

**ESTIMATES COMMITTEE
1961-62**

**HUNDRED AND FIFTY-FOURTH REPORT
(SECOND LOK SABHA)**

MINISTRY OF COMMERCE AND INDUSTRY

COIR BOARD, ERANKULAM

(Reports and Accounts)



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 1962/Phalguna, 1883 (Saka)

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CORRIGENDA

HUNDRED AND FIFTY-FOURTH REPORT OF THE
ESTIMATES COMMITTEE (SECOND LOK SABHA)

- Page 1, para 3, line 2 : after 'India' insert ','
Page 3, para 10, marginal heading, line 1 : for
'Overlappin' read 'Overlapping'
Page 4, para 14, marginal heading, line 1 : for
'Qualific' read 'Qualifica'
Page 4, para 15, marginal heading, line 1 : for
'Tenur' read 'Tenure'
Page 6, Footnote, line 1 : for 'fo' read 'for'
Page 7, para 22, marginal heading : for 'o' read 'of'
and for 'Co' read 'Coir'
Page 8, para 24, marginal heading : for 'ncrease'
read 'increase'
Page 9, para 29, marginal heading : for 'Ce' read
'Central Coir'
Page 25, para 74, line 4 : for 'utilisationin'
read 'utilisation'
Page 38, Serial No. 4, line 3 : for 'wth' read 'with'
Page 41, Serial No. 20, line 3 : for 'privde' read
'provide'
Page 42, Serial No. 25, line 3 : for 'They' read
'They'
Page 42, Serial No. 25, line 4 : for 'exereise'
read 'exercise'

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(1961-62)

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Shri N. N. Mallya—*Deputy Secretary.*

INTRODUCTION

I, the Chairman of the Estimates Committee having been authorised by the Committee to submit the Report on their behalf present this Hundred and fifty-fourth Report on the Ministry of Commerce and Industry—Coir Board.

2. A general examination of the published Annual Reports and Accounts of the Coir Board for the year ending 31st March, 1960 was conducted by the Sub-Committee of the Estimates Committee on Public Undertakings whose Report was finally approved by the whole Committee.

3. A statement showing an analysis of the recommendations contained in the Report is also appended (Appendix X).

4. The Committee wish to express their thanks to the officers of the Ministry of Commerce and Industry and the Coir Board for placing before them the material and information that they wanted in connection with the examination of the Annual Reports and Accounts of the Coir Board.

NEW DELHI:

March 16, 1962.

Phalguna 25, 1883 (Saka)

H. G. DASAPPA,

Chairman,

Estimates Committee.

INTRODUCTORY

The husk of the coconut yields a light brown coloured fibre known all the world over as 'Coir'. Innumerable articles are manufactured out of this fibre, the most common of which are the coir rope, rugs, carpets, mats and mattings.

2. Coir has qualities which certain other hard fibres do not possess. It is rot proof and water resistant. It can resist dampness and deaden sound. It imparts coolness in torrid heat and retains warmth in cold weather. It is durable and its uses are versatile. Its Qualities.

3. There are many countries producing coconuts, viz., Philippines, India, Indonesia, Ceylon, Malaya, etc., but only a few extract the fibre from the husk and put it to commercial use. This is because the extraction of the fibre from the husk is possible only when the husk has been immersed in saline waters for some months to liberate the fibres. This process which is called 'retting' requires lagoons and streams and nature has endowed Kerala with extensive backwaters. It is for this reason that even amongst the coconut growing States of India, the industry has taken root in Kerala only. It is the oldest and most developed industry in Kerala. India-Home of Coir Industry.

4. It plays an important role in the economy of Kerala State. It is the most widespread cottage industry in this part of the country and large number of families depend on it for their livelihood. It is estimated that it gives employment to over 4 lakhs of people. Next to agriculture, it can be said that it provides the largest volume of employment on the West Coast of Kerala. The well-being of the persons who are engaged in the industry is, therefore, linked intimately with the fortunes of this industry. In the past, unfortunately, many crises have overtaken this industry causing a great deal of human suffering in its wake. In fact, the principal reason for setting up the Coir Board was this periodical instability. Role in Kerala Economy.

5. Coir plays a significant part in the export trade of the country. It earns foreign exchange to the extent of 8 to 9 crores of rupees annually. The tonnage exported dur- Coir-Foreign Exchange Earner.

ing 1959-60 is estimated to be 14.76 lakh cwts. valued at Rs. 8.59 crores.

Possibilities. 6. Of the husks of coconuts available in the country, only 40.74% are being utilised in the production of fibre and yarn. The rest await intensive research to be put to proper use.

Production. 7. The annual production of coconuts in the country during 1958-59 was estimated at 459 crores. Of this, it would appear that only 187 crores of husks are being utilised for the extraction of coir fibre which is at present estimated to approximate 150,000 tons a year.

Establishment of the Coir Board

Constitution. 8. In 1952 (as already mentioned above), consequent on the crises which overtook the coir industry, a conference of all interests concerned with the industry was convened by the Central Government. It was then decided to set up a statutory board to develop the industry. It was expected of this Board that it would secure and maintain for the industry a certain degree of stability and put it on a secure foundation. Accordingly, the Coir Board was established on the 7th July, 1954 under the provisions of the Coir Industry Act 1953.

II

ORGANISATION

9. The Coir Board consists of a Chairman appointed by the Government of India and thirty-three members representing various interests as follows:—

- (a) growers of coconuts and producers of husks and coir yarn—five.
- (b) persons engaged in the production of husks, coir and coir yarn and in the manufacture of coir products—five.
- (c) manufacturers of coir products—five.
- (d) dealers in coir, coir yarn and coir products, including both exporters and internal traders — five.
- (e) Parliament—three.
- (f) the Governments of principal coconut growing States—five.
- (g) such other persons or class of persons who, in the opinion of the Central Government, ought to be represented on the Board—five.

10. A scrutiny of the above figures seems to indicate that there is an overlapping in the representations given to the 'growers of coconuts' and 'producers of husks and coir yarn' under (a) and (b) above. The representation allowed to the dealers under clause (d) also appears to be on the high side. The persons nominated under clause (g) have hitherto been generally manufacturers or dealers who have already been given separate representation under the other clauses. This has resulted in undue weightage to these interests.

Overlapping in the representation on the Board.

11. The Act stipulates that the Government of the principal coconut growing States shall have five representatives on the Board. In actual practice, however, except in the case of Kerala, a system of rotation is followed in the matter of representation of the other four representatives. The Committee feel that this is not a satisfactory arrangement, particularly in the context of the Act being

specific about the principal coconut growing States being represented on the Board. From Appendix VIII it is clear that the principal coconut growing States are Kerala, Madras, Mysore and Andhra Pradesh. It seems to the Committee that these States should be permanently represented and, if necessary, the representation in the case of other States may be by rotation.

(b) Size of Board.

12. The Coir Industry is not as large as the Rubber Industry. Nevertheless, the number of members on the Coir Board is 33 as against 25 on the Rubber Board. It appears to the Committee in this context that no principles have been laid down for fixing the strength of membership of such commodity Boards. The Committee feel that there are obvious advantages in having a smaller and more composite Board. The representative of the Ministry agreed that the membership of the Board could be reduced and the composition itself rationalised.

(c) Chairman of the Board.

13. The Chairman, who is the principal Executive Officer, has ever since the inception of the Board been an official. The rules, however, do not bar a non-official being appointed. No special qualifications have been prescribed for the post of Chairman. The representative of the Ministry, however, stated that the general criterion adopted was the officer's administrative experience and suitability. He indicated that it was extremely difficult to lay down any principle in this regard which could apply both to officials and non-officials.

Qualifications as prescribed in Third Five Year Plan.

14. Para 25 of Chapter XVI of the Third Five Year Plan indicates that Managing Directors/General Managers should be selected on the basis of technical competence, administrative ability and quality of leadership. The Committee feel that the Chairmen of the various Commodity Boards and Committees should generally be persons of high calibre with varied experience and if possible specialised knowledge of the particular commodity or industry. Due care should be exercised in making selection for this post.

(d) Tenure of the Chairman of the Board.

15. The Committee were informed that generally the tenure of the Chairman of the Board was three years. This is also the period after which it has been the practice to reconstitute the Board. Considering the fact that a newly constituted Board—which meets approximately three or four times a year—it would be some time before the Chairman and members come to be fully acquainted with the

problems facing the industry. Their effectiveness, therefore, could be said to be limited to a period of approximately two of the three years of their tenure. In this context, the Committee would invite reference to para 25 of Chapter XVI of the Third Five Year Plan wherein it has been observed as follows:—

“.....For the proper discharge of his responsibilities, the General Manager should remain in charge of an undertaking for a reasonably long period so that he has an intimate knowledge of the problems and possibilities of his enterprise. Quick changes of appointments must, therefore, be avoided. At the same time, his security of tenure should depend on performance. If he succeeds, he will naturally be continued in office and receive encouragement; if he fails he must expect to be superseded”.

16. *It is seen sometimes that when officials are appointed as Chairman of such boards they are transferred on administrative grounds as soon as they are due for promotion in their parent offices. Such transfers merely on grounds of administrative convenience before their full tenure expires should not be made.*

III

ACTIVITIES AND ACHIEVEMENTS

Statutory functions of the Board.

17. The principal functions of the Board are to regulate production, to promote export, to encourage research and take all other steps necessary for the development of the coir industry. The functions as given in the Act are at Appendix I.

Achievements.

The activities and achievements of the Board could appropriately be considered under the following heads:—

- (a) Export
- (b) Research
- (c) Registration and Licensing
- (d) Statistics
- (e) Standardisation
- (f) Marketing
- (g) Cooperatives

(a) Exports

18. The current production of coir and its products is estimated at 30 lakh cwts. (1,50,000 tons) of which approximately 55% is exported in the form of yarn and coir products. Coir yarn costs approximately Rs. 1,200 per 20 cwts. (1 ton). Coir products cost approximately Rs. 2,000 per 20 cwts. (1 ton).

Quantity and Value of Exports.

19. A statement showing the total quantity and value of exports of coir and coir goods from Indian ports during the period 1950-51 to 1960-61 is given below:—

Year	Quantity (Lakhs Cwts.)	Value† (Rs. in Crores)
1950-51	15.80	10.86
1951-52	12.31	10.27
1952-53	13.00	7.23
1953-54	15.38	8.20
1954-55	15.22	8.49
1955-56	15.20	9.09
1956-57	16.54	9.82
1957-58	13.98	7.90
1958-59	14.23	7.99
1959-60	14.76	8.59
1960-61††	13.42	8.40

†These figures exclude figures of export of Coir cordage and ropes for all the years.

††The figures for 1960-61 are provisional.

20. Thus the volume of exports has not shown any improvement since 1954 when the Board was established. On the other hand, the exports which stood at 15.38 lakh cwts. in 1953-54 (i.e. the year before the setting up of the Coir Board) have never since been equalled except that in 1956-57 it reached 16.54 lakh cwts. The decline in exports has been marked during the four years 1957-58, 1958-59, 1959-60 and 1960-61 when it was 13.98, 14.23, 14.76 and 13.42 lakh cwts. respectively.

21. A break-up of the figures of exports into manufactured (coir products) and unmanufactured coir (coir fibre, coir yarn) since 1955-56 is given below:—

Year	Manufactured		Unmanufactured		Percentage of unmanufactured to the total exports.
	Quantity (Cwts. in lakhs)	Value (Rs. in Crores)	Quantity (Cwts. in lakhs)	Value (Rs. in Crores)	
1955-56	4.02	3.23	11.18	5.86	73%
1956-57	3.73	3.06	12.81	6.76	77%
1957-58	3.88	2.90	10.54	5.22	73%
1958-59	4.15	3.19	10.57	5.03	72%
1959-60	4.30	3.39	11.01	5.47	78%
1960-61†	3.97	3.21	9.99	5.46	70%

These figures reveal that 70 per cent. of the exports are of unmanufactured goods (coir fibre and coir yarn).

22. Of the manufactured goods, the exports of coir matings and coir rugs have also declined sharply since 1953-54. These exports which stood at 2.16 lakh cwts. in 1953-54 have come down to 1.24 lakh cwts. in 1959-60. (Details at Appendix 'II').

23. It is thus apparent that there has not been any appreciable improvement in the volume nor any change in the pattern of export trade since the establishment of the Board. This decline in exports can be attributed to the following causes:—

- (a) Availability of synthetic and other hard fibres, like sisal, abacca, henequen, hemp, etc.

*These figures are provisional

- (b) In some foreign countries, for rugs, carpets, and certain other purposes, coir has been substituted by synthetic fibres.
- (c) The mechanisation of the industry in foreign countries, has resulted in more uniformity and better quality which has consequently led to a decline in the import of finished products. The fact that the import of yarn in foreign countries is duty free is an additional incentive for the import of yarn in preference to the finished product.
- (d) The tariff barriers and quota restrictions imposed by certain countries on this commodity have added to the decline.
- (e) Lack of concessional freight rates for this type of finished goods.
- (f) The export of sub-standard goods or goods which do not correspond to the sample by Indian exporters, due to very keen competition amongst themselves, is also responsible for the decline in exports.

Measures to be taken to increase exports.

24. Thus, the task of the Board in so far as promotion of exports is concerned has indeed been a difficult one. Even so, it was possible for the Board to adopt certain measures which, if had been taken in time, could perhaps have averted this stagnation. For example, it seems to the Committee that the following measures should have been adopted at the earliest opportunity:—

- (a) Specification of standards.
- (b) Licensing and registration of exporters and adoption of measures to prevent competition among shippers and exporters.
- (c) Mechanisation of the manufacturing industry solely for the purpose of export to ensure uniformity and better quality which the foreign market demands.
- (d) Fixing of quotas of finished and unfinished goods in the agreement with foreign countries.
- (e) Obtaining of concession in freight rates from shipping lines.

The Committee recommend that no further time should be lost in implementing the above measures.

25. In 1958-59, the USSR imported 44,617 cwts. of coir mattings and coir rugs which was very nearly 1/3rd of the total exports for that year in that category. The quantity for 1959-60 was 31,462 cwts. The figures for 1960-61 are not available. It is somewhat surprising that a market with such potentialities was not explored till 1958-59. There are doubtless other countries where such potential markets exist. *The Committee feel that an intensive drive for exploration of new markets should be undertaken at a very early date.*

Exports to USSR.

26. The Committee were informed that the Board had received some complaints last year from Middle East countries regarding the quality of coir and coir products exported to them. It was stated that there was a provision in the Coir Industry (Registration and Licensing) Rules, 1958, whereby the buyers could ensure quality of the goods by requesting the Board to arrange for pre-inspection before shipment. Hitherto this provision has not been taken advantage of frequently by the foreign importers. Regarding enforcement of compulsory inspection before shipment, it was contended that it might not be feasible to do so as the traders had been very reluctant to subject themselves to these inspections because of the pattern of their sales to their agents abroad.

Pre-inspection before Export.

27. The Committee feel that quality control and pre-inspection before shipment of coir goods was absolutely necessary in the interest of the trade itself. They understood that foreign countries like Japan had introduced such compulsory inspection before export. The Committee recommend that the feasibility of introducing similar measures here might be considered.

(b) Research

28. Under Section 10(2) (c) of the Coir Industry Act, the Board is charged with the duty of undertaking, assisting or encouraging scientific, technological and economic research and maintenance and assisting in the maintenance of one or more research institutes.

29. The Board has upto now spent a sum of Rs. 4.85 lakhs on this account. The bulk of the expenditure has

Research Institute.

been utilised on the purchase of land and building for a Central Coir Research Institute at Kalavoor in Kerala. The building originally cost approximately Rs. 80,000, but additions and alterations thereto to the extent of Rs. 2 lakhs have since been carried out. The building was taken possession of on the 15th April, 1958 but it took nearly two years to carry out certain necessary alterations/additions to make it suitable for the purposes of the Research Institute. Electric connections were provided in February, 1961 and water supply made available only in July, 1961. Gas connections have still to be provided. In this context, it may also be mentioned that the building for the Regional Coir Research Station at Uluberia in West Bengal has yet to be completed.

30. It will thus be seen that even after seven years of the setting up of the Board, the Research Institute has not started functioning. The Additional Secretary of the Ministry conceded that there had been delays in the setting up of the Institute, but stated that since the building was now practically ready, and the necessary equipment was on the way, it would soon be possible to start the Institute and embark on research.

31. *The manner in which the work regarding the Coir Research Institute was undertaken gives the impression of being casual. Two years in carrying out additions/alterations and another year in providing electrical connection to an essential service like a Research Institute is too long a period. Delays of a procedural nature at any rate should not have been allowed to hamper work on an important item like research work.*

Utilisation
of Coir in
different
ways.

32. Details of the research carried out by the Board is given at Appendix III. Very little appears to have been done so far and the work is not of an impressive character. Research in other countries had made substantial progress in the matter of utilisation of coir. The rubberisation of coir, the mechanised extraction of fibre from green or dry husk, have all been accomplished. *The Committee regret to note that not even experimental work in this direction could be carried out by the Board due to sheer lack of necessary equipment. They would, therefore, suggest that immediate efforts should be made to secure the necessary equipment for the experimental work on rubberisation of coir and mechanised extraction of fibre from green or dry husks, which promise a new future*

for the Industry. The rubberisation of Coir may, if properly developed, substitute for all purposes for which foam rubber is now being used.

(c) *Mechanisation*

33. The Committee note the Board has not drawn up any concrete programme of mechanising the Coir Industry. One or two *ad-hoc* proposals are stated to be under their consideration. The financial implications of mechanising the spinning sector and the matting manufacturing have yet to be fully worked out. *Considering that mechnisation would result in uniformity and better quality products and would improve the competitive strength of this commodity in the export market, no time should have been lost in taking a decision on the matter. It is hoped that now at least a decision would be taken in the matter. Care should, however, be taken that mechanisation does not result in unemployment. Simultaneous steps may be adopted to absorb such persons as may be rendered surplus by mechanisation.*

(d) *Registration and Licensing*

34. Under Section 10(2) (b) & (i) of the Coir Industry Act 1953, the Coir Board is required to take the following measures, to promote the development of the Coir Industry :—

- (b) regulating under the supervision of the Central Government the production of husks, coir yarn and coir products by registering coir spindles and looms for manufacturing coir products as also manufacturers of coir products, licensing exports of coir, coir yarn and coir products and taking such other appropriate steps as may be prescribed;

* * * *

- (i) licensing of retting places and warehouses and otherwise regulating the stocking and sale of coir fibre, coir yarn and coir products both for the internal market and for exports.

35. The Coir Board issued the Coir Industry **Coir Industry (Regulation and Licensing) Rules on 22.2.1958, and promulgated them w.e.f. 22.5.1958** It has thus taken the **Coir Industry (Regulations and Licensing) Rules.** Board about four years to frame these rules. Regarding

the delay it was pointed out to the Committee that the rules were framed and circulated to the industry for eliciting their views in June, 1956. The parties took considerable time in offering their comments as the rules involved a measure of control not to their liking. Thereafter the rules had to be re-drafted and, therefore, it was only possible for the revised rules to be published in the Gazette in July, 1957. *The Committee are not satisfied with the explanation for the delay of four years in the framing and finalisation of these rules. They feel that every effort should be made by Government to ensure that the rules and regulations of such bodies are framed as early as possible and preferably within a year of their constitution.*

Registration
of spindles.

36. The number of spindles registered so far is shown below:—

(a) Kerala	80,354
(b) Mysore	513
(c) Madras	1,508 (prior to grant of exemption)
(d) Other States	Not available.

The Committee were informed that the Board had at the instance of the Government of Madras exempted the spindles and establishments in that State from the operation of the Coir Industry (Registration and Licensing) Rules, 1958 for a period of one year from July, 1960 to start with. They were also informed, that there were about 5 to 6 thousand unregistered spindles in Kerala itself and information regarding the existence of spindles in other States was not available and no steps had been taken by the Board to conduct a survey with a view to secure their registration.

37. *The Committee are surprised that the Board has not been able to enforce registration of spindles in all the States as enjoined under the Act. The Committee do not see any justification for giving exemption to Madras State from registration of spindles and establishments located in that State. Effective measures should be taken to remedy this position and it should be ensured that rules regarding registration are enforced in all the States.*

(e) *Statistics*

38. No accurate statistics were made available to the Committee on the following :—

- (a) the annual production of coconut husks in the various States and the number utilised for extraction of fibre.
- (b) the total production of coir fibre and yarn State-wise.
- (c) the total production of coir products State-wise.
- (d) the amount of internal consumption of coir products.
- (e) the number of persons employed in the coir industry.

39. The Committee were also considerably surprised that the only estimate of internal consumption of coir was based on the "movement of coir and coir products by rail from important railway stations on the West Coast". The important railway stations from which coir products were moved were stated to be Cochin Harbour Terminus, Alleppey Out Agency and Kozhikode. Explaining the difficulties in assessing the internal consumption, it was stated that the number of establishments and production centres were very large and scattered. The units also did not furnish statistics of production, etc. Under these circumstances, it was extremely difficult to collect figures of production. It was, however, stated that they were attempting to licence all reppers in which case authentic data regarding estimated production and actual production of coir would, thereafter, be possible. Licensing of
Reppers.

40. *It is needless to state that statistics are vital to the planning and control of any industry. The Committee would, therefore, suggest that every effort should be made to collect accurate statistics and publish them in the Annual Reports of the Board.*

(f) *Standardisation*

41. The Committee were informed that fixation of grade standards in the coir industry, which was essentially a cottage industry, was somewhat difficult. Further, it was also not easy to ensure conformity to standards in this industry as the production was not mechanised. The Board had, however, formulated standard specifications for coir fibre

on the basis of boxed colour standards in lower grades in collaboration with the Indian Standards Institute. Work of standardisation on the basis of boxed samples of the Anjengo quality coir yarn had also been taken on hand by the Board and was now in the final stages. Formulating standards for other qualities of coir yarn would be taken up by the Board after standards were formulated for Anjengo Yarn. The question of formulating standards for coir mats, mattings, rugs and carpets had been taken up by the Indian Standards Institute.

42. During evidence, the representative of the Ministry stated that there were apparent difficulties in the matter of fixing standards but it was not possible to do so. *The Committee feel that the standardisation of coir yarn and its products is very essential to improve its quality. They, therefore, recommend that the work of standardisation should be expedited and the standards already fixed enforced without delay.*

(g) Marketing

Publicity/ Propaganda. 43. The Board conducts publicity and propaganda for promoting the marketing of coir and coir products. The amount spent on this account by the Board since 1955-56 is given below:

	(In Rupees)				
	1955-56	1956-57	1957-58	1958-59	1959-60
(i) In India	76,259	1,50,429	2,86,044	5,90,299	4,97,865
(ii) Outside India	9,657	15,149	10,705	99,783	9,029
TOTAL	85,916	1,65,578	2,96,749	6,90,082	5,00,894

44. It will be observed that the expenditure on this item rose from Rs. 86 thousands in 1955-56 to Rs. 1.66 lakhs in 1956-57, Rs. 2.97 lakhs in 1957-58, Rs. 6.90 lakhs in 1958-59 and declined to Rs. 5.01 lakhs in 1959-60. The money spent on this account has ranged from 40 to 62 per cent. of the total annual expenditure. Since the inception of the Board up to 1959-60 a total of Rs. 17.39 lakhs has been spent by the Board on this account. Out of this amount Rs. 16 lakhs

have been utilised in India on various measures for promoting sales and increasing consumption like Show Rooms-cum-Sales Depots, advertisements, exhibitions and other propaganda.

45. An officially led delegation representing Tea, Jute, Delegations and Coir Industries toured the U.S.S.R. and East Europe for over two months from June, 1958. The Board had also sent a delegation to the U.K., U.S.A., Canada and Western Europe in March 1959.

46. The Committee were informed that it was too early to attempt to assess the effect of the publicity|propaganda measures at home and abroad. No part of the export or internal consumption could as yet be directly attributed to these measures.

No assessment of effect of the publicity propaganda attempted by the Board.

47. In the absence of any assessment, the Committee are unable to appreciate as to how the Board satisfied itself about the effect of publicity/propaganda and the expenditure incurred thereon. They have already referred elsewhere to the decline in the export of coir goods since the establishment of the Board. The figures of internal consumption, where an increase has been claimed, are also not very appreciable. Apparently, the publicity and propaganda measures have not had their expected impact. *The Committee recommend that a general overall survey of the effectiveness of the methods of publicity and propaganda may be undertaken at a very early date so as to enable such corrective action as may become necessary.*

48. The Board has opened five Show Rooms-cum-Sales Depots at New Delhi, Madras, Bombay, Bangalore and Calcutta. These are primarily intended for the promotion of sales and publicity. The Board earns a commission of 6½% on the sales proceeds of the goods sold by these depots.

Show Rooms-cum-Sales Depots.

49. A statement showing commission earned by each Show Rooms-cum-Sales Depots on their sales since 1956-57 as also the administrative expenditure incurred on each of them is given at Appendix IV.

50. It will be seen that while the administrative expenditure on these sales depots during 1960-61 amounted to Rs. 1,54,639, the commission earned during that year was Rs. 25,849 only which is negligible. The Committee were

informed that it was not possible to make the Show Rooms-cum-Sales Depots self-supporting as everything was sent to them on consignment basis but that there was, however, reason to believe that these Sales Depots had increased internal consumption.

51. In the absence of any reliable statistics, the Committee are unable to express any opinion on the usefulness of these depots. They, however, feel that some criterion of performance should be laid down to judge the utility of these Show Rooms.

52. The Committee were told that out of the 6½% commission earned by the Depots on their sales, 2½% is given to the Manager of the Show Room. No other employee receives any share therefrom. The Committee do not see any justification for giving 2½% commission exclusively to the Managers. The representative of the Ministry agreed that the commission might not be restricted to the Managers only. The Committee recommend that the desirability of distributing the commission to all the employees of these Show Rooms-cum-Sales Depots might be examined by the Board.

Prices
of Coir and
Coir Produ-
cts.

53. The main object of the setting up of the Coir Board was to avoid the crises in the Coir Industry and to maintain a certain degree of stability. A disturbing feature of the Industry is that the prices of husk, fibre and yarn have been subject to sharp fluctuations which adversely affect the producers. It may be mentioned in this context that price stability cannot be achieved without control of the price of husk.

54. The Committee were informed that the price of coir yarn is largely determined by the world demand for industrial hard fibres as, by and large, coir had been and was an export commodity. The strength or weakness of world demand for coir yarn depended on the world demand for other hard fibres.

55. A statement showing the average prices for husk, coir fibre and coir yarn for some years is placed at Appendix V.

From the perusal of the statement it will be noticed that the prices of these articles have been subject to sharp fluctuations even after the setting up of the Board. The Committee feel that the fluctuations in prices could be avoided —

and the industry would gain in stability if steps are taken to regulate the prices of retted husk, coir fibre and coir yarn.

56. In 1956, a Special Committee of the Board framed rules for licensing of retting places with the object of making available husks at reasonable prices to Coir Co-operative Societies and Small producers. The Government of India felt that the absence of provision imposing penalty for non-compliance of the rules would render the enforcement of the rules ineffective in the absence of proper sanction behind them. The Government is stated to be considering the question of amending suitably the Coir Industry Act, to provide for penalty for violation of the rules for licensing of retters, etc. *The Committee recommend that very early action should be taken in the matter.*

Penalty for violation of Rules.

57. The Committee understand that excess installed capacity, limited foreign markets and falling demand for mattings have resulted in ruinous competition and severe underquoting amongst shippers. Apart from loss to national earnings, the competitive underquoting amongst exporters is tending to paralyse and cripple the industry.

Prevention of Unfair Competition.

58. During evidence the Committee were told that they were trying to organise a scheme under which the shippers would be required to make certain deposits with the Board before export. If the shippers made a shipment at a low price, refund of the deposit would also be reduced proportionately by the Board. As the Coir Board had no powers under the Act to call for deposits, a proposal to amend the Act was under consideration. *The Committee feel that as the underquoting of prices generally leads to supply of goods of inferior quality and ultimately injures the trade or industry, an early decision in the matter should be taken.*

59. The Committee were informed that the small scale producers of coir yarn who were poor were compelled to effect distress sales. This regrettable state of affairs could be remedied only by bringing them within the co-operative fold. It was estimated that 20 per cent. of these small producers of coir yarn had so far been brought into the Co-operatives in Kerala State. The producers in Malabar area, which accounted for about 25% of coir yarn, were still unorganised. *The Committee recommend that efforts to organise these small scale producers of coir yarn into Co-operatives should be intensified with a view to eliminate such*

Distress Sales.

— distress sales and other evils.

(h) Co-operatives

60. The Committee were informed that the organisation and administration of Co-operatives was the responsibility of the State Governments. The Coir Board could act only as an adviser in this regard. The Second and Third Five Year Plans for development of the Coir Industry in various States were primarily designed to promote co-operative organisations in the coconut-growing States. It was stated that the pattern of development adopted by the States was in accordance with the schemes recommended by the Board for technical approval by the Government of India. The Committee were informed that roughly one-sixth of the total number of producers of coir fibre and yarn had formed co-operatives. The number of Coir Co-operatives in each State are given at Appendix VI.

Responsibility of the Board in the matter of promoting Co-operatives.

61. It would thus be seen that at present the responsibility of the Board in the matter of promoting co-operatives was very limited and was mainly confined to recommending the schemes of State Governments to the Central Government. The initiative in the matter rested solely with the State Government with the result that in some of the States the progress in Co-operative organisations was negligible.

62. *The Committee are of the opinion that the Board should take more positive interest in the matter of organisation of Co-operatives even to the extent of giving incentives to the producers of Coir fibre and yarn in joining Co-operatives.*

Assessment of the working of Co-operatives.

63. The representatives of the Ministry informed the Committee that no assessment of the working of these Co-operatives had so far been made by Government. *The Committee recommend that early steps should be taken to assess the working of these co-operatives on which very large amount is being spent by Government by way of grants and loans to the State Governments.*

Financial Assistance to the States

64. A statement showing the financial assistance given to the States by the Central Government for the development of Coir Industry during the Second Plan period is given at Appendix VII.

65. At present the financial assistance to the State Governments is being given direct by the Central Government. There is no prior consultation with the Board in—

this regard which is to be normally expected. The Committee feel that the question of diverting and administering the Central Government funds through the Coir Board might be examined. They would also suggest that the Board should exercise proper check and ensure that the amount given to the States is properly utilised for the development of the Coir Industry.

IV

FINANCE AND ACCOUNTS

Coir Fund. 66. Under Section 15 of the Coir Industry Act, 1953, the Board shall form a Coir Fund to which shall be credited:

- (a) the proceeds of the cess made over to the Board by the Central Government.
- (b) Any other fee that may be levied and collected under the Act or the Rules made thereunder.

This fund shall be applied towards meeting the expenses of the Board and the cost of the measures referred to in para 17 above.

Receipts and Expenditure. 67. The principal items of receipts and expenditure of the Board during the years 1955-56 to 1959-60 as shown in the audited Receipts and Expenditure Statements are given below:—

(In Rupees)

Particulars	1955-56	1956-57	1957-58	1958-59	1959-60
1. Receipts :					
(a) Government of India Grant (Receipts under Sec. 14 of the Act)	3,00,664	3,50,000	5,75,000	10,00,000	11,00,000
(b) Miscellaneous Receipts	5,901	10,652	63,489	53,136	51,750
(c) Fees realised on account of Licenses, Registration etc. issued . . . . .	..	..	..	65,505	72,698
TOTAL RECEIPTS	3,06,565	3,60,652	6,38,489	11,18,641	12,24,448
2. Expenditure :					
(a) Administrative expenses	1,19,201	1,01,988	1,37,349	2,07,390	2,13,692
(b) <i>Propaganda and Publicity :</i>					
(i) In India	76,259	1,50,429	2,86,044	5,90,299	4,91,865
(ii) Outside India	9,657	15,149	10,705	99,783	9,029
TOTAL	85,916	1,65,578	2,96,749	6,90,082	5,00,894
(c) Research	2,057	9,928	1,15,921	1,24,030	2,33,258
(d) Statistics . . . . .	..	6,543	8,902	10,235	1,538
(e) Registration and Licensing . . . . .	..	..	..	65,400	55,124
(f) Others	9,872	4,128	..	..	1,538
(g) Suspense Account . . . . .	..	..	..	13,721	6,012
TOTAL EXPENDITURE	2,17,046	2,88,165	5,58,921	11,10,901	10,10,518

	1955-56	1956-57	1957-58	1958-59	1959-60
3. Closing Balances	86,401	58,235	1,37,803	1,45,544	3,72,246
4. Opening Balances	500	86,401	58,235	1,37,803	1,45,544
5. Percentage of Administrative Expenses to the total expenditure	55	35	24	19	21
6. Percentage of expenditure on Propaganda and Publicity to the total expenditure	40	58	53	62	50
7. Percentage of expenditure on Research to the total expenditure	1	5	22	12	23

(a) Receipts

68. The principal receipts of the Coir Board is the cess levied on coir fibre and coir yarn and made over to the Board by the Central Government. Section 13 of the Coir Industry Act under which the cess is levied reads as follows:—

Levy of Cess
on Coir Fibre
and Yarn.

“13. *Imposition of a duty of customs on export of coir fibre, coir yarn and coir products.* (1) With effect from such date as may be specified by the Central Government by notification in the Official Gazette, there shall be levied and collected as a cess for the purpose of this Act a duty of customs on all coir fibre, coir yarn and coir products which are exported, at such rate not exceeding one rupee per hundredweight as the Central Government may, by the same or a like notification from time to time, fix.”

Thus a customs duty can be levied on all exports of coir fibre, coir yarn and coir products upto one rupee per cwt. In actual practice, the levy has been made at the rate of 50 nP. per cwt. on exports of coir fibre and coir yarn only. Coir products have, however, been exempted from payment of cess.

69. The total cess collection upto the end of 1960-61 amounted to Rs. 39,86,000. Against this a sum of Rs. 41,83,364 has been made available by the Government to the Board. Thus the cess collection so far has fallen short of the amount made available to the Board by about Rs. 2 lakhs. *Since the activities of the Board are to be financed from and out of the cess collections vide Section 14 of the Act, the desirability of augmenting its resources may be examined by Government.*

Augmenting
the Resource
of the Board.

(b) Annual Reports

70. The Annual Reports do not contain any detailed information regarding the performance of the Board in relation to its various functions, its annual physical and financial programmes, achievements in relation to the programmes, etc. The Committee have already, on a previous occasion (in para 27 of their 73rd Report on 'Preparation of Budget Estimates of Public Undertakings and Presentation of their Annual Reports and Accounts to Parliament)' sug-

gested that all the public undertakings may be advised to include in the Annual Reports an account of their programmes and achievements in greater detail. *The Committee hope that the Annual Reports of the Board would in future include an account of their activities as indicated above.*

No Audited
Accounts
published in
the Annual
Reports.

71. The Committee were informed that the statements of Receipts and Expenditure appended to the Annual Reports of the Board were provisional and did not contain audited figures. The audited accounts were being published separately. In this connection, the Committee would again invite reference to para 24 of their 73rd Report wherein they have recommended that duly audited accounts should be presented to Parliament. *They would, therefore, recommend that in future the Annual Reports of the Board should contain only figures which are duly audited.*

V

GENERAL

(a) *Utilisation of Husks*

72. The raw material of the Coir Industry is the husk of the coconut. The production of coconuts during the last four years in each of the States is given at Appendix VIII.

73. It will be seen that the annual production of coconuts in the country during 1958-59 was estimated at 459 crores. The Committee were informed that only 187 crores of husks are at present utilised for producing coir fibre. Thus only 40.74% of the total available husks are used for extraction of fibre and the remaining 59.26% of the husks are either used as fuel or going waste. The percentage of husks utilised for the extraction of fibre varies from State to State. Even in Kerala, where the Coir Industry is the most intensive and organised cottage industry, only 58% of the available supplies of husks are put to industrial use.

74. Regarding the utilisation of husks which are going waste, it was stated that a delegation had visited the various coconut growing States in India to study the possibilities of their utilisation. This delegation had also visited Ceylon to study the method adopted in that country for the manufacture of mattress and bristle fibre. They had recommended the introduction of the process adopted in that country for their manufacture. The immense possibilities in the manufacture of mattress and bristle fibre had also been pointed out by a delegation which had visited Western Europe in 1959. Accordingly, the Government of India had agreed to provide necessary foreign exchange for the import of defibering plants for the manufacture of mattress and bristle fibre and steps were under way to grant permission to private parties to set up such plants in the Coconut growing States. *The Committee hope that immediate steps would be taken to instal defibering plants with a view to utilise the husks which are going waste.*

(b) *Training*

75. The Committee were told that the Board did not provide facilities for imparting training to persons in

the improved methods of spinning and weaving of yarn, designing etc. *The Committee feel that knowledge of these methods should be wide-spread as it would improve the quality of coir and its products. They suggest that the Board should make necessary arrangements for imparting such training.*

NEW DELHI;

March 16, 1962

Phalguna 25, 1883 (Saka).

H. C. DASAPPA,

Chairman,

Estimates Committee.

APPENDIX I

(Vide Para 17)

Functions of the Coir Board

- (a) Promoting exports of Coir yarn and coir products, and carrying on propaganda for that purpose ;
- (b) regulating under the supervision of the Central Government the production of husks, coir yarn and coir products by registering coir spindles and looms for manufacturing coir products as also manufacturers of coir products, licensing exporters of coir, coir yarn and coir products and taking such other appropriate steps as may be prescribed ;
- (c) undertaking, assisting or encouraging scientific, technological and economic research and maintaining and assisting in the maintenance of one or more research institutes ;
- (d) collecting statistics from manufacturers of and dealers, in coir products and from such other persons as may be prescribed, on any matter relating to the coir industry; the publication of statistics so collected or portions thereof or extracts therefrom;
- (e) fixing grade standards and arranging when necessary for inspection of coir fibre, coir yarn and coir products ;
- (f) improving the marketing of coconut husks, coir fibre, coir yarn and coir products in India and elsewhere and preventing unfair competition ;
- (g) promoting co-operative organisation among producers of husks, coir fibre and coir yarn and manufacturers of coir products ;
- (h) ensuring remunerative returns to producers of husks, coir fibre and coir yarn and manufacturers of coir products ;
- (i) licensing of retting places and warehouses and otherwise regulating the stocking and sale of coir fibre, coir yarn and coir products both for the internal market and for exports ;
- (j) advising on all matters relating to development of the coir industry ; and
- (k) such other matters as may be prescribed.

APPENDIX II

(Vide Para-22)

Country-wise Export of Coir Mattings and Coir Rugs from the Alleppey and Cochin Ports from 1946-47 to 1959-60
(July—June)

Serial No.	Name of country	1953-54 Qty. (Cwts.)	1954-55 Qty. (Cwts.)	1955-56 Qty. (Cwts.)	1956-57 Qty. (Cwts.)	1957-58 Qty. (Cwts.)	1958-59 Qty. (Cwts.)	1959-60 Qty. (Cwts.)
1.	United Kingdom	1,58,602	1,36,288	1,20,876	99,344	74,141	56,103	46,194
2.	Australia	19,686	12,863	9,437	6,711	5,559	5,088	5,176
3.	U.S.A.	8,786	10,965	9,236	11,549	7,045	10,544	9,674
4.	New Zealand	731	621	417	1,074	287	328	330
5.	Sweden	2,498	2,482	2,717	2,213	1,624	1,128	990
6.	Denmark	2,174	2,386	1,726	1,210	644	418	453
7.	Canada	2,564	2,991	3,609	4,099	3,340	3,938	4,200
8.	South America	197	728	533	1,206	299	271	236
9.	Norway	42	64	131	120	192	132	309
10.	Africa	4,698	2,438	1,947	1,356	780	690	678
11.	Irish Republic	1,240	808	903	382	491	649	359
12.	Belgium	6	498	315	601	103	4	5
13.	Straits	3,676	2,182	274	377	360	205	190
14.	Iraq	7,125	8,079	9,285	5,184	8,781	9,873	15,834

15. Burma	41	28	34	20	6	67	155
16. Karachi (Pakistan)	43	698	148	310	103	106	512
17. Germany . . . . .	..	67	46	442	1,447	1,152	3,545
18. Netherlands	353	596	39	206	15	64	..
19. U.S.S.R. . . . .	..	..	..	..	..	44,617	31,462
20. Other Foreign Countries	3,638	3,677	3,328	4,065	2,678	2,938	4,304
TOTAL	2,16,100	1,88,459	1,65,001	1,40,469	1,07,895	1,38,315	1,24,606

APPENDIX III

(Vide Para 32)

Research Schemes so far undertaken by the Coir Board.

Limited to the existing facilities, laboratory work on certain items of fundamental research (*e.g.* laboratory dyeing of coir and studies in moisture absorption of coir *vis-a-vis* the relative humidity of atmosphere to which it is exposed) has recently been initiated at the Central Coir Research Institute. A Plan of research has already been drawn up and the work initiated conforms to the problems envisaged under Fundamental Research, as far as facilities available permit such work.

Studies on pedal operated spinning machine were taken up. As a result of the series of trials conducted on the machine, steps have been taken in collaboration with the Small Industries Service Institute, Trichur, for the fabrication of an improved type of the spinning machine.

Besides these, as a result of the laboratory scale investigations and experiments undertaken by the Coir Technologist by arrangement with the Department of Chemical Technology of the University of Bombay till the end of March 1960, an important achievement has been the development of a process for the production of Coirolite, a thermosetting plastic incorporating coir waste and coconut pith as the filler material. A certain amount of data on the physical, chemical and biological properties of coir as also information on dyeing and bleaching of coir have also been collected. Certain dyeing trials were also carried out on a few types of machines which are commonly used in the textile field. Though certain advantages were observed with the machine dyeing of coir yarn, the investigations to date would indicate that open-beck dyeing with a circulatory system is the best possible arrangement in the existing circumstances. Similarly, for want of the requisite facilities for work at the Institute, one Senior Research Assistant deputed to the Central Coconut Research Station, Kayangulam, has been working on the various aspects of chemical and biological retting of coconut husks, for a year ending in August 1961. His experiments have given certain interesting indications on the line of research work undertaken and are to be pursued.

APPENDIX IV

(Vide Para 49)

(a) Statement showing Commission earned by the Board on Sales from the Board's Show Rooms and Sales Depots

Show-rooms and Sales Depots	Date of Opening	Commission earned by the Board at 6 1/4 %						Total					
		1956-57		1957-58		1958-59			1959-60		1960-61		
		Rs.	nP.	Rs.	nP.	Rs.	nP.		Rs.	nP.	Rs.	nP.	
1. New Delhi	April, 1956	1,999.00		5,479.00		8,770.00		9,493.00		10,014.00		35,755.00	
2. Madras	May, 1958			..		1,948.00		3,635.00		4,002.00		9,585.00	
3. Bombay	June, 1958					1,244.00		3,584.00		5,112.00		9,940.00	
4. Bangalore	January, 1959					202.00		3,402.00		3,560.00		7,164.00	
5. Calcutta	August, 1959					..		1,113.00		3,161.00		4,274.00	
TOTAL		1,999.00		5,479.00		12,164.00		21,227.00		25,849.00		66,718.00	

The Board is getting a commission of 6 1/4 % of the sales/proceeds of the goods sold. Out of this a commission of 2 1/2 % is given to the Manager of each Show-room. No other employee gets any amount from the commission earned by the Board.

(b) Statement showing Administrative Expenditure on each of the Show Rooms of Coir Board.

Show-rooms	1956-57	1957-58	1958-59	1959-60	1960-61
<i>Delhi</i>					
Pay and Allowances	8,305	13,024	14,903	10,800	13,631
Other charges	34,170	19,526	24,099	30,021	30,705
TOTAL	42,475	32,550	39,002	40,821	44,336
<i>Bombay</i>					
Pay and Allowances	8,547	14,306	15,281
Other charges	..	24,911	66,924	34,008	30,498
TOTAL	..	24,911	75,471	48,314	45,779
<i>Calcutta</i>					
Pay and allow- ances	4,957	9,433
Other charges	8,100	17,883	13,278
TOTAL	8,100	22,840	22,711
<i>Madras</i>					
Pay and allow- ances	8,649	9,935	11,814
Other charges	..	33,101	19,503	12,993	11,476
TOTAL	..	33,101	28,152	22,928	23,290
<i>Bangalore</i>					
Pay and Allow- ances	650	6,239	9,267
Other Charges	35,923	14,539	9,256
TOTAL	36,582	20,778	18,523

APPENDIX V

(Vide Para 55)

Average Monthly Prices of Raw and Retted Coconut Husks

(Price per 1000 husks)

Months	ANJENGO					
	1957		1958		1959	
	Raw	Retted	Raw	Retted	Raw	Retted
	Rs.	nP.	Rs.	nP.	Rs.	nP.
January	47.50	50.00	39.00	44.60	36.25	42.50
February	43.75	50.00	41.25	48.13	36.87	42.75
March	40.00	47.12	36.25	48.25	35.00	43.12
April	34.37	44.33	36.88	45.00	33.12	42.50
May	33.00	47.80	30.50	41.00	30.50	43.90
June	31.25	47.63	29.00	40.75	30.00	42.50
July	29.75	47.38	30.00	40.63	30.00	42.50
August	28.90	44.00	29.00	41.00	30.00	42.50
September	30.00	43.75	34.37	45.63	30.62	43.12
October	32.75	40.88	38.00	49.00	33.75	42.50
November	39.30	45.00	40.00	45.00	34.38	42.50
December	40.00	44.38	36.25	41.88	38.88	45.00

Average Yearly Prices of Coir Fibre at the Cochin Market

1950 to 1959

(Price per Bale of 200 lbs.)

Year	No. 1 Rs. nP.	No. 2 Rs. nP.	No. 3 Rs. nP.
1950	83.03	81.04	75.65
1951	112.71	110.64	105.32
1952	69.01	66.14	61.63
1953	55.95	53.17	47.79
1954	60.57	57.17	52.65
1955	76.06	72.69	68.50
1956	75.40	72.17	68.18
1957	69.98	66.37	62.36
1958	58.10	54.67	49.99
1959	63.89	59.88	55.14

(Source Pages 20 & 21 of Coir Statistics)

Average Yearly Prices of Anjengo Superior Coir Yarn at the Alleppy Market

(Price per candy of 6 cwts.—Middle Grade—Dry Baled Weight Basis)

Year	(July—June)	Rs. nP.
1946-47	343·32
1947-48	317·63
1948-49	256·94
1949-50	308·68
1950-51	500·30
1951-52	383·06
1952-53	258·41
1953-54	297·67
1954-55	316·25
1955-56	325·97
1956-57	311·29
1957-58	275·19
1958-59	267·96
1959-60	272·95
1960-61	322·22

APPENDIX VI

(Vide Para 60)

Formation of Coir Cooperative Societies during the Second Plan period

Kerala State	367
Madras State	31
Mysore State	22
Maharashtra State	9
Orissa State	6
Andhra Pradesh State	5
West Bengal State	2
Gujerat State	1
Pondicherry	1

APPENDIX VII

(Vide Para 64)

Statement showing Financial assistance sanctioned to state governments for Schemes for the Development of Coir Industry during the Second Plan Period

State	1956-57		1957-58		1958-59		1959-60		1960-61		
	Loan Rs.	Grant Rs.	Loan Rs.	Grant Rs.	Loan Rs.	Grant Rs.	Loan Rs.	Grant Rs.	Loan Rs.	Grant Rs.	
Kerala	..	11,17,250	3,60,921	7,00,000	79,500	2,43,044	1,92,000	9,79,000	71,000	11,49,000	7,69,000
Madras	..	65,650	8,000	1,20,825	14,950	30,000	8,000	53,000	12,000	1,77,000	2,47,000
Orissa	..	10,625	1,000	10,625	1,500	8,000	2,000	12,000	24,000	Nil	Nil
Mysore	40,000	4,200	2,500	..	59,000	13,000	5,17,000	3,80,000
Andhra Pradesh	8,050	6,400	..	..	76,000	37,000	88,000	73,000
Bombay	8,325	11,121	11,500	2,465	11,000	2,000	Nil	Nil
West Bengal	38,000	13,000	71,000	45,000
TOTAL	..	11,93,525	3,69,921	8,87,825	1,16,771	2,95,044	2,04,465	12,28,000	1,72,000	20,02,000	15,14,000

APPENDIX VIII

(Vide Para 72)

Production of Coconuts in Thousands

States	1955-56	1956-57	1957-58	1958-59**
Kerala	30,99,000	31,82,000	31,99,000	32,48,000
Madras	4,17,327	4,15,992	4,15,109	4,30,393
Mysore	3,55,286	4,23,541	4,23,584	4,85,800
Maharashtra }	39,121	40,634	40,634	40,634
Gujerat }	950*	950*	950*	950*
Andhra Pradesh	2,33,007	3,06,660	3,15,484	3,25,124
Orissa	32,576	35,766	35,766	15,937
West Bengal	22,205	22,205	22,205	22,205
Assam	12,787	12,787	12,787	12,787
Andaman and Nicobars	2,500	2,500	2,500	2,500
Lacadive and Aminidivi	9,625	8,751	8,751	8,751
Pondicherry	†	6,216	6,216	6,216
TOTAL	42,24,384	44,58,002	44,82,986	45,99,297

*Production in respect of Kutch district has not been included as the figures have not been received from the State Government.

**Provisional.

† Figures not available.

Source : Indian Central Coconut Committee, Ernakulam.

APPENDIX IX

Statement showing the summary of Conclusions/Recommendations of the Estimates Committee contained in the Report.

Sl. No.	Reference to Para No. in the Report.	Summary of Conclusions/Recommendations
1	2	3
1	10	It seems that there is an overlapping in the representations given to the 'growers of coconuts' and 'producers of husks and coir yarn' under categories (a) and (b). The representation allowed to the dealers under clause (d) also appears to be on the high side. The persons nominated under clause (g) have hitherto been generally manufacturers or dealers who have already been given separate representation under the other clauses. This has resulted in undue weightage to these interests.
2	11	The Committee feel that the system of rotation now followed in the matter of representation of principal coconut growing States on the Board is not a satisfactory arrangement, particularly in the context of the Act being specific about the principal coconut growing States being represented on the Board. It seems to the Committee that these States should be permanently represented and if necessary, the representation in the case of other States may be by rotation.
3	12	The Committee feel that there are obvious advantages in having a smaller and more composite Board.
4	14	The Committee feel that the Chairmen of the various Commodity Boards and Committees should generally be persons of high calibre with varied experience and if possible specialised knowledge of the particular commodity or industry. Due care should be exercised in making selection for this post.
5	16	It is seen sometimes that when officials are appointed as Chairmen of such boards they are transferred on administrative grounds as soon as they are due for promotion in their parent offices. Such transfers merely on grounds of administrative convenience before their full tenure expires should not be made.

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6	23-24	<p>The task of the Board in so far as promotion of exports is concerned has indeed been a difficult one. Even so it was possible for the Board to adopt certain measures which, if had been taken in time, could perhaps have averted this stagnation. For Example, it seems to the Committee that the following measures should have been adopted at the earlier opportunity :—</p> <p>(a) Specification of standards.</p> <p>(b) Licensing and registration of exporters and adoption of measures to prevent competition among shippers and exporters.</p> <p>(c) Mechanisation of the manufacturing industry solely for the purpose of export to ensure uniformity and better quality which the foreign market demands.</p> <p>(d) Fixing of quotas of finished and unfinished goods in the agreement with foreign countries.</p> <p>(e) Obtaining of concession in freight rates from shipping lines.</p>
		<p>The Committee recommend that no further time should be lost in implementing the above measures.</p>
7	25	<p>The Committee feel that an intensive drive for exploration of new markets should be undertaken at a very early date.</p>
8	27	<p>The Committee feel that quality control and pre-inspection before shipment of coir goods was absolutely necessary in the interest of the trade itself. They understood that foreign countries like Japan had introduced such compulsory inspection before export. The Committee recommend that the feasibility of introducing similar measures here might be considered.</p>
9	31	<p>The manner in which the work regarding the Coir Research Institute was undertaken gives the impression of being casual. Two years in carrying out additions/alterations and another year in providing electrical connection to an essential service like a Research Institute is too long a period. Delays of a procedural nature at any rate should not have been allowed to hamper work on an important item like research work.</p>
10	32	<p>The Committee regret to note that not even experimental work in the direction of rubberisation of Coir and mechanised extraction of fibre from green or dry husk could be carried out by the Board due to sheer lack of necessary equipment. They would therefore, suggest that immediate efforts should be made to secure the necessary equipment for the experimental work on rubberisation of coir and</p>

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mechanised extraction of fibre from green or dry husks, which promise a new future for the industry. The rubberisation of coir may, if properly developed, substitute for all purposes for which foam rubber is now being used.

- 11 33 Considering that mechanisation would result in uniformity and better quality products and would improve the competitive strength of this commodity in the export market, no time should have been lost in taking a decision regarding the programme of mechanising the Coir Industry. It is hoped that now at least a decision would be taken in the matter. Care should, however, be taken that mechanisation does not result in unemployment. Simultaneous steps may be adopted to absorb such persons as may be rendered surplus by mechanisation.
- 12 35 The Committee are not satisfied with the explanation for the delay of four years in the framing and finalisation of these rules. They feel that every effort should be made by Government to ensure that the rules and regulations of such bodies are framed as early as possible and preferably within a year of their constitution.
- 13 37 The Committee are surprised that the Board has not been able to enforce registration of spindles in all States as enjoined under the Act. The Committee do not see any justification for giving exemption to Madras State from registration of spindles and establishments located in that State. Effective measures should be taken to remedy this position and it should be ensured that rules regarding registration are enforced in all the States.
- 14 38-40 It is needless to state that statistics are vital to the planning and control of any industry. The Committee would, therefore, suggest that every effort should be made to collect accurate statistics and publish them in the Annual Reports of the Board.
- 15 42 The Committee feel that the standardisation of Coir yarn and its products is very essential to improve its quality. They, therefore, recommend that the work of standardisation should be expedited and the standards already fixed enforced without delay.
- 16 47 In the absence of any assessment, the Committee are unable to appreciate as to how the Board satisfied
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		itself about the effect of publicity/propaganda and the expenditure incurred thereon. Apparently the publicity and propaganda measures have not had their expected impact. The Committee recommend that a general overall survey of the effectiveness of the methods of publicity and propaganda may be undertaken at a very early date so as to enable such corrective action as may become necessary.
17	51	In the absence of any reliable statistics the Committee are unable to express any opinion on the usefulness of the sales depts. They, however, feel that some criterion of performance should be laid down to judge the utility of these Show Rooms.
18	52	The Committee do not see any justification for giving 2½ % commission exclusively to the Managers. They recommend that the desirability of distributing the commission to all the employees of these Show Room-cum-Sales Depots might be examined by the Board.
19	53—55	The Committee feel that the fluctuations in prices could be avoided and the industry would gain in stability if steps are taken to regulate the prices of retted husk, coir fibre and coir yarn.
20	56	The Government is stated to be considering the question of amending suitably the Coir Industry Act, to provide for penalty for violation of the rules for licensing of retters, etc. The Committee recommend that very early action should be taken in the matter.
21	58	The Committee feel that as the underquoting of prices generally leads to supply of goods of inferior quality and ultimately injures the trade or industry, an early decision to amend the Act to enable the Board to call for deposit from the shippers before export should be taken.
22	59	The Committee recommend that efforts to organise small scale producers of coir yarn into Co-operatives should be intensified with a view to eliminate distress sales and other evils.
23	60—62	The Committee are of the opinion that the Board should take more positive interest in the matter of organisation of Cooperatives even to the extent

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		of giving incentives to the producers of Coir fibre and yarn in joining Cooperatives.
24	63	The Committee recommend that early steps should be taken to assess the working of these Cooperatives on which very large amount is being spent by Government by way of grants and loans to the State Governments.
25	65	The Committee feel that the question of diverting and administering the Central Government funds through the Coir Board might be examined. They would also suggest that the Board should exercise proper check and ensure that the amount given to the States is properly utilised for the development of the Coir Industry.
26	68—69	Since the activities of the Board are to be financed from and out of the cess collections vide Section 14 of the Act, the desirability of augmenting its resources may be examined by Government.
27	70	The Committee hope that the Annual Reports of the Board would in future include an account of their activities.
28	71	The Committee recommend that in future the Annual Reports of the Board should contain only figures which are duly audited.
29	72—74	The Committee hope that immediate steps would be taken to instal defibering plants with a view to utilise the husks which are going waste.
30	75	The Committee feel that knowledge of improved methods of spinning and weaving of yarn, designing etc. should be wide-spread as it would improve the quality of coir and its products. They suggest that the Board should make necessary arrangements for imparting such training.

APPENDIX X

(*vide* Introduction)

Analysis of the recommendations contained in the Report

Classification of Recommendation :

A. Recommendations for improving the organisation and working:

S. Nos. 1, 2, 3, 4, 5, 13, 14 and 18.

B. Miscellaneous :

S. Nos. 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25,
26, 27, 28, 29 and 30.

LIST OF AUTHORISED AGENTS OF LOK SABHA SECRETARIAT

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|---|---|---|
| <p>ANDHRA PRADESH</p> <p>1. G. R. Lakshminpathy Chetty & Sons, General Merchants & News Agents, Newpet, Chandragiri, Chittoor District (Andhra Pradesh).</p> <p>2. Hindustan Diary Publishers, Market Street, Secunderabad.</p> <p>3. Hyderabad Book Depot, Abid Road (Gun Foundry), Hyderabad.</p> <p>4. International Consultants Corporation, 48, C. Marredipally, (East), Secunderabad-7.</p> <p>5. K. J. Asservadam and Sons, Cloughpet, P.O. Ongole, Guntur District (Andhra Pradesh).</p> <p>6. M.S.R. Murthy & Company, Visakhapatnam.</p> <p>7. People's Book House, B. 2-829/1, Nizam Shahi Road, Hyderabad-1.</p> <p>8. The Triveni Publishers, Masulipatnam.</p> | <p>KERALA</p> <p>17. C. V. Venkitachala Iyer, Near Railway Station, Chalakudi.</p> <p>18. International Book House, Main Road, Triavandrum.</p> <p>18a. M. Mukanda Krishna. Nayak, Manjeshwar S.K., Cannore Distt., Kerala State.</p> | <p>30. The Good Companions, Rasputra, Baroda.</p> <p>31. The Imperial Book Depot, 266, Mahatma Gandhi Road, Poona.</p> <p>32. The International Book House, Private Ltd., 9, Ash Lane, Mahatma Gandhi Road, Bombay-1.</p> <p>33. The International Book Service, Deccan Gymkhana, Poona-4.</p> |
| <p>4. International Consultants Corporation, 48, C. Marredipally, (East), Secunderabad-7.</p> <p>5. K. J. Asservadam and Sons, Cloughpet, P.O. Ongole, Guntur District (Andhra Pradesh).</p> <p>6. M.S.R. Murthy & Company, Visakhapatnam.</p> | <p>MADHYA PRADESH</p> <p>19. Modern Book House, 286, Jawahar Ganj, Jabalpur-1.</p> <p>20. The National Law House, Near Indore Library, Opposite Old High Court Building, Indore.</p> | <p>34. Minerva Book Shop, Shop No. 1/80, Netaji Subhash Road, Marine Drive, Bombay-2.</p> <p>35. The New Book Company (P) Limited, Kitab Mahal, 188-90, Dr. Dada-bhai Naoroji Road, Bombay.</p> |
| <p>9. Anar Kitab Ghar, Diagonal Road, Janshedpur-1.</p> <p>10. Book Centre, Opposite Patna College, Patna.</p> <p>11. 'Jagriti,' Bhagalpur-2.</p> | <p>MADRAS</p> <p>21. E. M. Gopalkrishna Kone, (Shri Gopal Mahal), North Chitrai Street, Madura.</p> <p>22. The Kalpana Publishers, Booksellers, Trichinopoly-3.</p> <p>23. The Presidency Book Supplies, 8-C, Pycroft's Road, Triplicane, Madras-5.</p> <p>24. S. Krishnaswami and Company, P.O. Teppakulam, Tiruchirappalli-2.</p> <p>25. (Vacant)</p> | <p>36. The New Book Depot, Modi No. 3, Nagpur.</p> <p>37. The Popular Book Depot (Registered), Lamington Road, Bombay-7.</p> <p>38. Sahitya Sangam, Booksellers, 44, Lok Manya Vastu Bhandar, Dadar, Bombay-28.</p> |
| <p>BIHAR</p> | <p>MAHARASHTRA</p> <p>26. Charles Lambert & Company, 101, Mahatma Gandhi Road, Opposite Clock Tower, Fort, Bombay.</p> <p>27. The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-1.</p> <p>28. D. B. Taraporevala & Sons, Co., (P) Limited, 210, Dr. Naoroji Road, Bombay-1.</p> <p>29. Deccan Book Stall, Ferguson College Road, Poona-4.</p> | <p>MYSORE</p> <p>39. H. Venkatarameiah & Sons, Vidyavidhi Book Depot, New Statue Circle, Mysore.</p> <p>40. Makkalapustaka Press, Balamandira, Gandhi Nagar, Bangalore-9.</p> <p>41. People's Book House, Opp. Jaganmohan Palace, Mysore-1.</p> <p>42. Pervaje's Book House, Koppikar Road, Hubli.</p> <p>43. The S. S. Book Emporium, 'Mount Joy' Road, Basavangudi, Bangalore-4.</p> |
| <p>GUJARAT</p> <p>12. Chanderkant Chiman Lal Vora, Law Publishers and Law Book Seilers, P.B. No. 163, 572, Ghandi Road, Ahmedabad.</p> <p>13. Gandhi Samirita Trust, Bhavnagar.</p> <p>14. Lok Milap, District Court Road, Bhavnagar.</p> <p>15. The New Order Book Company, Ellis Bridge, Ahmedabad-6.</p> <p>16. Swadeshi Vastu Bhandar, Booksellers etc., Jamnagar.</p> | <p>26. Charles Lambert & Company, 101, Mahatma Gandhi Road, Opposite Clock Tower, Fort, Bombay.</p> <p>27. The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-1.</p> <p>28. D. B. Taraporevala & Sons, Co., (P) Limited, 210, Dr. Naoroji Road, Bombay-1.</p> <p>29. Deccan Book Stall, Ferguson College Road, Poona-4.</p> | <p>ORISSA</p> <p>44. The Cuttack Law Times Office, Cuttack-2.</p> <p>44a. Ekamra Vidyababan, Eastern Tower Room No.3 Bhuvaneshwar-3, Orissa.</p> |

PUNJAB

45. The English Book Depot, 78, Jhoke Road, Ferozepore Cantt.
46. The Krishna Book Depot, Publishers, Booksellers, Stationery and News Agents, Main Bazar, Pathankot.
47. Minerva Book Shop, The Mall, Simla-1.
48. The New Book Depot, 76, The Mall, Simla-1.
49. (Vacant)

RAJASTHAN

50. "Bookland", 663, Madar Gate, Ajmer (Rajasthan).
51. K. M. Agarwal & Sons, Railway Book Stall, Udaipur.
- 51a. Information Centre, Govt. of Rajasthan, Tripolia, Jaipur City, Rajasthan.

UTTAR PRADESH

52. A.H. Wheeler & Company, Private Limited, 15, Elgin Road, Allahabad.
53. British Book Depot, 84, Hazaratganj, Lucknow.
54. B.S. Jain & Company, 71, Abupura, Muzaffarnagar.
55. Friends Book House, M.U., Aligarh.
56. Goel Traders, 100-C, New Mandi, Muzaffarnagar.
57. Kitabistan, 17-A, Kamla Nehru Road, Allahabad.
58. Law Book Company, Sardar Patel Marg, Allahabad.
59. Laxmi Narain Agarwal, Hospital Road, Agra.
60. The Loyal Book Depot, Chhipi Tank, Meerut.
61. Mittal & Company, 85-C, New Mandi, Muzaffarnagar.

62. Shalig Ram & Sons, Booksellers, Madar Gate, Aligarh.
63. Universal Book Company, 20, Mahatma Gandhi Marg, Allahabad.

WEST BENGAL

64. Firma K. L. Mukhopadhyay, 6/1A, Banchharam Akkur Lane, Calcutta-12.
65. M. C. Sarkar & Sons (Private) Limited, 14, Bankim Chatterjee Street, Calcutta-12.
66. Thacker Spink & Company (1933) Private Ltd., 3, Esplanade East Calcutta-1.
67. W. Newman & Company Limited, 3, Old Cour House Street, Calcutta.

JAMMU AND KASHMIR

68. The Kashmir Book Shop, Residency Road, Srinagar, Kashmir.

69. Students Stores, Raghunath Bazar, Jammu-Tawi.

DELHI

70. Atma Ram & Sons, Kashmere Gate, Delhi-6.
71. Bahri Brothers, 188, Lajpat Rai Market, Delhi-6.
72. Bookwell, 4, Sant Naran-kari Colony, Kingsway Camp, Delhi-9.
73. The Central News Agency, 23/90, Connaught Circus, New Delhi.
74. City Book Sellers, Sohanganj Street, Delhi.
75. Dhanwantra Medical & Law Book House, 1522, Lajpat Rai Market, Delhi-6.
76. The English Book Shop, 7-L, Connaught Circus, New Delhi.
77. Freeland Publications Private Limited, II-A/16, Lajpat Nagar, New Delhi.
78. Hind Book House, 82, Jan Path, New Delhi.

79. The Imperial Publishing Company, 3, Faiz Bazar, Daryaganj, Delhi-6.

80. Jayana Book Depot, Chapparwala Kuan, Karol Bagh, New Delhi.

81. Jain Book Agency, Connaught Place, New Delhi.

82. J. M. Jaina & Brothers, Mori Gate, Delhi-6.

83. Lakshmi Book Store, 42 M.M. Janpath, New Delhi.

84. Mehra Brothers, 50-G, Kalkaji, New Delhi-19.

85. M. Gulab Singh & Sons Private Limited, Press Area, Mathura Road, New Delhi.

86. The New Book Depot, P. O. Box No. 96, Connaught Place, New Delhi.

87. Oxford Book & Stationery Company, Scindia House, Connaught Place, New Delhi-1.

88. People's Publishing House, Rani Jhansi Road, New Delhi-1.

89. Rama Krishna & Sons, 16-B, Connaught Place, New Delhi.

90. Sikh Publishing House Private Limited, 7-C, Connaught Place, New Delhi.

91. The United Book Agency, 48, Amrit Kaur Market, Paharganj, New Delhi.

- 91a. Kitab Mahal (W.D.) Private Ltd. 28, Faiz Bazar, Delhi.

MANIPUR

92. Shri N. Chaoba Singh, Newspaper Agent, Ramlal Paul High School, Annexe, Imphal, Manipur.

AGENTS IN FOREIGN COUNTRIES

U.K.

93. The Secretary, Establishment Department, The High Commission of India, India House, Aldwych, LONDON, W.C. 2.