

# Growth and Development of Power Loom Sector in India

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**Abstract:** The textile industry, including the power loom sector, is one of the largest contributors to the Indian Economy. The power loom sector is a major contributor to India's total cloth production, accounting for a significant portion of the country's fabric output. The sustainable portion of the fabric produced by the power loom sector is exported, making it crucial for India's textile exports. The readymade garments and home textile sectors are heavily reliant on the power loom sector for their fabric requirement. This sector provides more employment opportunities. The government has focused on the development of power loom sector by providing various developmental schemes with the aim of facilitating in-situ upgradation of plain power looms, IT awareness, market development, and modernization. The present paper made an attempt to identify the growth and development of power loom industry in terms of number of power looms installed, production of cloth etc. the secondary data have been collected and analyzed by using tools like percentages, AGRs and CAGRs.

**Keywords:** Power loom, growth, development, India.

## Introduction

The Indian power loom industry is an important contributor to the country's textile sector, produces a wide variety of fabrics, both grey and processed, and is a major source of employment, contributing about 60 per cent of total cloth production. The power loom industry provides employment to a large number of people, both skilled and unskilled and is a major source of livelihood in many areas. A significant portion of the fabrics produced in the power loom sector are exported, contributing to India's textile exports. This industry is distributed across various states in India, with Maharashtra having an attractive share of the total power looms. The industry faces challenges such as fragmented structure, low productivity, technological obsolescence and low-end quality products. The government has launched different schemes to promote the power loom sector. Power loom is essential for India's textile exports as the sector contributes 60 per cent of the fabrics meant for exports. Silk, cotton, jute, synthetic rayon, readymade garments, printed and dyed fabrics and fibers are some of the top products exported out of the country. The decentralized power sector is one of the most important segments of the textile industry in terms of fabric production and employment generation. It provides employment to 64.36 per cent Lakh persons and contributes 60 per cent of total cloth production in the country. 60 per cent of the fabrics produced in the power loom sector are man-made. The readymade garments and home textile sectors are heavily dependent on the power loom sector to meet their fabric requirement. There are approximately 275.74 lakh power looms as on 31<sup>st</sup> October, 2016. The government also supporting for the development and growth of power loom sector by providing various schemes.

## Review of Literature

Satya Sundaram I (2008), in his study he found that, among the total measures and initiatives taken by the Government towards promoting the power loom sector, Capital subsidy, technology Upgradation Scheme, opening more yarn depot s, the hand looms (Reservation of Articles for Production) Act was noteworthy. He felt that, Government support is essential to power loom sector in domestic as well as international market.

Manikandan S & Dr. S Thirunuvakkarsu (2010), in their study, "Tamil Nadu power loom Industry Issues and Challenges, A Critical Study" they concluded that, Gujarat and Maharashtra are not growing as quickly as Tamil Nadu's power loom industry. In this study they have identified that, a variety of strategies have been using to upgrade

the power loom industry, including investment subsidies in automatic and semi-automatic power loom units, its modernization and skill upgradation.

Thakor D V. Pawar Y T & Arif Anjum Md. (2011), in their study they pointed out that, Numerous issues plague this industry, including outmoded technology, lack of corporate ethics, old marketing strategies, less skilled labour, low quality products etc. they concluded that, power loom industry provides more employment opportunities next to agriculture.

### Objectives of the Study

The Study aims the following objectives:

1. To know the concept of power looms.
2. To identify the developmental schemes for power loom sector.
3. To study the growth and development of power loom sector in India.

### Methodology

The present study is completely analytical and descriptive in nature. And this study is based on secondary data. The secondary data have been collected from the various secondary sources such as books, magazines, journal and other annual reports. The collected data have been analyzed with the help of tools like percentages, annual growth rates and compounded annual growth rates.

### Government Schemes for the Development of power looms

4. **Group Insurance Scheme for power loom workers (GIS):** The Government of India has launched the Group Insurance Scheme in the year 2003-04 in collaboration with the Life Insurance Corporation of India. Under this scheme 72,681 power loom workers have been insured for the period 01-04.2016 to 30-11-2016 and Rs.1.31 Crore have been released as Government of India contribution as on 30-11-2016. During this period 338 no of claims have been settled with an amount of Rs. 2.09 Crore.
5. **Group Work Shed Scheme (GWS):** The government of India introduced a Group Work shed Scheme for decentralized power sector on 29-07-2003, under the Xth five year plan. The scheme aims at setting up of power loom parks with modern weaving machinery to enhance their competitiveness in the Global Market and the same was subsequently modified.
6. **Integrated Scheme for Power Loom Sector Development (ISPLSD):** The government has announced this scheme in the year 2007-08 with the aim of overall development of the power loom sector.
7. **Pilot Scheme of In-Situ Upgradation of Plain Power looms:** The scheme aims to improve the Quality and productivity of the fabric being produced by upgrading their existing power loom.
8. **Comprehensive Power loom Cluster Developmental Scheme:** This scheme was formulated in the year 2008-09 with the aim of development of power loom Mega Cluster in Maharashtra and Tamil Nadu.

### Data Analysis

**Table-1** Growth in Number of Power looms installed from the year 2006-07 to 2015-16

Year	Number of Power looms	Growth Percentage
2006-07	19,90,308	-----
2007-08	21,06,370	5.83%
2008-09	22,05,352	4.7%
2009-10	22,46,474	1.9%
2010-11	22,82,744	1.61%
2011-12	22,98,377	0.68%
2012-13	23,47,249	2.12%

2013-14	23,67,594	0.86%
2014-15	24,47,837	3.39
2015-16	25,22,477	3.05%
<b>CAGR</b>	<b>2.67%</b>	-----

**Source:** Annual Report 2016-17, P. 82, Ministry of Textile, GOI.

### Interpretation

The above table no 1 reveals that the number of power looms installed from the year 2006-07 to 2015-16. The total number of power looms installed were 19, 90, 308 in the year 2006-07 and it has increased to 25, 22, 477, in the year 2015-16. There is an increasing trend of power looms installed during the ten years study period that is from 2006-07 to 2015-16. It is also showing that the Compounded Annual Growth Rate for ten years study period registered as 2.67 percent. Again it is also observed that, the Annual Growth Rate decreased from 5.8 per cent to 0.68 percent from the year 2007-08 to 2011-12. Again, surprisingly the AGR has increased to 2.12 per cent in the year 2012-13. Though there are up and downs in the annual growth rates during the study period, in last year that is in 2015-16 AGR has registered as 3.05 percent remarkably.

**Table-2** Cloth Production by Power loom Sector during the year 2006-07 to 2015-16

(in. million. square. mtrs)

Year	Total Production	Production of Power loom	Percentage of percentage increase over the power loom sector Power loom previous year		
			Over Total Cloth Production	Total Production	Power loom production
2006-07	53,389	32,879	61.58%	-----	-----
2007-08	56,025	34,725	61.98%	4.94%	5.61%
2008-09	54,966	33,648	61.22%	-1.89%	-3.10%
2009-10	60,333	36,997	61.32%	9.76%	9.95%
2010-11	62,559	38,015	60.77%	3.69%	2.75%
2011-12	60,453	37,445	61.94%	-3.37%	-1.50%
2012-13	62,792	38,038	60.58%	3.87%	1.58%
2013-14	63,500	36,790	57.94%	1.12%	-3.28%
2014-15	65,276	37,749	57.83%	2.79%	2.60%
2015-16	65,505	36,984	56.46%	0.35%	-2.02%
CAGR	2.30%	1.32%	-----	-----	-----

**Source:** Annual Report 2016-17, P. 83, Ministry of Textile, GOI.

**Interpretation:** The above table No 2 discloses the information about the production percentage of power looms in the total production during the study period from the year 2006-07 to 2015-16. The total production was 53,389 million square meters in the year 2006-07, it has increased to 65,505 million square meters in the year 2015-16. Its CAGR has registered as 2.3 per cent for ten years study period. It is also observed that, the power loom production was 32,879 million square meters in the year 2006-07, it rose to 36,984 million square meters in the year 2015-16. For ten years study period the power loom production CAGR registered as 1.32%. The remarkable feature is that, more than 50 percent of total production produced by the power loom sector in the study period. From the year 2006-07 to 2011-12 the share of production of power looms is more than 60 per cent. And from the year 13-14 to 2015-16 the share of power loom production is recorded more than 50 per cent. In case of AGR of total production there are certain up and downs. In case of power loom sector AGR also there are certain up and downs and highest AGR recorded as 9.95 per cent in the year 2009-10.

## Conclusion

The power loom sector of India is among the biggest contributors to the country's textile Industry and makes up the majority of the textile production. The current study evaluated the number of power loom installed and production performance of the power loom industry. It is concluded that, more than 60 per cent of the total production achieved by power loom sector in India. In spite of the certain challenges, which have been faced by the power loom sector and some up and downs in the Annual Growth Rates of power loom sector, achieved remarkable performance during the study period. It is observed that, there was slow growth of production year by year and finally its CAGR recorded positively as 1.32 per cent. The government has providing supportive schemes to promote the power loom sector in India. It is advised to the government to give much more support to improve the growth of power loom sector in India.

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