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Scope, Sustainability and Prospects of Cotton Textile Industry in Maharashtra

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Abstract

Maharashtra contributes around 10.4% to India's textiles and apparels output. However it has covered highest area under cotton cultivation and 2nd largest producer of cotton in India. Maharashtra state has strong base of raw material for cotton textile industry. Around 70 to 80 lakh cotton bales produce per year out of which only 25 lakh bales consume by mills in the state. Near about 70% of raw cotton going to other states for next process. Thus it clearly reveals that inadequacy of spinning capacity in the state. All above things are considered in the present research paper to study scope, sustainability and prospects of cotton textile industry in Maharashtra state. The cotton profile of Maharashtra and regional disparities in location of cotton textile industry are studied. There is ample scope to growth of cotton to cloth process including ginning units, spinning mills, composite mills, garments units. Further processing such as sizing, dyeing, printing, finishing etc. establish for value addition in grey cloth; would be generate more employment in Maharashtra.

Keywords: Cotton Profile, Regional Disparity, Cotton Textiles Industry, Scope & Sustainability, Prospects

1. Introduction

India is an agricultural country wherein cotton is a main cash crop cultivated. India is the 3rd largest producer of cotton in the world. Maharashtra ranks second in India in regards production of cotton. Around 3 million farmers are engaged cultivation in the state mostly in the Marathwada and Vidarbha region. Maharashtra state is a leading producer of cotton; accounts for 20% of the country's total production and more than 30% (around 40 lakh hectare) of the country's total area under cotton cultivation. (CAB 2011). Maharashtra contributes only 10.4 per cent to India's textiles and apparels output. It is the second largest state of cotton growing in India; average yearly production is nearly 70 to 80 lakh bales. The first textile mill was set up in 1854 in Mumbai (**S. D. Mehta**). There are 190 mills in which 126 mills are in actual working situation as on March 2013.

2. Specific Objectives of the Research Paper:

1. To study the cotton profile of Maharashtra for identifies the prospects of cotton textile industry in Maharashtra.
2. To find out the regional disparity in location of cotton textile industries in Maharashtra.
4. To know the scope and sustainability of cotton textile industry in Maharashtra.

3. Research Methodology:

For the present research paper the secondary sources are used in which economic survey of Maharashtra, information of textile commissioner, research papers, newspapers, relevant books and websites etc. statistical data retrieved from websites, compiled it, calculate by percentage and analysed it.

4. Survey of Literature:

Project Team of (SINET), Asia Pro Eco Programme (2007) concluded that cotton textile sector has a great potential towards the economical, environmental and social sustainability of the network. They summarized that it is major sources of Increases the living standard through employment generation, Infrastructure development, bio-diesel production from cotton seed oil, Allied business, such as transportation emerging from the network contributing towards the economy of local community. B. B. Mohanty (2009) analysed regional disparity in agricultural sector of Maharashtra. Cotton is the predominant cash crop in Vidarbha and Marathwada region. As the area under irrigation was negligible, cotton cultivation was mostly

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left to the vagaries of monsoon. Backward regions like Vidarbha witnessed more disadvantages in recent years owing to the adverse impact of economic liberalization on cotton growers. Mr. V. R. Sai Ganesh (2013) pointed out that, Government of India has a vision to increase India's share in the global textile trade to 10% by year 2015 from current 3 per cent. Dr. Christian Schindler (25th Feb, 2014) the global financial and economic crisis in 2008/2009 (also referred to as the Great Recession), the worst since the Great Depression in the 1930s, had a negative effect on the global economy in general and the global textile industry in particular. In 2010 cotton prices started rising and reached historic record levels.

Table 1: Textile Industries in Maharashtra State (2010-11)

Industry groups	No. of Industries
Textile group (Textiles, Cotton ginning, cleaning & Wearing apparel etc.)	4005 (14.01)
Total of all Industry groups	28579 (100)

Source: Economic Survey of Maharashtra 2012-13

The textile industry group includes number of industries not only textiles but also number of ginning and wearing apparels etc. So textile industry group have 14.01% share in all industry groups of Maharashtra state in the year 2010-11. It includes 6.91% of textiles, 3.24% share of cotton ginning, cleaning and 3.86% of wearing apparels respectively (Table 01). The main products exported from the State through textile industry group are includes textiles, readymade garments and cotton yarn.

5. Cotton Profile of Maharashtra

Maharashtra state has more than 30 per cent area under cotton cultivation in India. The average yield of cotton in Maharashtra has less than average of India due to low productivity.

As per cotton advisory board (CAB), there was 41.25 lakh hectares area under cotton cultivation in Maharashtra which is 33.87% against India, in the year 2011-12. Besides, production of cotton lint were 76 lakh bales (20.71%) only, against 367 lakh bales in India during the same year. During 2011-12, average yield of cotton in Maharashtra was 313 kgs per hectare which is below 38.86% against India's average yield of 512 kgs per hectare (Table 02). Maharashtra has rank first in respect of area covered (33.87%) under cotton cultivation and 2nd largest producer of cotton (20.71%) in India whereas Gujarat covered 24.32% area producing 33.24% cotton which is highest in the country. Tamil Nadu was highest in yield/productivity (831 kg.) per hector subsequently Gujarat was rank second (700 kg) in per hector yield. (CAB 2011)

Table 2: Area, Production & Productivity/Yield of Cotton (2011-12)

States	Area (Lakh ha.)	Production (Lakh bales - 170 Kg. each)	Average Yield (Kg. per ha.)
Maharashtra	41.25 (33.87)	76.00 (20.71)	313
India	121.78 (100)	367.00 (100)	512

Source: <http://cotcorp.gov.in>

Table 3: Growth in Area, Production & Productivity/Yield of Cotton in Maharashtra

Year	Area (Lakh ha.)	Production (Lakh bales - 170 Kg. each)	Yield (Kg. Per ha.)
2002-03	28.00	26.00	158
2011-12	41.25	76.00	313

Source: <http://cotcorp.gov.in>

In 2002-03, Maharashtra was covered average area 28 lakh hectare under cotton cultivation. In the same period it produced average 26 lakh bales of cotton production with average yield of 158 kg per hectare. During 2002-2003 to 2011-12; productivity/ yield of cotton lint increase from 158 kg to 313 kg per hectare in the state (Table 03). The cotton productivity/yield rise after 2003 in the country because of farmers started cultivation of Bt cotton seeds.

6. Majority Area of Cotton Production in Maharashtra

Agricultural development in Maharashtra over the last three decades has been unequal across regions with western Maharashtra much ahead of other regions in terms of major developmental indicators. The inability of Marathwada and Vidarbha regions to compete effectively for a larger share of the state's resources is mainly due to the absence of a well articulated structure of groups and alliances in these regions. Maharashtra state has 26 cotton producing districts along with 09 districts from Vidarbha region, 08 districts form Marathwada region, 03 districts form north Maharashtra (Khandesh) and 06 districts form western Maharashtra. Top ten districts producing around 78% cotton and acquire area in same percent. It consists of five district form Marathwada, four districts from Vidarbha and one district form Khandesh. (CICR 2010)

Table 4: District-wise Area, Production & Yield of Cotton (lint) in 2010-11

Sr. No.	Districts	Area in Hectares	Production in Bales
1.	Jalgaon	509700 (12.93)	1097100 (14.68)
2.	Yavatmal	479800 (12.17)	775900 (10.38)
3.	Aurangabad	332900 (8.45)	879200 (11.77)
4.	Jalna	303300 (7.69)	776600 (10.39)
5.	Nanded	302100 (7.66)	462200 (6.19)
6.	Beed	276800 (7.02)	422200 (5.65)
7.	Buldhana	251500 (6.38)	436100 (5.84)
8.	Parbhani	232400 (5.90)	404800 (5.42)
9.	Amravati	204300 (5.18)	336200 (4.50)
10.	Wardha	190600 (4.84)	263000 (3.52)
Total of top 10 district		3083354 (78.22)	5852462 (78.32)
State Total		3941900 (100)	7472500 (100)

Source: <http://www.cicr.org.in>

Note: The figure in parentheses indicates percentage to state total.

As per as highest area concern under cotton cultivation, Jalgaon (1), Yavatmal (2), Aurangabad (3) and Jalna (4) districts are respectively. Likewise Jalgaon (1), Aurangabad (2), Jalna (3) and Yavatmal (4) were shown highest performance in cotton production in sequence order (Table 04).

Table 5: District-wise Yield/Productivity of Cotton (lint) in 2010-11 & 2000-01

Sr. No.	Districts	2010-11	Sr. No.	Districts	2000-01
		Yield (Kg. per ha.)			Yield (Kg. per ha.)
1.	Solapur	491	1.	Pune	389
2.	Aurangabad	449	2.	Satara	321
3.	Dhule	428	3.	Sangli	308
4.	Latur	399	4.	Solapur	292
5.	Ahmednagar	369	5.	Ahmednagar	277
6.	Jalgaon	366	6.	Wardha	194
7.	Osmanabad	362	7.	Nashik	170
8.	Washim	354	8.	Kolhapur	170
9.	Nandurbar	354	9.	Nagpur	151
10.	Kolhapur	340	10.	Latur	151

Source: researcher compilation form <http://www.cicr.org.in>

As per as productivity concern solapur (1), Aurangabad (2), Dhule (3) and Latur (4) were shown highest performance in 2010-11. Whereas in 2000-01, Pune (1), Satara (2), Sangli (3) and solapur (4) shown yield performance respectively (See Table 05). Yield of cotton depends on availability of black soil, rainfall, fertilizers, favorable weather conditions, quality of seeds and farmers awareness about cotton cultivation etc.

7. Regional Disparities in Location of Cotton Textile Industry in Maharashtra

One additional point of regional disparities should be considered in respect of cotton textile industries in Maharashtra. Mostly cotton textile mills both spinning and composite are located in western part of Maharashtra like solapur, Kolhapur and Sangli districts in particular. However, Vidarbha, Marathwada and north Maharashtra is the major cotton producing areas. Moreover, exclusive weaving mills whether it is silk, rayon or synthetic mills still located in Mumbai and Thane district of Kokan region. Majority of powerlooms are situated in Bhiwandi, Malegaon and Ichalkaranji which is part of western Maharashtra. The textile industry of Maharashtra is consolidating with powerloom sector. This majority of powerlooms are located in three powerloom clusters which are Bhiwandi (Thane district), Malegaon (Nashik district) and Ichalkaranji (Kolhapur district). The majority of cotton mills located in western Maharashtra like Kolhapur, solapur, Sangali etc. However, Vidarbha, Marathwada and Khandesh are the main cotton producing areas in the state. Handlooms are in Solapur, Nagpur, Bhandara and Nashik district which is negligible (0.24%) as against India.

8. Scope & Sustainability of the Cotton Textile Industry

However, Maharashtra has 30 per cent land under cotton cultivation in India; it produces 20 per cent raw cotton of the country. Beside this there are 2.87 lakhs powerloom units in the state which are 55% as against 5.20 lakhs in India. Strong raw cotton base is to sustain the cotton textile industries in Maharashtra state. It is necessary to point out that the in top ten districts of cotton production consist of five districts only from Marathwada region. Hence there is strong base of raw cotton shown ample scope, sustainability and prospect of cotton textile industries in this region. More than 70 per cent raw cotton of Maharashtra going to other states like Gujarat, Tamil Nadu, Andhra Pradesh, Karnataka and Madhya Pradesh. There is no adequate number of industries with huge installed capacity to consume all these cotton produced

in state. However Maharashtra is a second largest producer of cotton in the country.

9. Prospects of Cotton Textile Industries in Maharashtra

There is ample scope to growth of cotton textile industries including ginning units, spinning mills, composite mills, garments units and further processing like sizing, dyeing, printing etc. in the state. If cotton processing industries establish in cotton growing areas like Vidharbha, Marathwada and Khandesh, the transportation cost would be reduced and employment opportunities shall come into exist. The Aurangabad district has potential to be developed as a textile center if processing are establish, as good quality of cotton is being produced in Marathwada. The Aurangabad district in the region witnesses 150 mm less than the average expected rainfall, dry climatic conditions, due to which the cotton is stronger and the cotton fiber obtained is in the range of medium and long. Aurangabad produces cotton bales which have to be exported another states like Tamil Nadu and Gujarat. The ginning and pressing mills from other states have shifted in district, identifying its potential. Due to better connectivity as roads, railways and airport, Aurangabad has become a huge cotton textile center.

10. Conclusion

Maharashtra state has strong base of raw material for cotton textile industry. Around 70 to 80 lakhs bales of cotton producing in a year even mills consume only 25 lakh bales every year. Near about 70% of raw cotton going to other states for further processing. Thus one thing is clearly reveal that the spinning capacity should be enhance in the state. One additional point is reveals i.e. regional disparities in the cotton production and location of cotton textile industries in Maharashtra state. Majority of the cotton textile mills including spinning, composite and exclusive weaving mills are located in western part of Maharashtra. They procured majority of raw material form cotton growing areas, spent transportation cost for that. However Vidharbha, Marathwada and Khandesh are main cotton growing areas. Moreover, Malegaon in Nashik district, Ichalkaranji in Kolhapur district and Bhiwandi in Thane district are the big powerloom clusters which covered more than 95% powerlooms in the state which are also located in western Maharashtra and Kokan region.

It may conclude that peoples in cotton growing areas are deprived form employment of this industry. However textile industry is a second largest employment provider after agriculture sector. It is necessary that established more cotton

textile industries in cotton growing areas it will assist to save transportation cost, provide huge employment in rural or semi urban areas. The textile sector experienced huge crises of losses in 2008/09 due to global recession and also in 2011 due to wrong export policy of central government. Thus it took into account the needs of saving internal cost factors like Transpiration cost; power cost and labour cost to reduce cost of production. Allied processing like dyeing, printing, finishing, sizing etc. establish for value addition in grey cloth; would be generated more employment in Maharashtra state.

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