

DETAILED PROJECT REPORT

Cluster Location: POLLACHI, COIMBATORE DISTRICT



Submitted to
Coir Board, Kochi

Prepared by:



ITCOT Consultancy and Services Ltd.

(Joint venture of ICICI, IDBI, IFCI, SIPCOT, TIIC, SIDCO and BANKS)
50 - A, GREAMS ROAD, CHENNAI - 600 006. Tel : (044) 42936800-02
FAX : 044 - 28293512 Web site: www.itcot.com Email : itcot@vsnl.com

CONTENTS

Sl.No	TOPIC	Page No.
#	EXECUTIVE SUMMARY	1
##	PREAMBLE	6
1	CLUSTER PROFILE	8
2	CLUSTER VALUE CHAIN MAPPING	14
3	MARKET ASSESSMENT AND DEMAND ANALYSIS	22
4	SWOT AND NEED GAP ANALYSIS	25
5	PROFILE OF THE IMPLEMENTING AGENCY	28
6	PROJECT CONCEPT AND STRATEGY FRAMEWORK	30
7	PROJECT INTERVENTIONS (CORE SFURTI)	33
8	SOFT INTERVENTIONS	35
9	HARD INTERVENTIONS	38
10	PROJECT COST AND MEANS OF FINANCE (CORE SFURTI)	48
11	PLAN FOR CONVERGENCE OF INITIATIVES	50
12	ENHANCED PROJECT COST AND MEANS OF FINANCE	51
13	PROJECT TIMELINE	52
14	DETAILED BUSINESS PLAN	53
15	PROPOSED IMPLEMENTATION FRAMEWORK	57
16	EXPECTED IMPACT	61
#	Project Financials (Statements 1 to 13)	

EXECUTIVE SUMMARY

01.	Name of the cluster	Pollachi (South) Coir Cluster																		
02.	Type of Cluster	Heritage Cluster																		
03.	Location & Spread of the cluster	The cluster area is located in Coimbatore district, extends over Pollachi South block. The cluster spread includes 26 Village Panchayats in Coimbatore. The Geographical spread of the cluster measures about 20-25 Km radius.																		
04.	Product range	<p>The existing range of coir products produced in the cluster are:</p> <ul style="list-style-type: none"> • Coir Fibre • Coir Yarn • Coir Pith Block • Curled Coir Rope • Rubberized Coir 																		
05.	Size of cluster & Type of units	The total number of coir units available in the cluster area is around 264 units of which 145 Nos. are engaged in Fibre Extraction, 13 Nos. engaged in Yarn Spinning, 40 Nos. engaged in Curled Coir Rope Making, 1 No. engaged in Rubberized Coir and 65 Nos. engaged in manufacturing of Pith Blocks. The total number of beneficiaries estimated to be around 5600 members which include the labor force in the cluster. Based on the number of cluster beneficiaries, the cluster is typified as Heritage Cluster.																		
06.	Production & Turnover of Coir products in the cluster	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Product</th> <th style="text-align: center;">No.of units</th> <th style="text-align: center;">Production (in MT)</th> <th style="text-align: center;">Turnover (in Crores)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Coir Fibre</td> <td style="text-align: center;">145</td> <td style="text-align: center;">81200</td> <td style="text-align: center;">Rs.105.56</td> </tr> <tr> <td style="text-align: center;">Coir Yarn</td> <td style="text-align: center;">13</td> <td style="text-align: center;">936</td> <td style="text-align: center;">Rs.4.68</td> </tr> <tr> <td style="text-align: center;">Curled Coir Rope</td> <td style="text-align: center;">40</td> <td style="text-align: center;">9600</td> <td style="text-align: center;">Rs.33.6</td> </tr> </tbody> </table>			Product	No.of units	Production (in MT)	Turnover (in Crores)	Coir Fibre	145	81200	Rs.105.56	Coir Yarn	13	936	Rs.4.68	Curled Coir Rope	40	9600	Rs.33.6
Product	No.of units	Production (in MT)	Turnover (in Crores)																	
Coir Fibre	145	81200	Rs.105.56																	
Coir Yarn	13	936	Rs.4.68																	
Curled Coir Rope	40	9600	Rs.33.6																	

		Coir Pith block	65	65000	Rs.84.5
		Rubberized Coir	1	840	Rs.8.4
07.	Employment & Income level	DIRECT EMPLOYMENT:			
		Activity	Male	Female	Total
		Fibre Extraction	435	1450	1885
		Yarn Spinning	39	169	208
		Curled Coir Rope	40	160	200
		Pith Block Making	195	845	1040
		Rubberized coir Manufacturing	8	12	20
		Total	717	2636	3353
		INDIRECT EMPLOYMENT:			
		Activity	No. of workers		
		Fibre Extraction	1300		
		Yarn Spinning	65		
		Curled Coir Rope	50		
		Pith Block Making	575		
		Rubberized coir Manufacturing	5		
Total	1995				
The income level for the labours in the cluster is Rs.350/- for male workers and Rs.250/- for female workers.					
08.	Key Concern areas of the cluster	<ul style="list-style-type: none"> • Apparent Stagnancy in Coir Fibre market perceived. Coir Fibre units suffocate due to the price rise in raw material (Husks) and stagnancy in Coir Fibre price. • Huge Fibre production within the cluster and very limited value addition of fibre within the cluster resulting in distress selling of Coir Fibre to China. • Diminishing concern for Quality due to the present practice of supplying low quality fibres to China (for making low 			

		<p>quality mattresses).</p> <ul style="list-style-type: none"> • The individual investment potential of coir entrepreneurs in the region is not exploited for elevation in the value chain, due to the defensive attitude of the entrepreneurs, in spite of consistent efforts by the Coir Board and other development agencies. • Cluster's present production is limited to regular products such as Coir fibre, Coir yarn, 5 Kg. pith block and Curled coir. Lack of common initiatives among the entrepreneurs in the cluster so far, to venture into the production of value added finished products of high market value. • No common marketing platform, resulting in over dependence of intermediaries/ agents /traders. • Huge market potential noticed for high-end value added products such as Tufted mats, but lacking required production infrastructure which are beyond individual investment potential
09.	<p>Proposed Strategic Interventions</p>	<p>Soft Interventions:</p> <ul style="list-style-type: none"> • Capacity Building • Market Promotion <p>Hard Interventions (Common facility creation):</p> <ul style="list-style-type: none"> • Building for Common facility • Common facilities proposed: <ul style="list-style-type: none"> I. Coir PVC Tufted Mats II. Coir Geo Textiles III. Coir Pith Block 650 grams IV. Coco Pith Disc V. Pith Grow Bags VI. Demo cum Training Centre for Coir Yarn Spinning <p>Thematic Interventions: Participation in activities such as national and international level brand promotion campaigns, New Media marketing, E-</p>

		commerce initiatives etc., as detailed in the SFURTI implementation guidelines
10.	Budget for Soft interventions	Rs. 25.00 Lakhs
11.	Budget for Hard interventions	Rs. 782.90 Lakhs
12.	Total Project cost (including Agencies cost)	Rs. 888.68 Lakhs
13.	Means of Finance	Grant under SFURTI scheme : Rs. 650.35 lakhs SPV share : Rs. 238.33 lakhs
14.	Post Intervention Scenario (Expected Impact)	<ul style="list-style-type: none"> ➤ Reasonable value realization for quality Coir Fibre within the cluster itself ➤ Multiplied investment, turnover and employment in Coir Spinning activity ➤ Production of value added competitive products and marketing through strengthened marketing linkages (both domestic and export) ➤ Increased value addition of Coir Fibre, resulting in enhanced income for Fibre manufacturers by minimum 20%, consequently increased income level to the coir workers in Fibre extraction units by minimum 10%. ➤ Increase in the overall turnover of the cluster by minimum 10%. ➤ Additional employment of minimum 300 personnel, due to the establishment of new Coir yarn units under convergence. ➤ Additional investment to the tune of about 3.50 Crores for the establishment of Coir yarn units by entrepreneurs to meet the yarn requirement of CFC. ➤ Post interventions, the Cluster's export earnings increase by 15% ➤ Emergence of specialized support service providers and their active involvement in the development process ➤ Strong linkages among the Cluster members and actors in all levels of the value chain and an established Collaborative setup in place to undertake development initiatives & address common issues. ➤ Establishment of new units by converging various schemes of State and Central Governments (such as Coir Udyami

		<p>Yojana, PMEGP, UYEGP, etc.) resulting in additional investments in Coir sector by the cluster members</p> <ul style="list-style-type: none"> ➤ 100% Coverage of cluster artisans under social security schemes ➤ Improved access to financial capital for cluster members
<p>15.</p>	<p>Cluster Management</p>	<p>The cluster is proposed to be developed under SFURTI (Scheme of Fund for Regeneration of Traditional Industries). The Coir Board is the Nodal agency (NA) and ITCOT Consultancy and Services Limited is the Technical Agency (TA) appointed by Coir Board.</p> <p>The SPV is formed with 52 members and registered as Private Limited Company under Companies Act 2013 in the name of ‘ECO COIR CLUSTER INDIA PRIVATE LIMITED’ as per the Certificate of Incorporation issued by Registrar of Companies, Chennai dated 14.09.2015. The CIN of the company is U17226TZ2015PTC021772.</p> <p>Considering the knowledge base, experience and managerial capacity of the lead SPV members, the SPV, ‘ECO COIR CLUSTER INDIA PRIVATE LIMITED’ is proposed as the Implementing Agency for this cluster.</p> <p>Currently the SPV has 52 members and the SPV will be strengthened to manage the Cluster activities in sustainable nature after the project implementation is over</p>

PREAMBLE

The Coir industry has to its credit a tradition and heritage of centuries. But development of Coir industry in India has begun in an organized way only in 1959. Ever since this humble beginning, Coir products have been improving in quality, quantity and variety. For historical reasons, cultivation of coconuts and extraction of Coir fibre and its further processing have taken deep roots in the state of Kerala. The rapid expansion of coconut cultivation in non-traditional areas increased the production of coconut and the industry has also developed gradually in the states of Tamil Nadu, Karnataka, Andhra Pradesh and Orissa. Coir industry in India is one of the important rural industries. It provides source of income to about 5 lakhs artisans in rural areas. Women constitute about 80% of the work force in coir industry.

Coir has come a long way from the ancient uses. It is still used for agricultural and domestic purposes. It has also become an article of use in modern life either as garden article, as bags for the tea leaves, for training hops, as brush mats at the door steps, as long-wearing carpets in the corridors of the bungalow veranda, as tastefully planned floor coverings in the drawing room or as the runner on the staircase, as geo-fabric for controlling landslide or soil erosion, for protection of embankments of roads, railway and canals.

With a view to making the traditional coir industries more productive and competitive and facilitating their sustainable development, the Central government has announced Scheme of Fund for Regeneration of Traditional Industries (SFURTI). ITCOT Consultancy and Services Ltd. (ITCOT) has been appointed as Technical Agency by Coir Board for SFURTI Coir clusters in Tamilnadu. Subsequently, Coir Board has entrusted the task of preparation of Detailed Project Report for the Coir Cluster located at Pollachi, Coimbatore District to M/s. ITCOT Consultancy and Services Limited, Chennai. Accordingly, ITCOT has prepared the Detailed Project Report (DPR) for submitting the same for seeking approval from the Scheme Steering Committee (SSC).

This report is prepared based on interaction with coir industrialists in the clusters, coir industry workers, industry association members, NGO's and support institutions in the district, Informal interviews with industry participants, machinery suppliers and experienced entrepreneurs, collection of secondary information etc.

The Chapter scheme of the Detailed Project Report is as follows:

Cluster Profile is given in Chapter 1. Cluster Value Chain Mapping is given in Chapter 2. Market assessment and Demand Analysis is given in Chapter 3. SWOT and Need Gap Analysis is given in Chapter 4. Profile of the Implementing Agency in Chapter 5. Project Concept and Strategy Framework are detailed in Chapter 6. Core SFURTI Project Interventions are given in Chapter 7. Detailed analysis of Soft Interventions is given in Chapter 8 and analysis of Hard Interventions is given in Chapter 9. Project Cost and Means of Finance (Core SFURTI) is given in Chapter 10. Plan for Convergence Initiatives are given in Chapter 11. Enhanced Project Cost and Means of Finance are given in Chapter 12. Project Timeline is illustrated in Chapter 13. Detailed Business Plan is given in Chapter 14. Proposed Implementation Framework is given in Chapter 15. Expected Impact is detailed in Chapter 16.

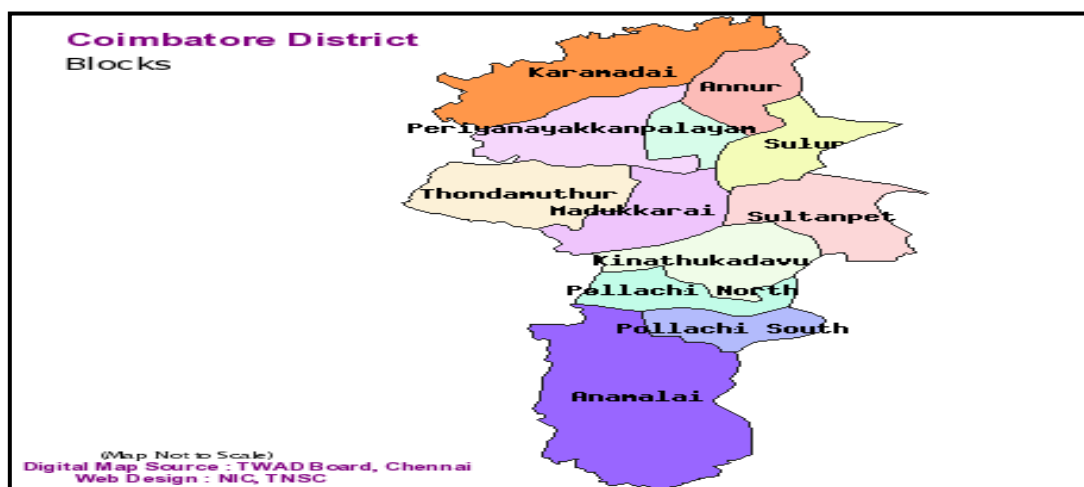
1 CLUSTER PROFILE

1.1 BACKGROUND

Coimbatore District is one of the districts of the state of Tamil Nadu in India. It is located in the western part of the state in the Kongu Nadu region. Coimbatore is known as the "Manchester of South India" and is one of the industrialized towns of Tamil Nadu. It has the highest GDP among the districts of Tamil Nadu, even ahead of the state capital Chennai. The region is bounded by Kerala state on the west and is surrounded by Tirupur District, Nilgiris District, Erode District. The district is well-developed and industrialized. Coimbatore and its people have a reputation for entrepreneurship. Though it is generally considered a traditional city, Coimbatore is more diverse and cosmopolitan than all other cities in Tamil Nadu except for Chennai. The heavy industrialisation of the city has also resulted in the growth of trade unions. Manufacturing Research and Development Organizations like Tamil Nadu Agricultural University, South India Textile Research Association, contribute a lot to the city. .

1.2 Regional setting of the Cluster

The regional setting of the cluster extends over Pollachi North and Kinathukadavu blocks. The block map of Coimbatore district is given below:



1.3 Location

The cluster spread includes 26 Village Panchayats in Coimbatore District . The Geographical spread of the cluster measures about 20-25 Km radius.

1.4 Evolution of the Cluster

The Cluster is naturally evolved one. Coimbatore district coconut is cultivated with an extent of 84,531 hectares and annual production is estimated at 12120 lakhs nuts particularly in Pollachi South and North Taluks. Most of the Coir and Allied industries are situated in and around Pollachi Taluks.

Coir, being the natural fibre extracted from the husk of Coconut, Coir industries started flourishing in the district owing to the local availability of raw material and naturally the cluster evolved.

Coir, being the natural fibre extracted from the husk of Coconut, Coir industries started flourishing in the district owing to the local availability of raw material and naturally the cluster evolved.

1.5 Demography and Growth trends

The statistical data of Coimbatore district as per Census 2011 and the growth aspects with respect to Census 2001 is given below:

Description	2011	2001
Actual Population	3,458,045	2,916,620
Male	1,729,297	1,482,228
Female	1,728,748	1,434,392
Population Growth	18.56%	16.96%
Area Sq. Km	4,732	4,732
Density/km2	731	631
Proportion to Tamil Nadu Population	4.79%	4.67%

1.6 Socio-economic aspects

The significance of coir industry arises primarily from the fact that a large a number of people from the economically weaker sections of the society depends on this industry at the current level of production of coir, the industry utilizes about 40% of the annual yield of coconut husk in the country. There is possibility to increase the utilization to at least 60% of husk production. Therefore, there exists vast potential for stepping up of production of coir in India. The increased utilization of coconut husk abundantly available in the coconut growing states of India provides scope for development of fibre processing sector and thereby augmenting rural employment.

1.7 Human Development Aspects

The total number of direct workers engaged in the Coir activity gender wise is given below:

Activity	Male	Female	Total
Fibre Extraction	435	1450	1885
Yarn Spinning	39	169	208
Curled Coir Rope	40	160	200
Pith Block Making	195	845	1040
Rubberized coir Manufacturing	8	12	20
Total	717	2636	3353

The total number of indirect workers in coir activity is given below:

Activity	Total
Fibre Extraction	1300
Yarn Spinning	65
Curled Coir Rope	50
Pith Block Making	575
Rubberized coir Manufacturing	5
Total	1995

The existing income level of the coir labour force in the district is given below:

Activity	Wages per day	
	Male	Female
Fibre Extraction	350	250
Yarn Spinning	350	250
Curled coir production	350	250
Rubberized coir Manufacturing	350	250
Pith Block Making	350	250

It is observed that the income level for all activities is same for male as well as for female workers. Among these workers, 80% belongs to OBC category, 10% SC category and remaining 10% belongs to other categories.

1.8 Key Economic Activities in the region

The Industries in the Coimbatore region are Hosiery Garments, Electrical Motors & Pumps, Foundries, Wet Grinders & Accessories, Power loom, Textile Processing, Coir Industries and Gold Jewelry Manufacturing & Job working units, Cement Industry. Electrical Machineries, Steel rolling, Paper, Sugar, Flour Mills, Ancillary Machineries.

In Coimbatore district coconut is cultivated with an extent of 84531 hectares and annual production is estimated at 12120 lakh nuts and the productivity is 14338 nuts per hectare.

The total number of coir units available in the cluster area is around 264 units of which 145 Nos. are engaged in Fibre Extraction, 13 Nos. engaged in Yarn Spinning, 40 Nos. engaged in Curled Coir Rope Making, 1 No. engaged in Rubberized Coir Manufacturing and 65 Nos. engaged in manufacturing of Pith Blocks. The total number of beneficiaries estimated to be around 5600 members which includes the labor force in the cluster. The production and turnover of Coir products in the cluster is given below:

Product	No.of units	Production (in MT)	Turnover (in Rs.Crores)
Coir Fibre	145	81200	105.56
Coir Yarn	13	936	4.68
Curled Coir Rope	40	9600	33.60
Coir Pith block	65	65000	84.50
Rubberized Coir	1	840	8.40
Total			236.74

1.9 Infrastructure – social, physical, financial and production related

The social infrastructure details of Coimbatore district is given as below:

CENSUS 2011:

- a) Total Population : 3458045
- b) Male Population : 1729297
- c) Female Population : 1728748

LOCAL BODIES:

- a. Corporations : 1
- b. Municipalities : 2
- c. III Grade Municipalities : 1
- d. Panchayat Unions : 12

REVENUE ADMINISTRATIVE DIVISIONS:

- a. Revenue Divisions : 2
- b. Revenue Taluks : 8
- c. Revenue Firkas : 33
- d. Revenue Villages : 295

COMMUNITY DEVELOPMENT

- a. District Panchayat : 1
- b. No.of Blocks Covered : 12
- c. Population Covered : 3458045
- d. Area Covered (Sq.Km.) : 4053.59

LEGISLATURE

- A. Members of the Legislative Assembly Elected : 10

B. Members of Parliament (Lok Sabha)	: 2
C. Members of Parliament (Rajya Sabha)	: 1

INDUSTRIES:

1. No.of Working Factories (Registered)	: 12034
2. No.of Mandays Lost (lakhs)	: 23672
3. No.of Trade Unions	: 698
4. Medium Scale Industries	: 413
5. Small Scale Industries /MSME Units	: 1653
6. Cottage Industries.	: 522
7. No. of New factories set up	: 161

COIR BASED ASSOCIATIONS:

1. Coimbatore District Coir & Allied Products Manufacturers Association
2. Federation of Tamil Nadu Coir Association
3. All India Coir Manufacturers Association
4. Coir Pith Manufacturers Association
5. Fibre Exporters Association

The total number of coir units available in the cluster area is around 264 units, which includes Coir fibre extraction, yarn spinning, curled coir, pith block and rubberized coir mattresses manufacturing. The production and turnover of the cluster from coir based industries is given below:

Product	No.of units	Production (in MT)	Turnover (in Rs.Crores)
Coir Fibre	145	81200	105.56
Coir Yarn	13	936	4.68
Curled Coir Rope	40	9600	33.60
Coir Pith block	65	65000	84.50
Rubberized Coir	1	840	8.40
Total			236.74

2 CLUSTER VALUE CHAIN MAPPING

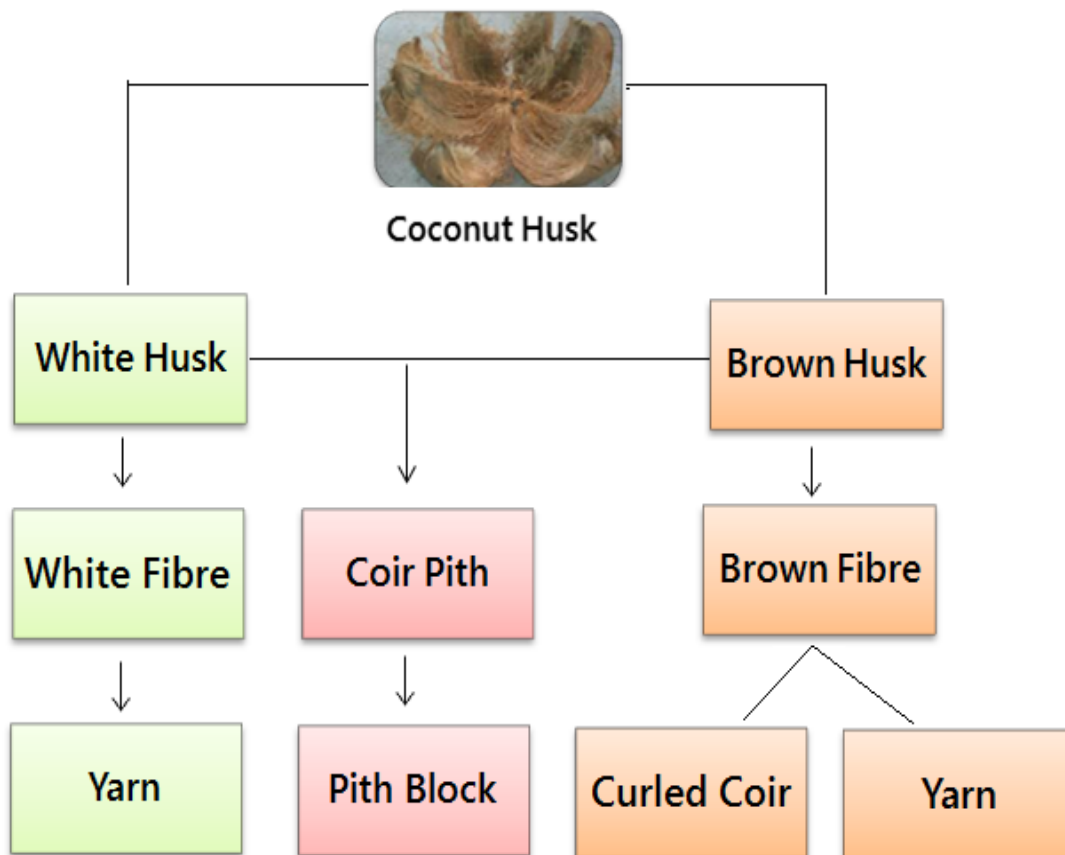
2.1 Product Profile

The following products are produced in the cluster presently.

- Coir Fibre
- Coir Yarn
- Coir Pith Block
- Curled coir
- Rubberized coir

2.2 Production Process

The Product flow from the raw material is depicted in the chart below:

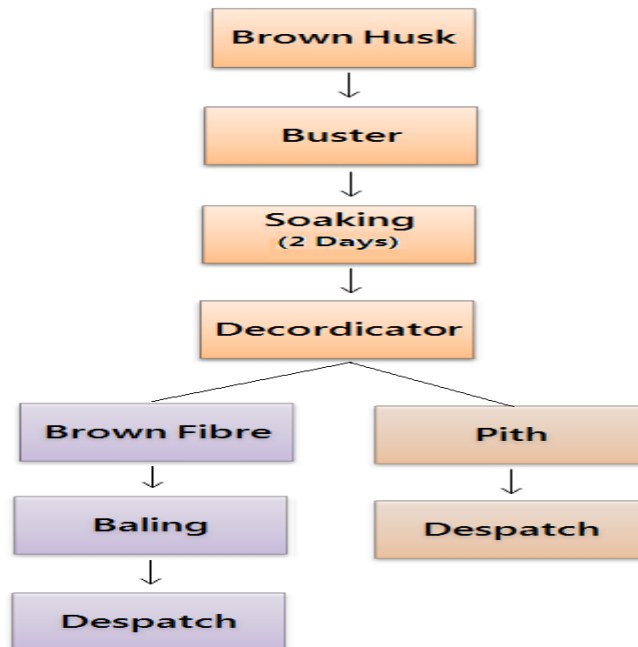


Coir Fibre :

The coconut husk (raw material) is collected from the farms and stored. The collected husk is soaked in water. Then soaked material is fed into the decorticator wherein the

fibre and pith are separated. The fibre is dried in the sunlight and is pressed in the form of 35-Kg bundles by using balling press and dispatched for sales.

The process flow of fibre extraction from Brown husk is given below:



Coir Yarn:

Coir yarn spinning is similar to cotton yarn spinning. The processes involved given here under:

- a. Willowing
- b. Slivering
- c. Spinning
- d. Winding

Coir fibre obtained from fibre extraction units and is wetted by spraying water. After 2-3 hours, the wetted fibre is passed through the willowing machine to remove the impurities and the fibres are placed parallel to each other. The fibre is then fed into the slivering machine wherein it is converted into sliver form. The slivers are spun into yarn as per specifications in the spinning machine. The yarn is then cleaned and wound into rolls and is now ready for the market.

The process flow chart for Coir yarn spinning is given below:



Coir Pith Block:

The by-product obtained during the process of Coir Fibre Extraction is Coir Pith. The raw coir pith (high EC) is received and washed in the soft water to reduce the EC. The low EC pith is dried in the yard and the dried pith is subjected to sieving / mixing process. The resultant pith is fed into the compacting machine in which the pith is converted into blocks. Then the blocks are packed and then dispatched to sales. The process flow chart for the Coir pith block making is given below:



High electrical conductivity (EC) of coir pith is the major constraint in using it as growing medium. The higher level of EC in pith is rectified by washing it with good quality fresh water. Hence washing is the significant stage in the process.

Rubberized coir:

The curled coir is treated with steam and is fed into untwisting machine to untwist the ropes and to throw out the curved fibres into coded form. The untwisted fibre is then fed into a sheet machine. This machine further cords to fibre and puts it on a conveyor belt in required width and thickness. The sheet is now sprayed with a rubber latex compounded with chemicals and the conveyor is passed through successive drying chambers where the water content in the latex is evaporated and the fibres get bonded with a rubber and the continuous bonded sheet of required width comes out from the machine. The sheet is then cut to pieces of required length. The laminated sheets are fed into hydraulic steam heated press for 10 to 15 minutes to obtain required thickness of the mattresses. These are then loaded into a hot air chamber where they get vulcanized. The vulcanized mattresses are trimmed using suitable machine. The mattresses are then covered with hessain cloth strip to give it a longer life.

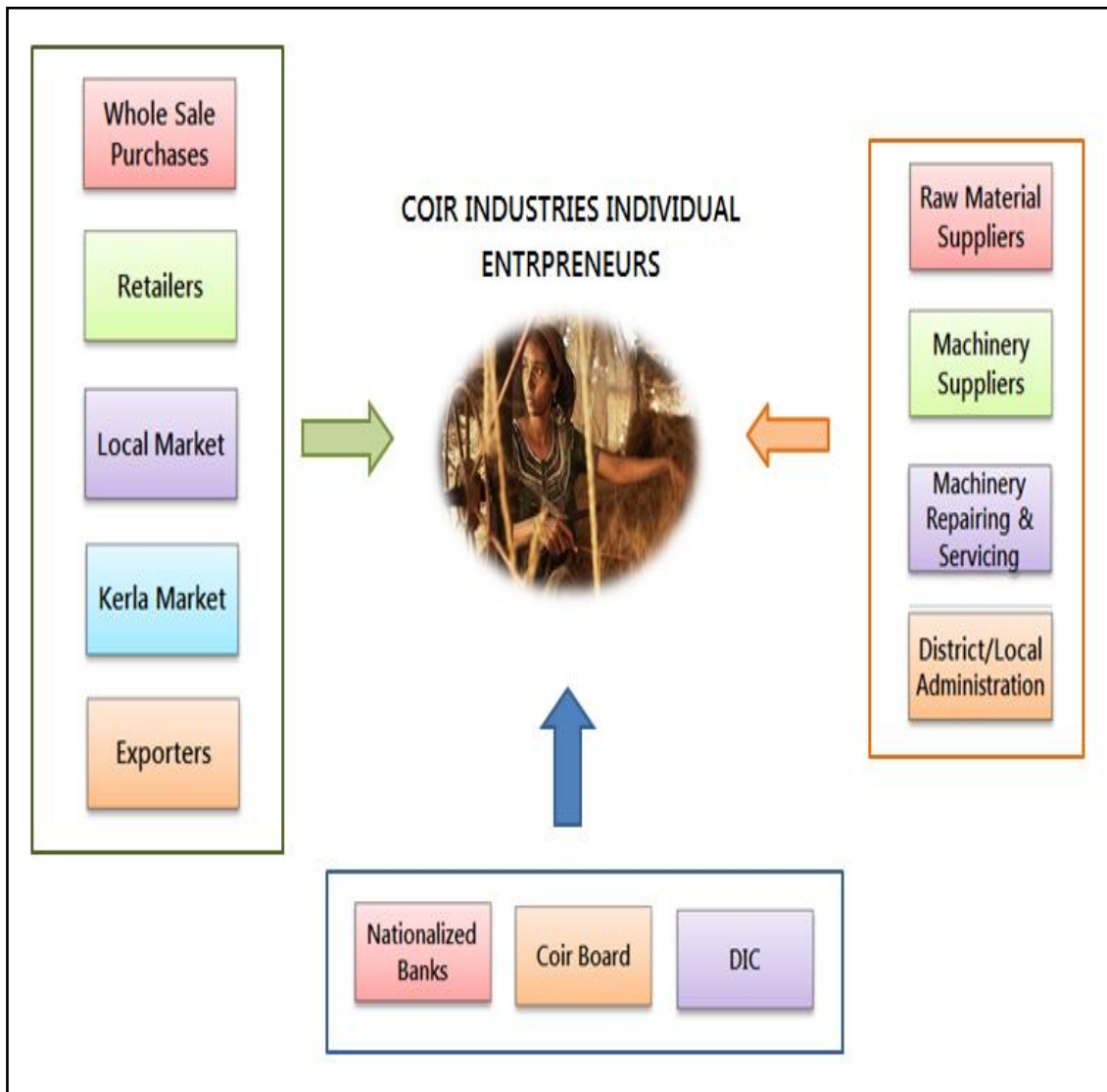
2.3 Value Chain Analysis

The incremental value of the cluster products from the basic raw material to the final product manufactured in the cluster is given below:

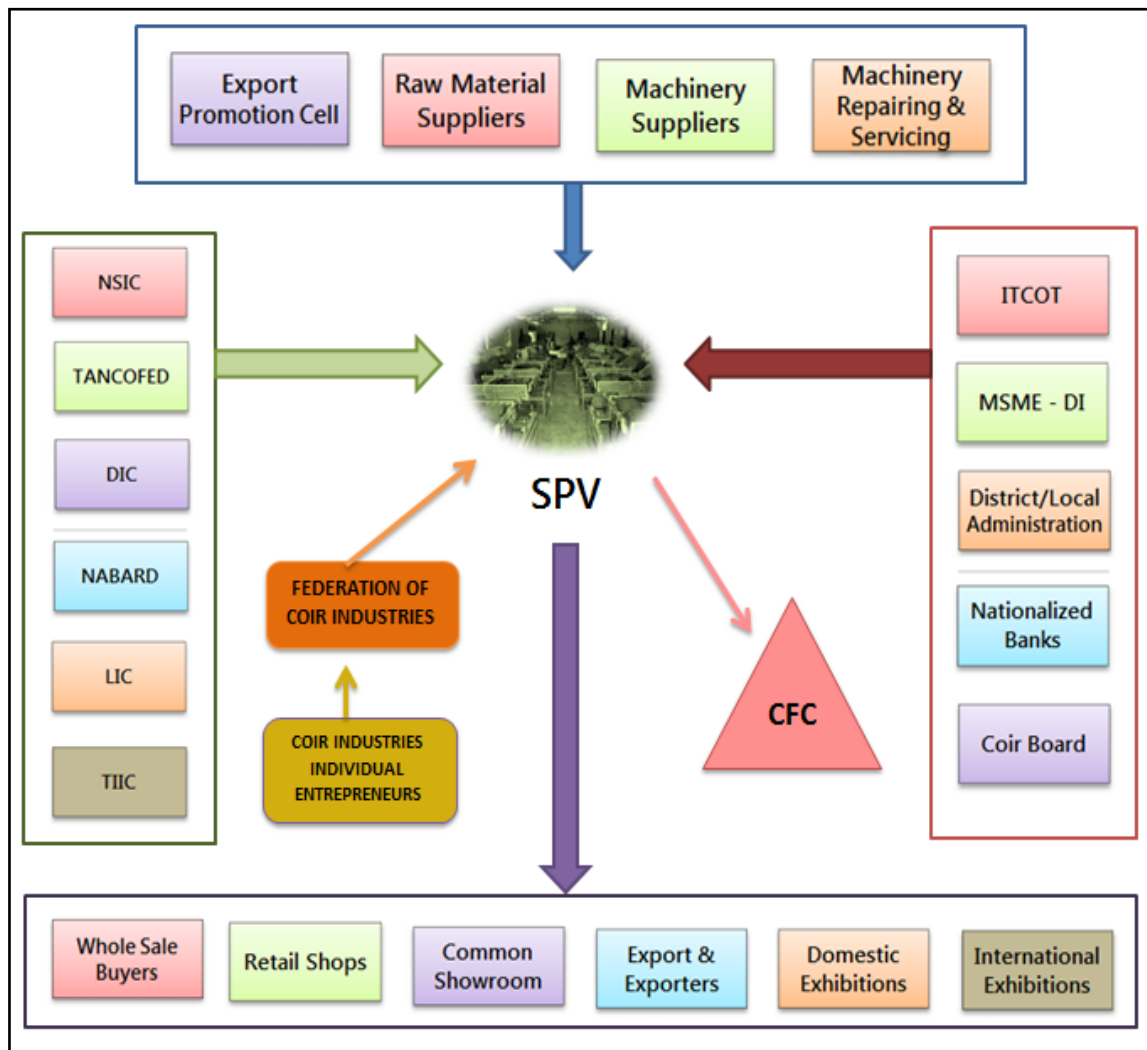
It is observed that the cost of Green husk including loading and unloading is valued at Rs.1.50, which is incremented to Rs.18.00 per Kg. of fibre, which is further incremented to Rs.60.00 per Kg. of yarn. Similarly the cost of Brown husk including loading and unloading is valued at Rs.1.20, which is incremented to Rs.14.00 per Kg. of fibre, which is further incremented to Rs.45.00 per Kg. of yarn. The brown fibre is the raw material for Curled coir and the value of brown fibre (at Rs.14.00 per Kg) is incremented to Rs.30.00 per Kg. of Curled coir.

2.4 Cluster Map

The **Pre-intervention Cluster map** depicting the existing linkages of the cluster is given below:



The **Post-interventions Cluster map** depicting the linkages after the implementation of cluster development initiatives is given below:



2.5 Principal Stakeholders

COIR BOARD

Coir Board is the Nodal Agency for the SFURTI scheme. The coir Board set up by the Government of India under an act of parliament the coir Industry act 1953. Coir Board provides financial, market development, skill training assistance for the development of coir Industry and also extends the technical guidance and advice for setting up of new units as well as for renewal/modernization of existing units for development and

increasing productivity, quality up-gradation etc. The Regional Office of Coir Board is located at Pollachi which is near about 45 kms from the cluster area.

DISTRICT INDUSTRIES CENTRE (DIC)

The District Industries Centre, located in all district headquarters, is the State government body functioning under the aegis of department of industries and commerce. DIC implements various schemes (UYEGP, NEEDS, PMEGP etc.) to promote MSME sector.

TAMILNADU CORP. FOR DEVELOPMENT OF WOMEN (TNCDW)

TNCDW is one of the government agencies implementing many schemes for Self Help Groups. They also implement Tamil Nadu State Rural Livelihood Mission (TNSRLM) towards poverty eradication.

NABARD

NABARD is the financial institution focusing on Agriculture and Rural Development activities. Presently, they are also focusing on artisan cluster development.

LEAD BANK

Canara Bank is the lead bank in Coimbatore district. Lead bank will do the role of that for financial assistance to be availed in the cluster.

TAMIL NADU AGRICULTURAL UNIVERSITY (TNAU)

TNAU, the premier agricultural university, is located in Coimbatore, which is about 50 kms from the cluster. TNAU is the leading Agro technology provider in India.

ITCOT Consultancy and Services Limited (ITCOT)

ITCOT Consultancy and Services Limited, popularly known as ITCOT, is the state technical consultancy organization, promoted by all India financial institutions, State Development Corporations and Commercial Banks. ITCOT has wide experience in providing support services to micro and small enterprises under various government schemes. ITCOT, having its head office at Chennai, has project offices at Erode and

Salem involved in enterprise promotion and development. ITCOT has been empanelled as Technical Agency under SFURTI scheme by KVIC and Coir Board.

Commercial & Cooperative Banks

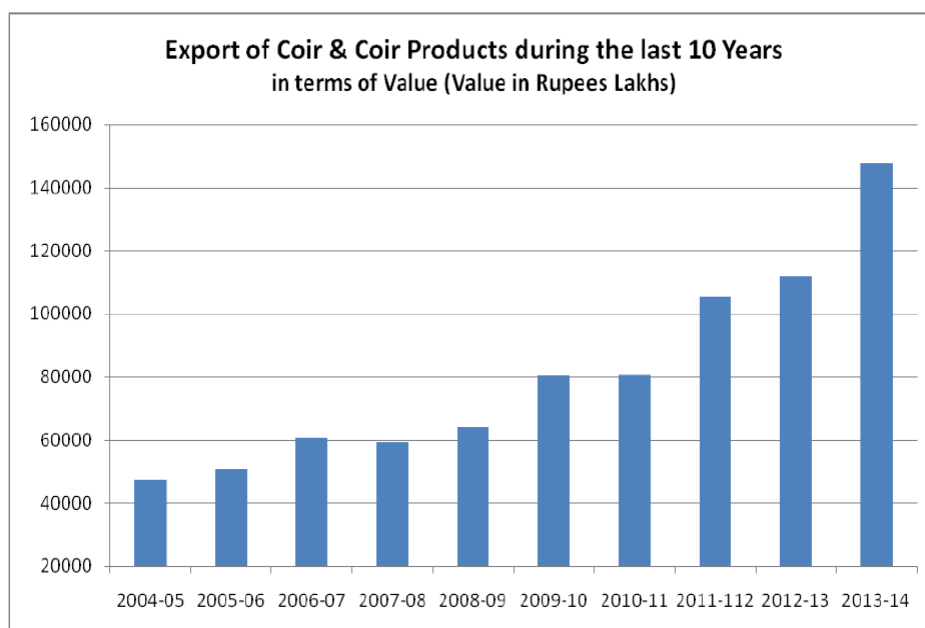
There is a good network of commercial Cooperative banks in the cluster. They offer both cash credit and term loan facilities to the coir industry. However, institutional finance for coir industry is limited and there is a large gap between the need for the credit and its availability.

3 MARKET ASSESSMENT AND DEMAND ANALYSIS

Coir industry is of great importance to the coconut producing states in India, as it contributes significantly to the economy of rural areas. Kerala is the largest producer of coconut, contributing as much as 45% of country's total production, whereas Tamilnadu stands second in cultivation of coconut and first in production of brown coir fibre in the country. The State wise potential for production of Coir Fibre is given below:

S.No.	State	Area ('000 Ha)	Production (in million nuts)	Coir fibre potential @ 60% husk utilization (MT)
1	Kerala	766.00	7057.88	338778
2	Tamilnadu	430.70	6211.21	298138
3	Karnataka	511.00	5915.33	283936
4	Andhra pradesh	142.00	1985.00	95280
5	Orissa	53.90	403.25	19356
6	West Bengal	29.10	395.28	18973
7	Gujarat	20.90	340.58	16348
8	Assam	20.80	304.47	14615
9	Other states/Uts	96.30	738.20	35403
Total		2070.70	23351.20	1120827

The export of coir products are in the increasing trend during the last 10 years as illustrated in the graph below:



The major products that are exported are Coir fibre, Coir pith and Mats. It has been observed that the percentage growth in value of export of Coir fibre has been 58.77% in 2013-14 compared to the previous year. Also the percentage growth in value of export of Coir pith has been 38.20% in 2013-14 compared to the previous year. The Product wise export details of coir products in 2013-14 is given below:

Q=Quantity in M.T				V= Value in Rs.Lakhs		
	April -2013 - March 2014		April-2012 - March- 2013		%Growth Cumulative	
Item	Q	V	Q	V	Q	V
Coir Fibre	173902	32878.11	140693	20707.66	23.60	58.77
Coir Yarn	4247	2848.26	4202	2387.22	1.07	19.31
Handloom mat	22609	23623.82	24151	22810.10	-6.38	3.57
Powerloom mat	234	278.36	2	3.15	11600.00	8736.83
Tufted mat	43752	41776.39	37289	33572.91	17.33	24.43
Handloom matting	3425	3353.91	1418	1702.77	141.54	96.97
Powerloom matting	0	0	0	0	0.00	0.00
Geo textiles	4468	3503.78	3597	2628.74	24.21	33.29
Coir rugs & Carpet	93	105.99	95	133.38	-2.11	-20.54
Coir rope	498	390.17	420	282.41	18.57	38.16
Curled Coir	11263	2947.93	8883	2112.46	26.79	39.55
Rubberised Coir	965	1560.76	322	495.01	199.69	215.30
Coir pith	271495	34173.23	208399	24727.61	30.28	38.20
Coir other sorts	89	163.13	30	39.33	196.67	314.77
Total	537040	147603.84	429501	111602.75	25.04	32.26

Quantities Rounded

The percentage of share of each product with respect to total exports, both in Quantity and Value for the year 2013-14 is given below:

Composition of Export (Share in %)

Name of the item	Apri2013-March 2014		Apri2012-March 2013	
	Qty %	Value%	Qty %	Value %.
Tufted Mat	8.15	28.30	8.68	30.08
Coir Pith	50.55	23.15	48.52	22.16
Handloom Mats	4.21	16.00	5.62	20.44
Coir Fibre	32.38	22.27	32.76	18.55
Geo Textile	0.83	2.37	0.84	2.36
Coir Yarn	0.79	1.93	0.98	2.14
Curled Coir	2.10	2.00	2.07	1.89
Handloom Matting	0.64	2.27	0.33	1.53
Rubberised Coir	0.18	1.06	0.07	0.44
Coir Rope	0.09	0.26	0.10	0.25
Coir Rugs & Carpet	0.02	0.07	0.02	0.12
Coir Other Sorts	0.02	0.11	0.01	0.04
Powerloom Mat	0.04	0.19	0.00	0.00
Total	100.00	100.00	100.00	100.00

The Top five Country wise Exports of Coir and Coir products in the year 2013-14:

S.No.	Country	Quantity (in MTs)	Value (Rs.Lakhs)	Quantity (%)	Value (%)
1	China	192110.62	36050.66	35.77	24.42
2	USA	55091.03	30026.05	10.26	20.34
3	Netherlands	53786.54	10870.04	10.02	7.36
4	UK	11987.01	8600.98	2.23	5.83
5	South Korea	67042.97	7020.54	12.48	4.76

As far as the cluster is concerned the product line is as given below:

- ❖ Coir Fibre
- ❖ Coir Yarn
- ❖ Curled Coir
- ❖ Pith blocks
- ❖ Rubberized Coir

The 80% of Coir Fibre produced in the cluster is being exported to China. The remaining fibre is being marketed in Kerala. Coir yarn produced in the cluster is marketed to Kerala. As far as Pith block is concerned, 95% of pith block produced in the cluster is exported to several countries like U.S.A, Australia, European Countries and New Zealand and the balance 5% is marketed locally.

As far as Curled coir is concerned, 75% of the production is marketed to Kerala & North India for value addition. 20% of the product is exported to China, Russia & Germany. The remaining quantity of the product is utilized in the cluster for rubberized mattresses production locally.

It is observed that the export potential for niche value added products are not at all tapped by the cluster with its current products and hence value added products having good export market potential is identified to be the need of the cluster.

4 SWOT AND NEED GAP ANALYSIS

STRENGTHS:

- Pollachi is the Coconut / Coir capital of Tamilnadu
- Sufficient availability of coconut husk (basic raw material)
- Huge production of Coir Fibre, which has wide scope for value addition
- Existence of knowledgeable and entrepreneurial cluster members. The investment potential of coir entrepreneurs in the region is significant.
- Existence of engineering infrastructure such as workshops and lathes.
- Readiness of the new generation to enter this trade
- Well established physical infrastructure such as road, rail, power etc.
- Excellent network of commercial and co-operative banks in the cluster.
- Coir Board Regional Office of Tamilnadu is situated in Pollachi.
- Presence of other Support institutions such as District Industries Centre, Commercial banks, ITCOT etc.

WEAKNESSES:

- Production of value added finished products is negligible in proportion to the available resource in the cluster
- Defensive attitude of the entrepreneurs resulting in stagnancy in product line in spite of wide product line/value chain in coir sector.
- As coconut palm does not withstand prolonged spells of extreme weather/ climatic variations, the uninterrupted availability of Coconut husk (basic raw material for coir sector) depends on weather/climatic conditions, which results in scarcity of raw material due to hot/dry summer.
- Lack of formal networks for marketing and input procurement
- Limited contact with BDS providers and Technical Institutions
- Weak linkages with banks and financial institutions

OPPORTUNITIES:

- Potential for product diversification and value addition from existing products.
- Exploiting the individual investment potential for strengthening the value chain would augment the prospects of the industry appreciably.
- Increasing Domestic and Export market prospects for coir products.
- Good scope for manufacturing of value added /diversified products
- Implementation of SFURTI Scheme for focused development of the cluster.

THREATS:

- Competition from products such as Nylon, Jute Sisal fibre etc.
- Competition from coconut growing country viz.: Sri Lanka, Indonesia & Philippines etc.
- Utilization of husk for fuel purposes

NEED GAP ANALYSIS:

The key concern areas of the cluster are identified to be:

- Apparent Stagnancy in Coir Fibre market perceived. Coir Fibre units suffocate due to the price rise in raw material (Husks) and stagnancy in Coir Fibre price.
- Huge Fibre production within the cluster and very limited value addition of fibre within the cluster resulting in distress selling of Coir Fibre to China.
- Diminishing concern for Quality due to the present practice of supplying low quality fibres to China (for making low quality mattresses).
- The individual investment potential of coir entrepreneurs in the region is not exploited for elevation in the value chain, due to the defensive attitude of the entrepreneurs, in spite of consistent efforts by the Coir Board and other development agencies.
- Cluster's present production is limited to regular products such as Coir fibre, Coir yarn, 5 Kg. pith block and Curled coir. Lack of common initiatives among the entrepreneurs in the cluster so far, to venture into the production of value added finished products of high market value.

- No common marketing platform, resulting in over dependence of intermediaries/ agents /traders.
- Huge market potential noticed for high-end value added products such as Tufted mats, but lacking required production infrastructure which are beyond individual investment potential

Increased production of value added products, strengthening of value chain and venturing for exports would augment the cluster turnover and export revenues. Collaborative efforts to increase captive consumption of fibre on cluster mode to tap the market opportunities for the value added coir products are considered to be the requirement of the cluster.

5 PROFILE OF THE IMPLEMENTING AGENCY

SFURTI scheme implementation guidelines prescribes that the Implementing agencies (IA) would be Non-Government Organizations (NGOs), institutions of the Central and State Governments and semi-Government institutions, field functionaries of State and Central Govt., Panchayat Raj Institutions (PRIs) etc. with suitable expertise to undertake cluster development.

The proposed model of implementation for Pollachi Coir Cluster is based on the principle: *“active and accountable SPVs, accepting implementation responsibilities and offering active participation in the implementation at ground level may be assigned the role of Implementing Agency, under the close guidance, supervision and monitoring of the Technical Agency”*. In brief, the operational part of the project has to be carried out by the SPV and the procedural part has to be ensured by the Technical Agency.

Considering the experience, knowledge base and managerial capacity of lead SPV members in ‘Eco Coir Cluster India Private Limited’, the SPV, which is registered as Private Limited Company under sub-section (2) of Section 7 of the Companies Act, 2013 and rule 8 of the Companies (Incorporation) Rules, 2014 is being proposed as the Implementing Agency. As the Technical agency (ITCOT Consultancy and Services Limited) is involved in this cluster development process from the primary stage during the preparation of DPR, it is observed that the lead SPV members are capable of undertaking the implementation of the project successfully in adherence to the project timelines.

The SPV will have Regional Officer, Coir Board as NA representative and Project Manager, ITCOT as TA representative as its ex-officio members in advisory nature, who would monitor the progress of the implementation and ensure the adherence to scheme guideline stipulations. Moreover, appointment of the qualified Cluster

Development Executive (CDE) for the cluster would be undertaken by the Technical Agency in consultation with SPV and Nodal Agency.

The Technical Agency, assuming part role of Implementing Agency, would ensure timely completion of Cluster interventions and proper utilization of Government Grants. It will be responsible for furnishing Utilization Certificates (UC) and regular Progress reports to Nodal Agency. The financial transactions proposed by the SPV would be undertaken by the Technical Agency with the approval of Coir Board.

6 PROJECT CONCEPT AND STRATEGY FRAMEWORK

6.1 Project Rationale

The project rationale is to rejuvenate the existing product mix in the cluster and to enable the existing fibre industries to find a way out of the current desperate situation.

The project is envisaged based on the following points of observance:

- i) Pollachi area is inundated with Coir fibre extraction units
- ii) Due to the diminishing Kerala market, almost all the fibre units in Pollachi carry out distress selling of fibre to China.
- iii) The Coir Fibre units suffocate due to the price rise in raw material (Husks) and stagnancy in Coir Fibre price for the past two years
- iv) The Coir entrepreneurs are desperate to find a way out of the jeopardizing scenario.
- v) Overall acceptance of the fact that high-end value addition of fibre and its by-product pith would revive the existing distress scenario.

Hence HIGH END VALUE ADDITION OF FIBRE AND PITH is the dire need perceived for the rejuvenation of the cluster. The projects of high-end fibre based value added products have been studied and the cluster members are not convinced of the viability and sustainability of such projects. Hence direct value addition of fibre to high-end marketable products are circumvented and Yarn based value addition projects studied and Tufted mats and Geo-textiles are observed to be suitable for Pollachi in view of viability and sustainability. Hence the projects of Tufted mats and Geo-textiles are identified to be the products of Yarn based value addition to be established as Common Facility under the SFURTI scheme. In addition, viable projects of value-added pith products viz. Pith Grow bags, 650gms. Pith briquettes, Coco pith discs are also proposed to be established in the Common Facility centre in order to enhance the value chain of Coir Pith, the by-product generated during Coir fibre extraction. (1 Ton of Fibre production yields minimum 2 Tons of Coir pith).

Synergistic Effect:

In order to undertake Yarn-based value addition proposed, captive production of Yarn needs to be ensured. The existing entrepreneurs have significant individual investment potential to establish Yarn spinning units on their own under various schemes to fulfill the supply needs of the proposed high-end value added yarn based products viz. Tufted mats and Geo-textiles. The Coir yarn units can be established from a minimum investment of Rs.10.00 lakhs, which would attract all the members to participate in the development mission. This additional investment for the establishment of Coir Yarn production units in the cluster would naturally result in escalated turnover and employment in the cluster. This is considered to be the synergistic effect of establishing the manufacturing setup of Yarn based value added products.

Effective utilization of existing raw material resource, strengthening the value chain, improving the quality of the products and establishing global marketing linkages elevates the cluster to a higher level in terms of value addition, turnover, employment and foreign exchange earnings.

6.2 Project Objective

- Reasonable value realization for quality Coir Fibre within the cluster itself
- Multiplied investment, turnover and employment in Coir Spinning activity
- To manufacture value added high-end products, using the available resource and to venture the domestic & export market decisively
- Well established Common facility center with established market linkages
- Strengthening linkages among the Cluster members and actors in all levels of the value chain and to have a Collaborative setup to explore development opportunities & address common issues
- To address current production and supply bottlenecks

6.3 Focus Products/Services

In addition to the Soft interventions for Capacity building and Market promotion initiatives, the following facilities are proposed as interventions for the development of the cluster:

Yarn based Value addition:

- I. Coir Tufted Mats – for value addition and export market
- II. Geo-textiles – to tap Export market

Pith based Value addition:

- I. Pith Grow bags
- II. 650 gm. Pith briquettes
- III. Coco Pith Disc

6.4 Conceptual Framework / Project Strategy

- Strengthen linkages within the cluster – with other SMEs, larger enterprises, support institutions, banks etc. At times such linkages are also created with important organizations (private/public) outside the cluster;
- Assist cluster stakeholders to develop a consensus-based vision for the cluster as a whole;
- Help stakeholders to coordinate their actions and pool their resources to move towards a shared vision for the cluster as a whole; and
- Create an autonomous governance framework, in a step-by-step process that will sustain dynamism and change in the cluster after the withdrawal of the implementing agency

7 PROJECT INTERVENTIONS (CORE SFURTI)

7.1 SOFT INTERVENTIONS

Capacity Building:

- Trust Building: For strong association among cluster members to address common problems.
- Awareness Programme: To provide awareness about SFURTI scheme benefits, Cluster development initiatives and the prospects for value added products in Coir sector
- Entrepreneurship Development Programme: To foster entrepreneurship among cluster members.
- Skill Upgradation Programme: To increase the skilled labour force in the cluster to address the problem of limited skilled labour availability.
- Exposure Visit: Visit to other vibrant cluster, research institutions etc. to understand the synergic effect and dynamics of vibrant clusters and to demonstrate the technology and marketability for value added products.

Market Promotional Activities

- Market Study Tour: To enable the cluster members to gain a deeper understanding of the business environment and market dynamics in Coir sector.
- Participation in Trade Fairs: To conduct business, cultivate cluster's image and to examine the market. The main objectives of participation of trade fairs are:
 - Increased Sales
 - Product showcasing for enhanced product visibility
 - Establish qualified leads

In addition, trade fairs are the ideal place for surveying the market, comparing prices and sales terms etc.

- Buyer Seller Meet: To meet various players in the value chain for building business contacts and enhance marketability

7.2 HARD INTERVENTIONS

CREATION OF COMMON FACILITY CENTRE:

The following common facilities are proposed for the Pollachi Coir Cluster to enhance raw material utility, marketability and profitability.

Yarn based Value addition:

- I. Coir Spinning Machines (5 Nos.) – for Demo/Training & Production
- II. Coir Tufted Mats – for value addition and export market
- III. Geo-textiles – to tap Export market

Pith based Value addition:

- I. Pith Grow bags
- II. 650gm. Pith briquettes
- III. Coco pith disc

7.3 THEMATIC INTERVENTIONS

Cluster's active involvement and participation in activities such as national and international level brand promotion campaigns, New Media marketing, E-commerce initiatives etc. as proposed under the SFURTI implementation guidelines is projected as part of thematic interventions.

8 SOFT INTERVENTIONS

CAPACITY BUILDING PROGRAMME

S. No	Particulars	
1	Proposed Programme / Intervention	Trust Building and Awareness programme
2	Target group	Coir Entrepreneurs
3	No. of Batches	2
4	Batch size	50 nos
5	Training content	Self & Group motivation
6	Trainer / Training Institution	ITCOT Consultancy and Services Limited
7	Cost of Training programme	Rs. 1,00,000/-
8	Implementation timeline	Year I - Quarter I

S. No	Particulars	
1	Proposed Programme / Intervention	Entrepreneurship Development Programme
2	Target group	Coir Entrepreneurs
3	No. of Batches	4
4	Batch size	25 nos
5	Training content	Motivation, Project Identification, Govt. Subsidy Schemes, Banker role in Industries, Government statutory approvals, Export Import procedures & Marketing.
6	Trainer / Training Institution	ITCOT Consultancy and Services Limited
7	Cost of Training programme	Rs. 2,00,000/-
8	Implementation timeline	Year I - Quarter III

S. No	Particulars	
1	Proposed Programme / Intervention	Technology based Entrepreneurship Development Programme
2	Target group	Coir Entrepreneurs
3	No. of Batches	2
4	Batch size	25 nos
5	Training content	Scope for Value added coir products, Technological inputs & feasibility inputs, Marketing strategies
6	Trainer / Training Institution	ITCOT Consultancy and Services Limited
7	Cost of Training programme	Rs. 2,00,000/-
8	Implementation timeline	Year I - Quarter IV

S. No	Particulars	
1	Proposed Programme / Intervention	Skill upgradation Programme
2	Target group	Coir workers
3	No. of Batches	4
4	Batch size	20 nos
5	Training content	Skill Training for Yarn spinning & Geotextiles
6	Programme duration	3 days
7	Trainer / Training Institution	Coir Board
8	Cost of Training programme	Rs. 3,00,000/-
9	Implementation timeline	Year I - Quarter III & Quarter IV

S. No	Particulars	
1	Proposed Programme / Intervention	Skill upgradation Programme
2	Target group	Coir workers
3	No. of Batches	4
4	Batch size	20 nos
5	Programme content	Skill Training for Tufted mats & Pith based products
6	Coordinating Institution	ITCOT Consultancy and Services Limited
7	Cost of programme	Rs. 2,00,000/-
8	Implementation timeline	Year II - Quarter I

MARKET PROMOTION PROGRAMME

S. No	Particulars	
1	Proposed Programme / Intervention	Market study tours
2	Target group	Coir Entrepreneurs
3	No. of Batches	As per requirement
4	Programme content	To understand product wise market dynamics & to interact with market
5	Coordinating Institution	IA & TA
6	Cost of Training programme	Rs. 3,00,000/-
7	Implementation timeline	Year II - Quarter I & Quarter II

S. No	Particulars	
1	Proposed Programme / Intervention	Participation in Trade fairs
2	Target group	SPV members
3	No. of Batches	As per requirement
5	Programme objective	Participation, Exhibit products to generate market linkages and enquiries
6	Coordinating Organisation	Coir Board
7	Cost of Training programme	Rs. 5,00,000/-
8	Implementation timeline	Year II - Quarter II & Quarter III

S. No	Particulars	
1	Proposed Programme / Intervention	Buyer Seller Meet
2	Target group	SPV members
3	No. of Batches	As per requirement
4	Training content	Direct Contact with Buyers
5	Coordinating Organisation	IA, TA & Coir Board
6	Cost of Training programme	Rs. 2,00,000/-
7	Implementation timeline	Year II - Quarter III & Quarter IV

S. No	Particulars	
1	Proposed Programme / Intervention	Tie up with Business Development service(BDS) providers
2	Target group	SPV members
3	No. of Batches	As per requirement
5	Training content	New Product development New design development
6	Coordinating Organisation	BDS providers
7	Cost of Training programme	Rs. 5,00,000/-
8	Implementation timeline	Year III - Quarter I & Quarter II

9 HARD INTERVENTIONS

CREATION OF COMMON FACILITY CENTRE:

The following common facilities are proposed for the Pollachi Coir Cluster to enhance raw material utility, marketability and profitability.

- a) Coir PVC Tufted Mats
- b) Coir Geo Textiles
- c) Coir Pith Block 650 grams
- d) Coco Pith Disc &
- e) Pith Grow Bags
- f) Coir Two Ply Yarn (for Demo/Training & part production)

Land:

The lands proposed have been leased for creating the Common Facility Centres in Pollachi South locations of the cluster. The land to an extent of 1.48 acres is proposed to be leased by the SPV. The lease deed of the above said land in the name of SPV within 45 days from the date of receipt of final approval of the project under SFURTI scheme by the Ministry of MSME. Affidavit with respect to the same has been submitted by the SPV.

Location:

The land proposed to be leased is located at S.F.No.151/1B3/146/1A,Vettaikaranpudur, Pollachi taluk, Coimbatore District, presently belonging to Mr.K.Loganathan. The unit is proposed to house administration office, PVC coir tufted mat, Coir geo textiles, coir two ply yarns, coir pith blocks 650gms, coir disc, coir grow bag facilities. The location has other infrastructural facilities such as road, power etc. and is suitable for the proposed CFC.

Cost & Area of Building works:

S. No	CFC Building	Built up Area (in Sq.ft)	Rate / Sq.ft	Cost of Building (Rs. in Lakhs)
1	Coir Two Ply yarns	1500	800	12.00
2	Coir PVC Tufted mats	12300	800	98.40
3	Coir Geo Textiles	2000	800	16.00
4	Coir Pith Block 650 grams	1000	800	8.00

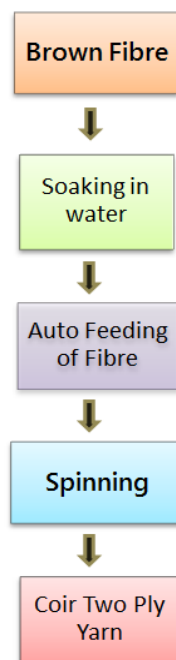
5	Coco pith Disc	500	800	4.00
6	Coir Grow Bags	2000	800	16.00
7	Raw material / Storage Godown	2000	800	16.00
8	Over head tank	-	-	10.00
9	Sump tank	-	-	4.00
10	Admin office	1000	1000	10.00
TOTAL		22300	-	194.40

9.1 Coir Two ply yarn – Demo. Cum Training Centre

Project Description

Coir Yarn is generally of two ply, spun from coir fibre with fully automatic spinning machines. The Coir yarn is of different qualities/grades based on the quality of fibre used, the nature of twist, presence of impurities etc. CFC is mainly dependent on coir yarn to be supplied by individual units. Training will be given to cluster members for establishing two ply yarn units. Yarn produced by members will be procured by the CFC.

The process flow chart for Coir yarn spinning is given below:



Project justification

Coir yarn, being an intermediate product is consumed for varied uses. For the proposed PVC Tufting mats, Geotextiles, Grow bags manufacturing facility in the cluster, Training cum production centre for spinning facility is created to give training to cluster members and strengthen the backward linkage i.e. ensured raw material resource. The need for this facility is to increase two ply yarn units in the cluster to ensure uninterrupted supply of raw material, which is mandatory for PVC Tufting mats, Geotextiles and Grow bags.

Proposed machineries and cost

Double headed spinning machine with
Auto fibre feeding machine 5 nos & 1 No.
Willowing & Spooling machine

- Rs.21.10 lakhs

Operation and maintenance model

The IA is responsible for the operation and maintenance of the CFC assets until scheme period and the SPV has to manage the entire operation on its own after project implementation period is over. The twoply yarn spinning is proposed mainly for demonstration/ training purpose. The operation and maintenance cost is proposed to be managed with the income from the operations of the Common facility center. respect to this project.

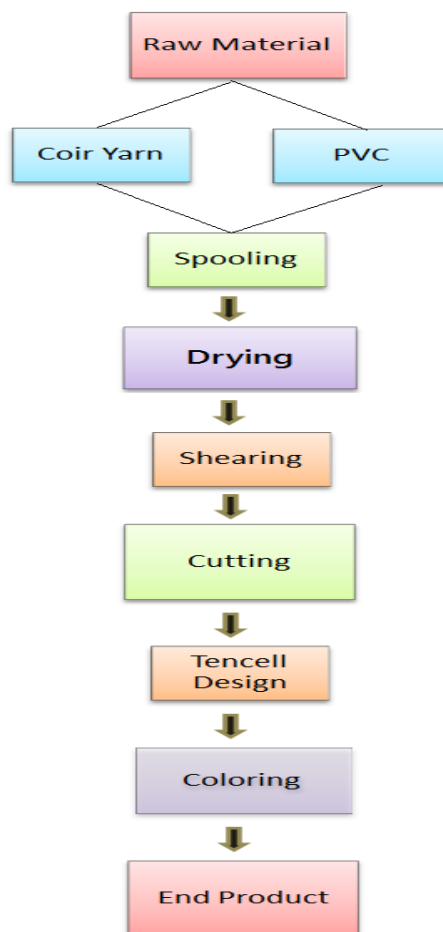
9.2 Coir PVC Tufting mats:

Project Description

PVC tufting (backed) mats and rolls are made by tufting high quality coir yarn into PVC backing. The product is formed by Tufting Coir Yarn over PVC back using the coir tufting machine. The vinyl backing provides anti slipping and ensures very low fibre shredding properties. The advantage is that these mats can be easily cut to any size or shape providing a completely clean and safe edge that will not fray.

Mats with varying pile heights can be manufactured with width of 1m/2m. Attractive Stencil designs can be made as per the requirements. This Coco Mat is bleached and designs are made using Azo Free water based acrylic paint. Coir Tufted Door Mats are very much in use throughout the world because of its versatility, durability, eco friendly nature, finishing and competitive costing. The finished bleached mat is colorful, brighter, long lasted and very effective in dirt trapping.

The process flow chart for PVC Tufting Mat is given below:



Project justification

The project is proposed in order to enable the cluster to enter the manufacturing area of value added marketable product. In addition, PVC Tufting Mat enjoys prospective export market.

Proposed Machineries and Cost

PVC / Latex Tufting mat machine with Supporting Machinery: Thermic fluid Heater (wood fired), Chimney and its connected work, Thermic fluid pipe line, Pneumatic control valve for thermic heater. Temperature Control valve for thermic Heater with accessories, panel board, Chiller Unit with pipe line, water tank etc. Air Compressor 10 HP, Shearing machine 120cm width and Spool winding machine and Packing machines.

PVC Tufting Machine - **Rs. 260.00 Lakhs**
(Production capacity 800 Sq. m. per shift)

Raw material availability

The raw material (PVC and Coir Yarn) required for Tufting mat is estimated to be 2.30 Kgs of Coir yarn and 3.30 Kgs of PVC per Sq.M. of output. The total requirement of yarn per annum is estimated to be 1440 Tons for the installed capacity. Coir yarn required will be sourced within the cluster. PVC/Rubber materials are to be sourced from Yarn units established in the cluster.

Operation and maintenance model

The IA is responsible for the operation and maintenance of the CFC assets scheme period and the SPV has to manage the entire operation on its own after project implementation period is over. The operation and maintenance cost is proposed to be managed with the income from the operations of the Common facilities through Sales realization.

Market Strategy:

- a. Engaging Business Development Service providers to enhance the cluster market share in both domestic and export market for the product.
- b. Establishing specific marketing channel and appointment of dealers in potential market centers
- c. Establishing linkages with retail showrooms (including Coir Board showrooms) in Chennai, Bangalore, Mumbai & Delhi
- d. SPV has already identified prospective buyers for PVC Tufting Mat viz.
 - Charankattu Coir, Allapppy
 - Brothers Coir mills P Ltd, Allapppy
 - Other Coir Exporters at Alleppey

9.3 Coir Geo Textiles:

Project Description:

Coir Geotextiles protect land surface and promote quick vegetation. Geotextiles are a wonderful treasure of natural eco friendly, erosion control blankets in woven and non-woven preparations. Totally biodegradable, geotextiles help soil stabilisation and renew vegetation in varying slopes.

The process flow chart for Geo Textiles is given below:



Project justification

Geo textiles, being the environment friendly value added product of yarn, is proposed to rejuvenate the cluster product mix and to introduce manufacturing of value added finished product in the cluster, which has good market prospects.

Proposed machineries and cost

Automatic Coir Geo Textile Netting weaving Power Loom Plant

2m width – 2 machines (Production capacity 100 Sq. feet per shift) - **Rs. 47.00 lakhs**

Raw material availability

The raw material (Coir two ply yarn) required for Geo Textiles production is 84 Tons per annum. Coir two ply yarn is to be sourced from the Coir yarn units established in the cluster.

Operation and maintenance model

The IA is responsible for the operation and maintenance of the CFC assets until scheme period and the SPV has to manage the entire operation on its own after project implementation period is over. The operation and maintenance cost is proposed to be managed with the income from the operations of the Common facilities through Sales realization.

Market Strategy:

Engaging Business Development Service providers to enhance the cluster market share in both domestic and export market for the product.

Establishing specific marketing channel and appointment of dealers in potential market centers

Establishing linkages with retail showrooms (including Coir Board showrooms) in Chennai, Bangalore, Mumbai & Delhi

SPV has already identified prospective buyers for Coir Geo-textiles viz.

- Palm fibre India P Ltd, Allapppy
- Brothers Coir mills P Ltd, Allapppy
- Charankattu Coir, Allapppy
- Foam matting India Limited, Allapppy

9.4 Grow Bag manufacturing facility:

Project Description:

The Coir Grow bags are used as plant substrates for soil less cultivation, largely used in greenhouses for growing vegetables such as Tomatoes, Paprika, Cucumber, Strawberries and cut flower production. The dried coir pith (Low EC) will be screened to remove the baby fibres, fines and stone with the help of screener and destoner automatically and feed it manually to the grow bag machine to make slabs. These slabs will be packed in UV treated poly bags and palettized.

The Grow bag is a soil less growing medium mainly used in green houses, for growing vegetables in various countries. The standard size of grow bag is 100 x 18 x

16 cms and the product weight is 2.86 Kgs. The production process of grow bag manufacturing comprises the following stages.

- ❖ Collection of raw materials
- ❖ Screening to remove fines upto 45%
- ❖ Weighing the raw material
- ❖ Feeding the machine
- ❖ Weighing the slab
- ❖ Insertion of slab in UV bag
- ❖ Sealing the bag
- ❖ Palleting
- ❖ Ready for despatch

This facility is a value added process, proposed in view of effective utilization of Coir pith and increased export earnings for the cluster.

Project Justification:

The project is proposed for effective utilization of coir pith generated in the cluster. Grow bags have prospective export market potential. Hence the project is proposed to increase the cluster turnover and export earnings.

Proposed Machineries and Cost:

S.No.	Machinery Description	Quantity	Total Price (Rs. in Lakhs)
1.	Semi-automatic coir pith Grow bag blocking Machine – Double mould type	1	24.15
Total			24.15

Raw Material Availability:

Coir Pith is the major raw material of Grow bag manufacturing process. Other raw materials are Coir Fibre and Coconut chips. The raw materials are to be sourced from the fibre units within the cluster

Marketing Strategy:

Grow Bag, the soil less growing medium, is the most wanted horticultural product from countries such as Holland, France, Spain, Italy, Israel, Canada, South Korea, U.S.A etc., The SPV lead members have already started establishing linkages with buyers from Holland & France to have a buy back arrangement for the entire production.

Operation and Maintenance Model:

The IA is responsible for the operation and maintenance of the CFC assets until scheme period and the SPV has to manage the entire operation on its own after project implementation period is over. The operation and maintenance cost is proposed to be managed with the income from the operations of the Common facility.

9.5 650gms Coir Pith briquettes:

Project Description:

The pith block making process involves receiving of pith, washing, drying, sieving and compacting as 650 gms. block on user charge basis. This facility is proposed in view of increasing the pith utility in the cluster

Project Justification:

Effective utilization of available raw material resource (coir pith) in Coimbatore district. This facility is proposed in view of increased export earnings for the cluster.

Proposed Machineries & Cost:

S.No.	Machinery Description	Quantity	Total Price (Rs. in Lakhs)
1.	Automatic 650 gm. Coir pith briquetting Machine -600 to 650 Bricks per Hour	1 set	13.65

Raw material availability:

Coir Pith is the raw material of 650 gms. Pith briquettes manufacturing process. The raw materials are to be sourced from the fibre units within the cluster

Operation and maintenance model:

The IA is responsible for the operation and maintenance of the CFC assets until scheme period and the SPV has to manage the entire operation on its own after project implementation period is over. The operation and maintenance cost is proposed to be managed with the income from the operations of the Common facilities through Sales realization

9.6 Coco Pith Discs:

Project Description:

Coir discs are designed to reduce the wastage of coir pith. These are suitable for pot plantation where only one disc is enough for one pot. This act as best supporting material as like soil. This coir disc helps in augmenting early sporting in flowering plants and vegetables, by reducing the dormancy phase. These products can be used in place of peat moss also. This product finds extensive usage in green houses, commercial & domestic gardens, in nurseries as a growing medium for plants and for horticultural purposes.

Project Justification:

Effective utilization of available raw material resource (coir pith) in Coimbatore district. This facility is proposed in view of increased export earnings for the cluster.

Proposed Machineries & Cost:

S.No.	Machinery Description	Quantity	Total Price (Rs. in Lakhs)
1.	Coco Pith disc Machine with 3 moulds	1	10.60

Raw material availability:

Coir Pith is the raw material of 650 gms. Pith briquettes manufacturing process. The raw materials are to be sourced from the fibre units within the cluster

Operation and maintenance model:

The IA is responsible for the operation and maintenance of the CFC assets until scheme period and the SPV has to manage the entire operation on its own after project implementation period is over. The operation and maintenance cost is proposed to be managed with the income from the operations of the Common facilities through Sales realization

10 PROJECT COST AND MEANS OF FINANCE (Core SFURTI)

The estimated project cost based on the computations of the project interventions and the means of finance for the project is given below:

S.No.	Proposed Interventions	Project Cost (Rs.Lakhs)	GOI Share (in lakhs)	SPV Share (in lakhs)
1	SOFT INTERVENTIONS			
1.1	Capacity Building			
1.1.1	Trust building and awareness programme	1.00	1.00	-
1.1.3	Entrepreneurship Development Programme	2.00	1.00	-
1.1.4	Technology based EDP	2.00	2.00	
1.1.5	Skill Upgradation Programme (2 Ply yarn & Geo-textiles)	3.00	3.00	-
1.1.6	Skill Upgradation Programme (Tufted mats & Pith products)	2.00	2.00	-
	Total Capacity Building cost	10.00	10.00	
1.2	Market Promotion			
1.2.1	Market Study Tour	3.00	3.00	-
1.2.2	Participation in Trade fairs	5.00	5.00	-
1.2.3	Buyer Seller Meet	2.00	2.00	-
1.2.4	Tie up with Business Development Service (BDS) providers	5.00	5.00	-
	Total Market Promotion cost	15.00	15.00	-
	Total Soft Interventions Cost	25.00	25.00	-
				CONTD...

2	HARD INTERVENTIONS			
2.1	Building for CFC	194.40	145.80	48.60
2.2	Machinery & Other infra for Common Facility Proposed			
2.2.1	Automatic Yarn Spinning – Training cum Demo Centre	21.10	15.82	5.28
2.2.2	PVC Tufted Coir Mats	260.00	195.00	65.00
2.2.3	Coir Geo-textiles	47.00	35.25	11.75
2.2.4	Grow bag manufacturing facility	24.15	18.11	6.04
2.2.5	650 gm. Pith Briquette making facility	13.65	10.24	3.41
2.2.6	Coco Pith discs	10.60	7.95	2.65
2.2.7	Electricals & Accessories (Transformer, Electrification & Genset)	40.00	30.00	10.00
2.2.8	Pith handling equipments (Tractor bull, dipper)	22.00	16.50	5.50
	Total Machinery & Other infra cost	438.50	328.87	109.63
2.3	Working Capital for one cycle of operation	150.00	95.00	55.00
	Total Hard Interventions Cost	782.90	569.67	213.23
	TOTAL INTERVENTIONS COST (SOFT & HARD)	807.90	594.67	213.23
3	Other Project Components			
3.1	Contingencies, Deposits & Preoperative expenses	25.10	-	25.10
	Total Other Project Components	25.10	-	25.10
4	Cost of TA (6% of Total Interventions-Grant Component)	35.68	35.68	-
5	Cost of IA/SPV including CDE	20.00	20.00	-
	TOTAL PROJECT COST	888.68	650.35	238.33

11 PLAN FOR CONVERGENCE OF INITIATIVES

The initiatives for convergence of schemes and leveraging of resources from various sources are under exploration viz.

- Dovetailing the benefits of other Coir Board schemes such as Coir Udyami Yojana, Export market promotion scheme etc. and also from other MSME schemes such as NEEDS, Capital subsidy scheme etc. to cluster members
- Exploring the opportunities for private sector participation in the cluster development project
- Exploring Corporate Social Responsibility (CSR) foundations with proven track record for additional funding.
- Exploring the possibilities to dovetail funds from various state and central government schemes over and above the funds sanctioned for SFURTI scheme (without duplication of funding for a specific project component).

The above initiatives would be undertaken with the participation of stakeholders on approval of the project. Notwithstanding the above initiatives, it is expected that the benefits of various other schemes such as Coir Udyami Yojana, PMEGP etc. for individual cluster members are foreseen as below:

Scheme	No. of beneficiaries/ Activity	Cost of project	Scheme Funding	Bank Loan	Promoter Contribution
Coir Udyami Yojana	25 (Coir two ply units)	25 members x Rs.10.00 lakhs = Rs.250 lakhs	Rs.100.00 Lakhs	Rs.137.50 Lakhs	Rs.12.50 Lakhs
PMEGP	5 (Coir two ply units)	5 members x Rs.25.00 lakhs = Rs.125.00 lakhs	Rs.43.75 Lakhs	Rs.75.00 Lakhs	Rs.6.25 Lakhs
	TOTAL	Rs.375.00 Lakhs	Rs.143.75 Lakhs	Rs.212.50 Lakhs	Rs.18.75 Lakhs

The additional investment estimated in the cluster is Rs.375.00 Lakhs with the scheme funding of Rs.143.75 lakhs, bank credit of Rs.212.50 lakhs and the promoter's contribution of Rs.18.75 lakhs.

12 ENHANCED PROJECT COST AND MEANS OF FINANCE

The Project cost and Means of Finance of CORE SFURTI project is illustrated in **Chapter 10**. Convergence of initiatives such as Dovetailing the benefits of other Coir Board schemes such as Coir Udyami Yojana, Export market promotion scheme etc. and also from other MSME schemes such as NEEDS, Capital subsidy scheme etc. to cluster members, would be undertaken to improve the viability of projects, strengthening the value chains and market linkages and to enable the overall improvement of the level of human development in the area.

Considering the convergence of other scheme benefits for individual cluster members, as foreseen in Chapter 11, the enhanced project cost and means of finance is given below:

(Rs.Lakhs)				
S.No.	Component	Total Cost	Grant Component	Promoter's Contribution & Bank Loan
01.	Core SFURTI	900.57	662.24	238.33
02.	Convergence initiatives (Establishment of individual units under various schemes)	375.00	143.75	231.25
TOTAL		1275.57	805.99	469.58

The enhanced project cost including the Core SFURTI and other convergence initiatives works out to Rs.1275.57 lakhs, whereas the corresponding Grant component is Rs.805.99 lakhs and that of Contribution and bank loan is Rs.469.58 lakhs.

13 PROJECT TIMELINE

The project implementation schedule with details of the activities to be undertaken and the expected time frame (quarter wise) for each activity is given below:

S.No.	Proposed Interventions	Period	
		Year	Quarter
1	SOFT INTERVENTIONS		
1.1	Capacity Building		
1.1.1	Trust building and motivational programme	I	Q1
1.1.2	Awareness Programme	I	Q1,Q2
1.1.3	Entrepreneurship Development Programme	I	Q3
1.1.4	Skill Upgradation Programme	I	Q3,Q4
1.1.5	Exposure Tour	II	Q1
	Total Capacity Building cost		
1.2	Market Promotion		
1.2.1	Market Study Tour	II	Q1/Q2
1.2.2	Participation in Trade fairs	II	Q2/Q3
1.2.3	Buyer Seller Meet	II	Q3/Q4
1.2.4	Tie up with Business Development Service (BDS) providers	III	Q1/Q2
	Total Market Promotion cost		
2	HARD INTERVENTIONS		
2.1	Land Lease (2 acres – 15 years lease)	I	Q1
2.2	Building for CFC	I	Q3,Q4
2.3	Machinery for Common Facility Proposed		
2.3.1	Coir Spinning Machinery	I	Q3
2.3.2	Coir Tufted Mat Machinery	II	Q1
2.3.3	Geo-textiles Machinery	II	Q2
2.3.4	Growbags Machinery	II	Q3
2.3.5	650gms. Pith briquettes	II	Q4
2.3.6	Coco Peat discs	II	Q4

14 DETAILED BUSINESS PLAN

The cost of production and profitability projection are presented in Financial Statement-3. The assumptions for working the cost of production & profitability are given below:

a. Automatic Coir Yarn Spinning (Demo. Training cum Production)		
Capacity per machine per shift	80	Kgs
Number of machines	5	
Number of shifts per day	1	
Number of days per annum	300	
Installed Capacity per annum	120	Tons
Less: 50% capacity, factored for training usage of M/c.	60	Tons
Installed Capacity per annum	60	Tons
Raw material Yield wastage (Fibre to Yarn)	20%	
Cost of raw material (Coir Fibre)	Rs.14,000	per Ton
b. PVC Tufted Coir Mat		
Installed Capacity per shift	800	Sq.M.
Number of machines	2	
Number of shifts per day	1	
Number of days per annum	300	
Installed Capacity per annum	480000	Sq.M.
Selling Price	Rs. 350.00	per Sq.M.
Raw material (Yarn) reqt. per Sq.M.	3.00	Kgs.
Total yarn reqt. for installed capacity per annum	1440	Tons
Cost of Yarn	Rs. 60.00	per Kg.
Raw material (PVC) reqt. per Sq.M.	3.50	Kgs.
Cost of PVC	Rs. 45.00	per Kg.
c. Geo Textiles		
Capacity per machine set per shift	350	Sq.M.
Number of machine set	2	
Number of shifts per day	1	
Number of days per annum	300	
Installed Capacity per annum	210000	Sq.M.

Raw material (Yarn) reqt. per 100 Sq.M.	40	Kgs.
Total yarn reqt. for installed capacity per annum	84	Tons
Selling price of Geo textiles	Rs. 80.00	per Sq.M.
d. Growbag Production [Size: 100 x (20/18/15) cms]		
Installed Capacity per machine per shift	1200	bricks
Number of machines	1	
Number of shifts per day	1	
Number of days per annum	300	
Installed Capacity per annum	360000	bricks
Total weight of Growbags	3.50	Kgs. per bag
Coir Pith requirement per bag	2.98	Kgs. per bag
Coir Fibre requirement	0.53	Kgs. per bag
Cost of Fibre	Rs. 14,000	per Ton
Chips requirement per bag	0.53	Kgs. per bag
Cost of Chips	Rs. 15,000	per Ton
UV Treated bags requirement per annum	360000	Nos. for the installed capacity
Cost of UV Treated bag	Rs. 20.00	per brick
Selling Price	Rs. 80.00	per brick
e. Coco Peat discs Production		
Installed Capacity per machine per shift	300	Kgs.
Number of machines	1	
Number of shifts per day	1	
Number of days per annum	300	
Installed Capacity per annum	90	Tons
Selling Price	Rs. 10,000.00	per Ton
f. Coir Pith briquette (650 gms.) Production		
Installed Capacity per machine per shift	2.00	Tons
Number of machines	1	
Number of shifts per day	1	
Number of days per annum	300	
Installed Capacity per annum	600	Tons
Selling Price	Rs. 14,000	per Ton
Yarn consumption at installed capacity for CFC proposed		
Yarn requirement for PVC Tufted Coir Mat section	1440.00	Tons per annum

Yarn requirement for Geo textiles section	84.00	Tons per annum
Total Yarn requirement for installed capacity	1524.00	Tons per annum
Less: Yarn production from CFC Spinning section	60.00	Tons
Nett Yarn purchase for CFC Operations	1464.00	Tons per annum for installed capacity
Chips consumption for Grow bags section (for installed capacity)		
Chips requirement per grow bag	0.53	Kgs. per bag
Grow bag - Installed production capacity	360000	bags per annum
Chips requirement for the installed capacity	189	Tons
Capacity Utilisation		
- First year	60%	
- Second year	65%	
-Third year	70%	
-Fourth year onwards	75%	
Power Cost	Rs.6.50	per KWH
Repairs & Maintenance	2.50%	Of plant and machinery cost in the first year of operation and 10% increase in every subsequent years
Administrative Expenses	2.00%	Of sales realisation
Selling Expenses	6.00%	Of sales realisation

Working Capital:

Working capital gap for the first year of operation works out to Rs.150.00 lakhs (Statement 2). This is based on 30 days stock of raw materials, 3 days of work in process, 10 days stock of finished goods and receivables for 15 days. Sundry creditors for raw materials are considered at 10 days. SFURTI scheme guidelines stipulates that “20% of hard interventions cost will be utilized towards working capital corpus”. Hence it is proposed that out of the working capital requirement of Rs.150.00 lakhs, Rs.95.00 lakhs will be met from SFURTI Grant and the balance Rs.55.00 lakhs to be met from the SPV Contribution.

Break Even Point, Net Present Value (NPV) and Internal Rate of Return (IRR):

The Break even point works out to 30% for the first year of operation(Statement 11).
The NPV works out to Rs.590.71 lakhs at 8% discount rate and the IRR 32.87% (Statement 12).

Project Financials:

The project financials comprises the following statements, which are enclosed in the Annexure separately:

- Statement 1: Cost of Project and Means of Finance
- Statement 1.1: Estimation of Deposits / Advances
- Statement 1.2: Preliminary and Preoperative Expenses
- Statement 2: Assessment of Working Capital
- Statement 3: Cost of Production & Profitability
- Statement 4: Assumptions for Cost of Production and Profitability
- Statement 5: Calculation of Income Tax
- Statement 6: Estimation of Power Cost
- Statement 7: Manpower Requirement and Estimation of Cost
- Statement 8: Estimation of Depreciation
- Statement 9: Projected Cash-Flow Statement
- Statement 10: Projected Balance Sheet
- Statement 11: Estimation of Break-Even Point
- Statement 12: Estimation of Net Present Value and Internal Rate of Return
- Statement 13: Sensitivity Analysis

15 PROPOSED IMPLEMENTATION FRAMEWORK

15.1 Role of Implementing Agency

The role and responsibility of the IA includes the following:

- i. Recruit a full time CDE preferably one amongst the stakeholders who has the desired knowledge and capability in order to ensure efficient implementation of the project
- ii. The IA would implement various interventions as outlined in the approved DPR
- iii. Undertake procurement and appointment of contractors, when required, in a fair and transparent manner
- iv. The IA will enter into an agreement with the Nodal Agency for timely completion on cluster intervention and proper utilization of Government Grants
- v. Operation & Maintenance (O&M) of assets created under the project by way of user-fee based model
- vi. Responsible for furnishing Utilization Certificates (UCs) and regular Progress reports to Nodal Agency in the prescribed formats.

15.2 Details of Strategic Partners

The cluster is proposed to be developed under SFURTI (Scheme of Fund for Regeneration of Traditional Industries). The Coir Board is the Nodal agency (NA) and ITCOT Consultancy and Services Limited is the Technical Agency (TA) appointed by Coir Board. A Special Purpose Vehicle (SPV) has been formed in the name of “Eco Coir Cluster India Private Limited” with 52 members. Considering the knowledge base, experience and managerial capacity of the lead SPV members, the SPV is proposed as the Implementing agency for this cluster. The above agencies work in tandem towards the successful implementation of the project in a sustainable manner.

15.3 Structure of the SPV

The SPV is formed and registered as Private Limited Company under Companies Act 2013 in the name of 'ECO COIR CLUSTER INDIA PRIVATE LIMITED as per the Certificate of Incorporation issued by Registrar of Companies, Coimbatore dated 14.09.2015. The CIN of the company is U17226TZ2015PTC021772.

15.4 Composition of the SPV

An SPV is formed with 52 members. The list of members are given below:

S No	Name & Mobile No	Designation	Company Name	Product Manufactured
1	Palanisamy Gounder 9865013131	Chairman	Sriram Coir Industries	Coir Fiber and 5 KG Pith block
2	Nagarajan 9443054064	Managing Director	Thuran Coir Mills	Coir Fiber , 5 KG Pith block, Curled coirs, 2- ply yarn
3	Vijayakumar 9842220682	Director	Sri Vinayaka Fibres	Coir Fiber and 5 KG Pith block
4	Venketupathy 9865414047	Director	Premier Coir International	Coir Fiber and 5 KG Pith block
5	Sivachalapathy 9790010950	Director	Cheran Fibres	Coir Fiber,5 KG Pith block, 2-ply yarn
6	Elangovan 9003015533	Director	Sri Selvakalli-ammal Coirs	Coir Garden Articles
7	Gopu 9944556221	Director	Sri Venkata chalapathi Fiber	Coir Fiber and 5 KG Pith block
8	Vignesh 9750588800	Director	Thuran Coco Products	Coir Fiber , 5 KG Pith block, Curled coirs, 2- ply yarn
9	Athithya 9965612312	Director	SriRam Coirs	Coir Fiber and 5 KG Pith block
10	Varatharaj 9788723303	Member	Ayyappa Fibres	Coir Fiber and 5 KG Pith block
11	Kanagavel 9842816607	Member	Deivavelu Coir Fibres	Coir Fiber and 5 KG Pith block
12	Subramaniyam 9942929681	Member	Sakthi Fibres	Coir Fiber and 5 KG Pith block
13	Kumar 9443045077	Member	Arunachala Coir Mills	Coir Fiber and 5 KG Pith block
14	Mohan Kumar 9788723302	Member	Guru Coirs	Coir Fiber and 5 KG Pith block
15	Ganesh Ramasamy 9976452201	Member	Sri Amman Coco Products	Coir Fiber and 5 KG Pith block
16	Murugesh 9965553131	Member	Amman Coir Products	Coir Fiber and 5 KG Pith block

17	Gandhi 9443023584	Member	MCR Coirex	Coir Fiber and 5 KG Pith block
18	Gandhi 9443023584	Member	Selva Niranjana Cotton & Coir	Coir Fiber and 5 KG Pith block
19	Senathipathy 9865048383	Member	Sri Aanjenayar Fibres	Coir Fiber and 5 KG Pith block
20	Maniarasu 9976256558	Member	Bavagiri Coirs	Coir Fiber and 5 KG Pith block
21	Palanisamy 9842215322	Member	Sri Murugan Fibre Mills	Coir Fiber and 5 KG Pith block
22	Ponkumar 9842263496	Member	Pon Deepika Fibres	Coir Fiber and 5 KG Pith block
23	Ragunathan 9965506582	Member	Sri Lakshmi Fibre	Coir Fiber and 5 KG Pith block
24	K.M.Kalimuthu 9095307410	Member	Sri Murugan fiber	Coir Fiber and 5 KG Pith block
25	T.Elangovan 9965120222	Member	Amman coirs	Coir Fiber and 5 KG Pith block
26	Purushothaman 9842099911	Member	Thamu fiber	Coir Fiber and 5 KG Pith block
27	T.Prabu 9865022220	Member	KRISHNA COIR	Coir Fiber and 5 KG Pith block
28	P.Mailsamy 9842286329	Member	Shakthimurugan fiber	Coir Fiber and 5 KG Pith block
29	K.N.Kanagaraj. 9842264511	Member	Sri Saravana Fibres	Coir Fiber and 5 KG Pith block
30	K.S. Palanisamy (Durai) 9842224290	Member	Sri Vishnu Fiber Unit	Coir Fiber and 5 KG Pith block
31	K.Sivasamy 9842210100	Member	Harish fiber	Coir Fiber and 5 KG Pith block
32	Manigandan 9659911277	Member	VRP Coirs	Coir Fiber and 5 KG Pith block
33	Balagurusamy 9842239255	Member	Sri Akkamma Fibres	Coir Fiber and 5 KG Pith block
34	A.Sivasamy 9865861665	Member	Cheran Fibres (2)	Coir Fiber and 5 KG Pith block
35	K.M.Selvaraj 9842224271	Member	Sri Kanndiamman Fibres	Coir Fiber and 5 KG Pith block
36	P.Balasubramaniam	Member	Kaveri Fibre Industry	Coir Fiber and 5 KG Pith block
37	K.Thiyagu	Member	Jayalakshmi Fibres	Coir Fiber and 5 KG Pith block
38	S.C.Udayakumar	Member	Sri Annamar Fibre	Coir Fiber and 5 KG Pith block
39	SivaGanesh 9965072959	Member	MSR Traders	Coir 2- ply yarn
40	Chinna Nachimuthu	Member	---	Coir Fiber and 5 KG Pith block

41	Muthukumar 9842841287 9942277550	Member	SMBE Fibre Mills	Coir Fiber and 5 KG Pith block
42	Palanivel	Member	Sriharisri Coir Products	Coir Fiber and 5 KG Pith block
43	Sathishkumar	Member	ATA Coirs	Coir Fiber and 5 KG Pith block
44	Uma Maheshwaran	Member	Sri Annamar Pith Blocks	Coir Fiber and 5 KG Pith block
45	S.Velusamy 9750040288	Member	Sri Chinnamman Coirs	Coir Fiber and 5 KG Pith block
46	N.Sakthivel 8760665083	Member	Sri Sai Sakthi Fiber	Coir Fiber and 5 KG Pith block
47	S.SenthilKumar 7373024647	Member	Sri Sakthi Coirs	Coir Fiber and 5 KG Pith block
48	P.Rathinam	Member	Guruvayurappan Curled Unit	Coir Fiber and 5 KG Pith block
49	Krishnaraj 9865233678	Member	Sri Vari Fibre	Coir Fiber and 5 KG Pith block
50	S.A.Senthil Kumar 9976148884	Member	Muruga Coirs	Coir Fiber and 5 KG Pith block
51	A.Murugantham 9976248884	Member	Sri Sakthi Fibres	Coir Fiber and 5 KG Pith block
52	N.Balasubramaniam 9865777996	Member	Amman Fibres	Coir Fiber and 5 KG Pith block

16 EXPECTED IMPACT

- Reasonable value realization for quality Coir Fibre within the cluster itself
- Multiplied investment, turnover and employment in Coir Spinning activity
- Production of value added competitive products and marketing through strengthened marketing linkages (both domestic and export)
- Increased value addition of Coir Fibre, resulting in enhanced income for Fibre manufacturers by minimum 20%, consequently increased income level to the coir workers in Fibre extraction units by minimum 10%.
- Increase in the overall turnover of the cluster by minimum 10%.
- Additional employment of minimum 300 personnel, due to the establishment of new Coir yarn units under convergence.
- Additional investment to the tune of about 3.50 Crores for the establishment of Coir yarn units by entrepreneurs to meet the yarn requirement of CFC.
- Post interventions, the Cluster's export earnings increase by 15%
- Emergence of specialized support service providers and their active involvement in the development process
- Strong linkages among the Cluster members and actors in all levels of the value chain and an established Collaborative setup in place to undertake development initiatives & address common issues.
- Establishment of new units by converging various schemes of State and Central Governments (such as Coir Udyami Yojana, PMEGP, UYEGP, etc.) resulting in additional investments in Coir sector by the cluster members
- 100% Coverage of cluster artisans under social security schemes
- Improved access to financial capital for cluster members