir sector. However

by following the norms prescribed by the District Industries Centre (DIC), Thanjavur, on capital invested, the units of the study area have been categorized. As per the norms, the units with capital investment up to Rs.25 lakhs are termed as “Small Enterprises” or “Small units”, units with investment between 25 lakhs and 5 crores are termed “small-scale industries” and units with investment of more than Rs.5 crores but less than Rs.10 crores are termed Micro enterprises.¹²⁷ As per the norms prescribed by the DIC, Thanjavur, the units of the study area fall under two categories only as “Small units” and “Medium units”. It is because the data related to on their investment showed that none of the units of the study area has investment more than Rs.5 crores and thus the third category of classification as “large- size” units becomes irrelevant for the present study.

Classification of Units Based on Investment

Based on capital investment, the units of the study area are classified and their respective total numbers are presented in Table 3.9.

Table 3.9: Classification Based On Capital Investment

Sl. No	Capital Investment Ceiling	Total number of Units	Category	
			Small	Medium
1.	Below Rs.15,00,000	9 (13.63)	9	-
2.	Rs.15,00,001- Rs.20,00,000	15 (22.73)	15	-
3.	Rs.20,00,001 – Rs.25,00,000	11 (16.67)	11	-
4.	Rs.25,00,001 – Rs.30,00,000	13 (19.70)	-	13
5.	Rs.30,00,001 – Rs.35,00,000	10 (15.15)	-	10
6.	Above Rs.35, 00,000	8 (12.12)	-	8
Total		66	35	31

Source: Primary data

Figures in brackets are Percentages to the total.

From Table 3.9, it is clear that out of the total number of 52 coir units in the study area, small sized units are 29 constituting 55.79 per cent, while medium sized units are 23 constituting 44.21 per cent.

It could also be understood from the Table that more than 50 per cent of the small units (13 out of 29) fall in the investment range of Rs.15 lakhs to Rs.20 lakhs. followed by 9 units (17.31 per cent) which have invested between Rs.20 lakhs and Rs.25 lakhs and the remaining 7 units (13.46 per cent) have investment of less than Rs.15 lakhs. In the medium size units of 23, 50 per cent of the units (11 out of 23) fall in the investment range of Rs.30 to Rs.35 lakhs followed by 8 units (15.39 per cent) whose investment range is above Rs.35 lakhs. Only 4 units (7.69 per cent) of that size fall in the investment range of Rs.25 lakhs to Rs.30 lakhs.

Sources of Investment

The sources of investment in coir units are generally of two types, namely “Own Funds” and “Both Own and Borrowed Funds”. The details of the source of investment made in coir units are presented in Table 3.10.

Table 3.10 Sources Of Investment

Sl. No	Sources of Investment	Number of Units		Total
		Small	Medium	
1.	Own	6 (17.14)	11 (35.48)	17 (25.76)
2.	Own as well as Borrowed	29 (82.86)	20 (64.52)	49 (74.24)
Total		35 (100.00)	31 (100.00)	66 (100.00)

Source: Primary data

Figures in brackets are Percentages to the total.

It is understood from Table 3.10 that out of the total 52 units, 49 (90.38 per cent) have their funds from both sources, which stood highest, followed by 3 units (9.62 per cent) which have their own sources to run their coir units. The same trend prevails irrespective of the size of the units operating in the study area.

Sources of Borrowed Funds

The funds borrowed by units are raised through various sources. It is found (vide Table 3.20) that more than 90 per cent of the coir units thrive on both own and borrowed funds. The financial support extended by the commercial banks, co-operative banks and financial institutions like the TIIC, the SSIDC constitute the major source of borrowed funds. The external sources from which they meet their financial requirement are presented in Table 3.11.

Table 3.11: Source Of Borrowed Funds

Sl. No	Sources	Number of Units		
		Small	Medium	Total
1.	Commercial Banks	25	22	47
2.	Co-operative Banks	4	2	6
3.	Financial Institutions	27	24	51
4.	Friends & Relatives	12	6	18
5.	Money Lenders	3	-	3

Source: Primary data

Table 3.11 shows that out of the total 49 coir units, 47 units have borrowed funds from financial institutions followed by 42 units which raised their funds from commercial banks. The sources of friends and relatives and money lenders are used by 19 and 2 units respectively.

Amount of Capital Borrowed

Table 3.12 shows the extent of capital borrowed by coir units of the study area.

Table 3.12: Amount Of Capital Borrowed

Sl. No	Amount Borrowed	Number of Units		Total
		Small	Medium	
1.	Below Rs.5, 00,000	5 (17.2414)	-	5 (8.9285)
2.	Rs.5,00,000 – Rs.10,00,000	9 (31.0345)	4 (14.8148)	13 (23.2143)
3.	Rs.10,00,000-Rs.15,00,000	11 (37.9310)	6 (22.2222)	17 (30.3571)
4.	Rs.15,00,000-Rs.20,00,000	4 (13.7931)	9 (33.3333)	13 (23.2143)
5.	Above Rs.20, 00,000	-	8 (29.6296)	8 (14.2857)
Total		29 (100.00)	27 (100.00)	56 (100.00)

Source: Primary data

Figures in brackets are Percentages to the total.

It is understood from Table 3.12 that among the total 49 units, 13 units (26.53 per cent) have borrowed capital between Rs.10 lakhs and Rs.15 lakhs. whereas 11 units (22.45 per cent) have borrowed between Rs.15 lakhs and Rs.20 lakhs. The same numbers of units have borrowed capital between Rs.5 lakhs and Rs.10 lakhs. However Only 4 (8.16 per cent) units have borrowed capital less than Rs.5 lakhs.

Investment Pattern of Fixed Capital

Funds required to acquire fixed assets are termed fixed capital. It is invested on items like land, building, machinery, furniture and fixtures and vehicles. The fixed capital requirements vary from one unit to another and generally are influenced by the scale of operation. All the owners of the coir units operate their units on their own land and have constructed their own buildings to run such units. It is also found in the study area that no unit runs on leased land.

A reasonable amount of funds is required for purchasing vehicles for transporting the husk the factory, disposing of the coir dust and transporting workers from nearby villages to work sites. The details of the investment pattern of the fixed capital for the small and medium coir units of the study area are presented in Tables 3.13

Table 3.13: Investment Pattern Of Fixed Capital (Small Units) (Rs In Lakhs)

Sl. No.	Particulars	Range of Investments					
		Upto Rs.15 Lakhs (9 Units)		Between Rs.15 Lakhs- Rs.20 Lakhs (15 Units)		Between Rs.20 Lakhs-Rs.25 Lakhs (11 Units)	
		Total Investment	Avg. investment Per Unit	Total Investment	Avg. investment Per Unit	Total Investment	Avg. investment Per Unit
1.	Land	21.35	2.37 (19.77)	41.38	2.76 (17.11)	43.29	3.94 (18.51)
2.	Buildings	15.45	1.72 (14.35)	37.48	2.50 (15.50)	39.13	3.56 (16.73)
3.	Machinery & Equipments	46.76	5.20 (43.37)	120.51	8.03 (49.78)	115.35	10.49 (49.30)

4.	Vehicles	22.75	2.52 (21.02)	38.9	2.59 (16.06)	31.56	2.87 (13.49)
5.	Tools & Appliances	1.56	0.17 (1.42)	3.69	0.25 (1.55)	4.72	0.43 (2.02)
	Total	107.87	11.99 (100.00)	241.9 6	16.13 (100.00)	163.44	21.28 (100.00)

Source: Primary data

Figures in brackets are Percentages to the total.

The average investment per unit on Machinery and Equipment, Land and Buildings (combined) and Vehicles and Tools and Appliances (combined) stand at 52.26,

34.71 and 13.28 per cent respectively for units in the first range.

Table 3.14: Investment Pattern Of Fixed Capital (Medium Units) (Rs In Lakhs)

Sl. No.	Particulars	Range of Investment					
		Between Rs.25 Lakhs –Rs.30 Lakhs (13 Units)		Between Rs.30 Lakhs–Rs.35 Lakhs (10 Units)		Above Rs.35 Lakhs (8 Units)	
		Total Investment	Avg. Investment	Total Investment	Avg. Investment	Total Investment	Avg. Investment
1.	Land	48.45	3.73 (13.58)	49.85	4.99 (16.05)	49.34	6.17 (17.12)
2.	Building	63.65	4.90 (17.84)	58.84	5.88 (18.92)	53.10	6.64 (18.42)
3.	Machine & Equipments	162.76	12.52 (45.57)	137.51	13.75 (44.24)	126.55	15.82 (43.90)
4.	Vehicles	76.75	5.90 (21.47)	59.9	5.99 (19.27)	54.67	6.83 (18.95)
5.	Tools & Appliances	5.56	0.43 (1.56)	4.69	0.47 (1.51)	4.68	0.59 (1.64)
	Total	357.1 7	27.47 (100.00)	310.7 9	31.08 (100.00)	288.34	36.04 (100.00)

Source: Primary data

Figures in brackets are Percentages to the total

It is clear from Table 3.14 that in respect of the medium-size units, the average investment on fixed assets per unit varies on the basis of their total investment ranges which are of three types, namely- 1) Rs.25 to Rs.30 lakhs, 2) Rs.30 lakhs to Rs.35 lakhs and 3) Above Rs.35 lakhs.

The average investment per unit on Machinery and Equipment, Land and Building (combined) Vehicles and Tools and Appliances (combined) stand at 61.61 per cent, 29.15 per cent and 9.24 per cent respectively for units in the first range. For the

units in the second range, their percentages are 62.40, 28.57 and 9.03 and for the units in the third range their percentages are 67.50, 24.96 and 7.54 in the order of the aforesaid fixed assets.

It is further noted that when the range of investment of the units increases the average investment on machinery and equipment also increases. This trend is uncommon on other fixed assets.

Overall Pattern of Investment in Fixed Assets

The overall pattern of the investment in fixed assets of both the small and medium size units is presented in Table 3.15.

Table 3.15: Overall Pattern Of Investments In Fixed Assets (Rs In Lakhs)

Sl. No	Particulars	Small (35 Units)	Medium (31 Units)	Total (66 Units)
1.	Land	106.02 (18.16)	147.64 (15.43)	159.62 (16.47)
2.	Buildings	92.06 (15.77)	175.59 (18.36)	136.72 (17.38)
3.	Machines & Equipments	282.62 (48.40)	426.82 (44.63)	643.62 (46.06)
4.	Vehicles	93.21 (15.96)	191.32 (20.01)	84.15 (18.47)
5.	Tools & Appliances	9.97 (1.71)	14.93 (1.56)	11.17 (1.62)
Total		583.88 (100.00)	956.3 (100.00)	1540.18 (100.00)

Source: Compiled data.

Figures in brackets are Percentages to the total.

The overall pattern of investment on fixed assets by coir units shown in Table 3.15 indicates that on an average 62.17 per cent of the investment on fixed assets goes to Machinery and Equipment, 28.62 per cent to Land and Building (combined) and 19.21 to Vehicles and Tools and Appliances (combined).

It is further understood that nearly 59 per cent of the investment is made on machinery and equipments 30 per cent on land and building (combined) and 10 per cent on Vehicles and Tools and Appliances (combined) by the small size units but it is around 65 per cent, 27 per cent and 8 per cent respectively for the medium size units. However the overall pattern of investment indicated that the investment on machinery and equipment tends to increase when the size of the unit expands.

Pattern of Working Capital

In coir units, the working capital is calculated by taking into account the value of the purchase of husk, the payment on wages, electric charges, and the interest on borrowed capital, and the maintenance of machines, equipments and vehicles. In working capital estimation, the purchase of husk, the payment of wages and the maintenance of machinery assume greater importance. The coir units follow the practice of procuring a large quantity of green husk or dry husk on the basis of either immediate payment or advance cash payment. The average investment pattern of the working capital for the small and medium units is presented in Tables 3.16 and 3.17.

Table 3.16: Investment Pattern Of Working Capital (Small Units) (Rs In Lakhs)

Sl. No.	Elements of Working Capital	Investment Range					
		Upto Rs.15 Lakhs (9 Units)		Between Rs.15 Lakhs-Rs.20 Lakhs (15 Units)		Between Rs.20 Lakhs-Rs.25 Lakhs (11 Units)	
		Total Investment	Avg. Investment	Total Investment	Avg. Investment	Total Investment	Avg. Investment
1.	Raw Materials	7.16	0.79 (35.85)	14.46	0.96 (42.55)	10.37	0.94 (39.03)
2.	Finished Fibre	6.31	0.70 (31.60)	9.07	0.60 (26.69)	8.05	0.73 (30.30)
3.	Cash	6.5	0.72 (32.55)	10.45	0.70 (30.75)	8.15	0.74 (30.67)
	Total	19.97	2.22 (100.00)	33.98	2.27 (100.00)	26.57	2.42 (100.00)

Source: Primary data

Figures in brackets are Percentages to the total.

It is clear from Table 3.16 that in respect of the small units the average working capital investment on its elements varies based on the total investment ranges of units which are generally of three types viz: 1) Upto Rs.15 lakhs, 2) between Rs.15 lakhs and Rs.20 lakhs and 3) between Rs.20 lakhs and Rs.25 lakhs.

The average amount of the working capital locked up on raw material, finished fibre and cash are estimated to be 39.05 per cent, 29.20 per cent and 31.75 per cent respectively by the units in the first category, whereas for the units in the second category their percentages are 38.71, 26.73 and 34.56 and for the units in the third range their percentages are 36.08, 26.54 and 37.38 on the order of aforesaid current assets.

Table 3.17: Investment Pattern Of Working Capital (Medium Units)(Rs In Lakhs)

Sl. No.	Elements of Working Capital	Medium Units					
		Rs.25 Lakhs-Rs.30 Lakhs (13 Units)		Rs.30 Lakhs-Rs.35 Lakhs (10 Units)		Above Rs.35 Lakhs (8 Units)	
		Total Investment	Avg. Investment	Total Investment	Avg. Investment	Total Investment	Avg. Investment
1.	Raw Material	11.34	0.87 (34.78)	11.96	1.20 (40.41)	10.05	1.26 (36.76)
2.	Finished Fibre	9.52	0.73 (29.19)	8.1	0.81 (27.36)	8.24	1.03 (30.14)
3.	Cash	11.75	0.90 (36.03)	9.54	0.95 (32.23)	9.05	1.13 (33.10)
	Total	32.61	2.51 (100.00)	29.6	2.96 (100.00)	27.34	3.42 (100.00)

Source: Primary data

Figures in brackets are Percentages to the total.

It is clear from Table 3.17, that in respect of the medium-size units the average working capital investment on its elements

varies on the basis of the total investment ranges of units which are generally of three types viz 1) between Rs.25 lakhs and Rs.30 lakhs, 2) between Rs.30 lakhs and Rs.35 lakhs and 3) above Rs.35 lakhs.

The average amount of working capital locked up on raw materials, finished fibre and cash are estimated to be 33.02 per cent, 25 per cent and 41.98 per cent respectively for the units in the first range, whereas for the units in the second range their percentages are 32.24, 26.84 and 40.92 and for the units in the third range, their percentages are 30.62, 26.47 and 42.91 on the order of the aforesaid current assets.

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