

## CHAPTER I

---

### INTRODUCTION CO-OPERATIVE SPINNING MILLS IN INDIA

---

- 1:1 A Historical Background.
- 1:2 Cotton Cultivation and Production in Karnataka State.
- 1:3 Area & Production of Cotton Districts in Karnataka.
- 1:4 Talukawise Distribution of Cotton, areas in Dharwad District.
- 1:5 Cotton Varieties Grown in Dharwad District.
- 1:6 Co-operative Spinning Mills in Karnataka.
- 1:7 Co-operative Spinning Mills in Dharwad District.

**CHAPTER I**  
**INTRODUCTION**  
**CO-OPERATIVE SPINNING MILLS IN INDIA**

1:1 A HISTORICAL BACKGROUND :

The Co-operative Movement in India was started as early as 1891 in Punjab. But the co-operative movement in India began actually in 1904 with the enactment of Co-operative Credit Society Act. However, systematic and integrated programme for development of co-operatives is the field of agriculture credit, marketing, processing of agricultural inputs were developments in the second, third, fourth and fifth five year plans. During the 4th five year plan the objective was to encourage the growth of co-operatives integrated development of various types of co-operative organisation. The fifth five year plan aims at (strengthening) agricultural co-operative making consumer co-operatives more viable, correcting the regional imbalance and focussing the activities of the co-operatives more and more on small marginal farmers and weaker sections of the population.

The co-operative movement has branched out in diverse, such as credit, marketing, processing, and storage for agricultural goods, processing, manufacturing and distribution of supplies for small

and medium industries, rural electrification and public distribution of goods and food grains, although, the beginning of the processing industry in the co-operative sector can be traced back to 1917, when a co-operative cotton ginning and pressing unit was established in the Mysore State. The start was however, made after 1908 with the establishment of the co-operative sugar factory at (Pravaranagar) in Maharashtra State.

Today, the co-operative industry has diversified itself in different directions and sectors of the economic activity. A co-operative industry can take different forms as follows :

- a) It may be organised by the producers (example co-operative sugar cane growers, co-operative rice mills of farmers etc.)
- b) It may be organised by the consumers (Example Co-operative spinning mills of weavers).
- c) It may be organised by workers (Example Industrial Co-operatives of self employed people)

The establishment of spinning mill co-operative sectors in India. is relatively of recent origin. In 1951, co-operative spinning mill was established at Guntukal, which is sponsored by Madras State Handloom Weavers Federal Co-operative Society. In 1958, another co-operative spinning mill was registered in the state of Madras with special objective of providing employment mainly to Indian repatriates from Sri Lanka and Burma. By the end of the second five year plan, as many as 21 co-operative spinning mills have been organised in the country. During the third five year plan period, the programme for establishment of co-operative spinning mill classed processing co-opeatives was lounched with the help of the National Development Corporation of India. As a result by 1973, 24 co-operative spinning mills of Cotton growers were registered in the country. Besides the co-operative spinning mills of weavers and cotton growers, a third category came into existence during 1961-62, in which both growers and the weavers were enrolled as members. Such mills were classed as mixed sector mills. At present, there are 102 co-operative spinning mills in production in the country. The statewise position of the mills is given in Table No.1.

(4)

TOTAL No.1 : 1

**INSTALLED & UNDERINSTALLATION MILLS IN INDIA**

| STATE          | INSTALLED | UNDERINSTALLATION |
|----------------|-----------|-------------------|
| Andhra Pradesh | 7         | 1                 |
| Assam          | -         | 3                 |
| Bihar          | 2         | 1                 |
| Gujarat        | 5         | -                 |
| Haryana        | 1         | -                 |
| Karnataka      | 9         | 9                 |
| Kerala         | 4         | -                 |
| Madhya Pradesh | 1         | 3                 |
| Maharashtra    | 30        | 38                |
| Orissa         | 6         | 2                 |
| Pandecheri     | 1         | -                 |
| Punjab         | 5         | 1                 |
| Rajasthan      | 3         | 1                 |
| Tamilnadu      | 17        | -                 |
| Uttar Pradesh  | 10        | 1                 |
| West Bengal    | 2         | 1                 |
| Total...       | 102       | 61                |

SOURCE :- All India Federation & Co-operative Spinning Mills Ltd., Bombay : Annual Report of 1986-87

## 1:2 COTTON CULTIVATION AND PRODUCTION IN KARNATAKA STATE

Karnataka is one of the important cotton producing states. In India, out of the 64.7 lakh hectares under cotton in India in the year 1991-92 Karnataka's share was 4.8 lacs hectares i.e. 7.4% of the total production of cotton (64.3 lakh bales) in the country. Karnataka's contribution is 5.7 lakh bales i.e. 8.86%.

In Dharwad district production of cotton in 1981-82 to 1991-92 having 210.8 thousand hectares and average production in '000 Hect. 143.5. Data's available from :- Agricultural Situation in India Directorate of Economics and Statistics, Bangalore and Dharwar.

## 1:3 AREA &amp; PRODUCTION OF COTTON IN DHARWAD DISTRICT AREA :

Dharwad district is the most prominent district in Karnataka in respect of cotton production the table No. 1:2 give an idea regarding the growth of cotton cultivation in the district during 10 years period (1981-82 to 1991-92).

During the period, the average net area shown in 10.87 lakh hectares the average area under cotton

TABLE No.1:2

## AREA AND PRODUCTION OF COTTON IN DHARWAD DISTRICT

| Year     | Net Area<br>shown in<br>lakh Hect. | Area Under<br>cotton in<br>Lakh Hect | Percentage<br>increase or<br>decrease<br>Over previous<br>Year | Production<br>in lakh<br>Bales | Percentage<br>increase or<br>decrease<br>Over previous<br>Year | Average Yield<br>per hectore |
|----------|------------------------------------|--------------------------------------|--|--------------------------------|--|------------------------------|
| 1980-81  | 11.05                              | 2.52                                 | + 1.3  | 1.54                           | + 65.4   | 104                          |
| 1984-85  | 11.09                              | 2.04                                 | - 5.6  | 1.91                           | + 30.2   | 146                          |
| 1987-88  | 10.80                              | 1.71                                 | + 16.0   | 1.66                           | + 15.9   | 165                          |
| *1991-92 | 10.80                              | 1.47                                 | - 11.2   | 1.43                           | + 105.0  | 165                          |
| Average  | 10.87                              | 2.10                                 |  | 1.43                           |  | 115                          |

(6)

SOURCE : Agricultural situation in India, District Statistical Office, Dharwad.

in the district is 2.10 lakh hectares. However during the period there is considerable fluctuation in the area and production of cotton. For in 1981-82 there is decrease in cotton area as compared previous year to the extent of 6.7% in 1987.88. There is an increase to the extent of 16.0 per cent as compared to previous year. Thus, from 1980-81 onwards the average area under cotton has declined.

The average production of cotton in the district is 1.43 lakhs bales. During 1980 to 1986 production was far less than the average i.e.0.93 and 0.70 lakh bales respectively.

#### 1:4 TALUKAWISE DISTRIBUTION OF COTTON AREA IN DHARWAD DISTRICT. :

In Dharwad district there are seventeen talukas, the average net cropped area in the district is 1087.2 thousand hectares of which 210.6 thousand hectares i.e. 19.32 percent is under cotton crop.

Ron taluka tops in the district with 28.6 thousand hectares under cotton followed by Gadag (23.4) and Navalgund (23.3) the top ten talukas of the district viz. Ron, Gadag, Navalgund, Haveri, Ranebennur, Kundagal, Mundargi, Shirahatti, Hubli and Nargund together share 168.6 thousand hectares under cotton. But in remaining talukas average area under cotton varies between 2 to 9.4 thousand hectares (See



(8)

TOP COTTON GROWING IN DARGAR DISTRICT  
[1990 TO 1992]

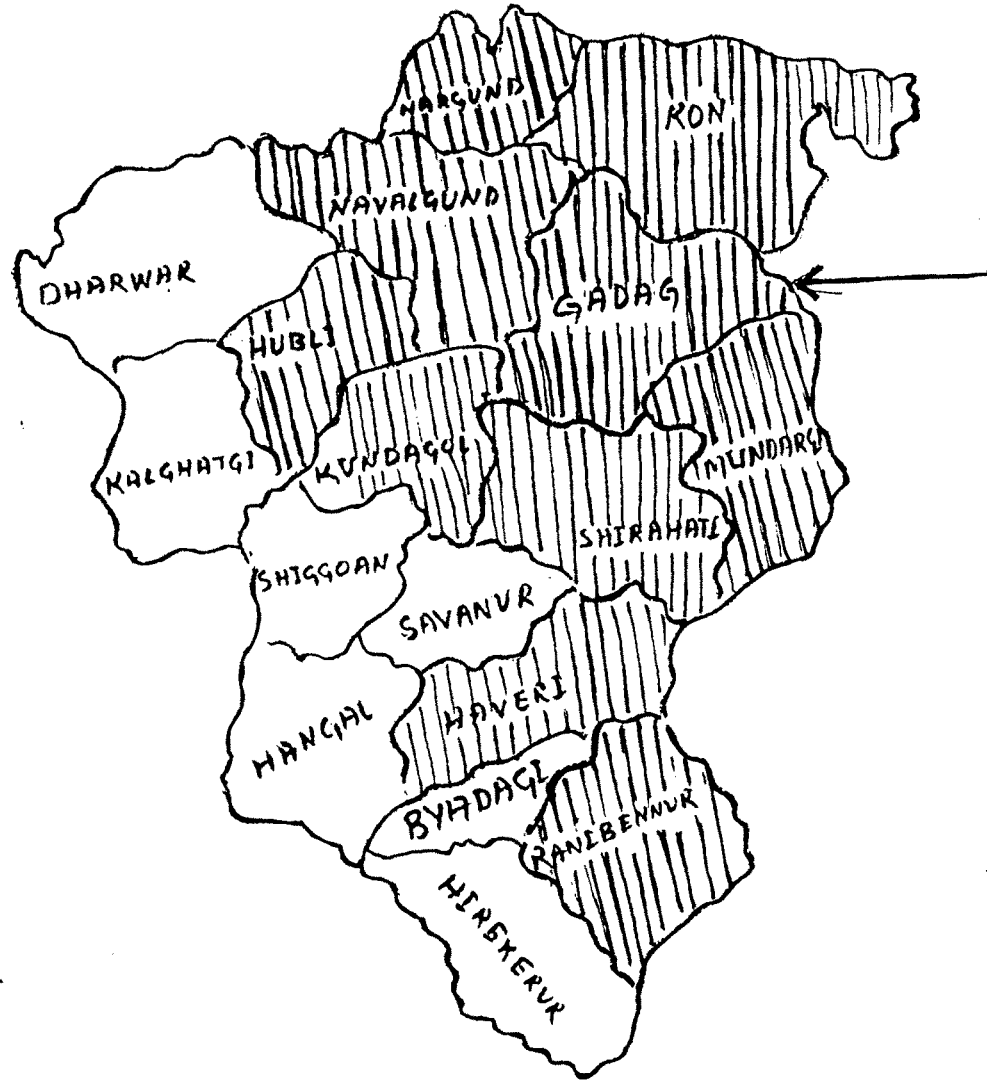


TABLE No. 13

## TALUKAWISE AREA UNDER COTTON IN DHARWAD DISTRICT (1988 to 1992)

| Sr. No.      | Taluka     | Average Net Cropped Area (in '000 Hect) | Average Area under cotton (in '000 Hect) | Percentage of Cotton Area as compared to net area | As % of Total District Average Area under cotton |
|--------------|------------|---|--|---|--|
| 1)           | RON        | 113.1                                   | 28.6                                     | 24.93   | 13.59  |
| 2)           | GADAG      | 96.5                                    | 23.4                                     | 23.96   | 11.11  |
| 3)           | Navalgund  | 99.4                                    | 23.3                                     | 23.62   | 11.07  |
| 4)           | Haveri     | 65.6                                    | 15.2                                     | 23.29   | 7.25   |
| 5)           | Ranebemur  | 63.9                                    | 15.2                                     | 23.72   | 7.21   |
| 6)           | Kundagoal  | 60.7                                    | 14.4                                     | 23.84   | 6.87   |
| 7)           | Mundargi   | 58.7                                    | 13.4                                     | 22.53   | 6.39   |
| 8)           | Shirahatti | 73.3                                    | 12.4                                     | 16.87   | 5.89   |
| 9)           | Hubli      | 63.3                                    | 12.3                                     | 19.55   | 5.88   |
| 19)          | Naragund   | 38.3                                    | 10.4                                     | 27.38   | 4.96   |
| 11)          | Hirekerur  | 58.3                                    | 9.4                                      | 16.22   | 4.50   |
| 12)          | Savanur    | 48.3                                    | 9.4                                      | 19.56   | 4.49   |
| 13)          | Dharwad    | 78.6                                    | 7.0                                      | 8.93  | 3.33   |
| 14)          | Byadgi     | 33.5                                    | 5.8                                      | 17.53   | 2.79   |
| 15)          | Shiggon    | 40.6                                    | 4.1                                      | 10.22   | 1.97   |
| 16)          | Hangal     | 53.5                                    | 2.6                                      | 5.04  | 1.27   |
| 17)          | Kalghatgi  | 40.9                                    | 2.6                                      | 6.48  | 1.27   |
| Dist.Total.. |            | 1,087.2                                 | 210.6                                    | 19.32   |  |

SOURCE : District Statistical office, Dharwad.

cotton varies between 2 to 9.4 thousand hectares (See Figure and Map). of the average area under cotton in the district (210.6 thousand hectares) the percentage share of RON taluka is highest with 13.59 followed by Gadag (11.11) and Navalagund (11.01). So, the percentage share of the top ten talukas in the district is as much as 80.22 and remaining talukas share is 19.78.

Thus Ron, Gadag and Navalgund have maximum percentage share in the district average of cotton area and Shiggaon, Hangal and Kalaghatgi have minimum percentage share.

#### 1:5 COTTON VARIETIES GROWN IN DHARWAD DISTRICT :

The important varieties of cotton cultivated in the district are : Jayadar, Laxmi, Hampi, Bhagya, Varalaxmi, sea island, DCH-32. The general pattern of cultivation practices is shown in the Table No.1:2

In recent years DCH-32 (Jayalaxmi) variety of cotton has become popular amongst the farmers of the district. This variety is described as "White gold". Generally it's yield per hectare is maximum as compared to other varieties of cotton, the yield is as much as 25 quintals per-hectare in irrigated areas, 15 quintals in rainfed areas and 5 - 10 quintals in dry areas.

TABLE No. 1:4

## COTTON VARIETIES IN DHARWAD DISTRICT.

| SR. No. | Variety    | Duration in day | Area                                  | Season                           |
|---------|------------|-----------------|---------------------------------------|----------------------------------|
| 1)      | Jaya dhar  | 200 - 300       | Transition belt Dharwad District      | End of July, Middle of Aug.      |
| 2)      | Laxmi      | 165 - 200       | --- do ---                            | June                             |
| 3)      | Hampi      | 190             | Haveri Byadagi<br>Ranebennur Talukas. | Middle of August                 |
| 4)      | Bhagya     | 165 - 175       | Low rainfall areas of the<br>District | End of August<br>Middle of Sept. |
| 5)      | Varalaxmi  | 180 - 200       | All cotton growing area               | July, 15 - Aug., 15              |
| 6)      | Sea Island | --              | Part of Dharwad District              |                                  |
| 7)      | DCH - 32   | 180 - 200       | All cotton growing areas              | June - Aug., 15                  |

SOURCE : Karnataka State Gazettes 1982.

## 1:6 CO-OPERATIVE SPINNING MILLS IN KARNATAKA :

Karnataka state plays an important role in respect of co-operative spinning mills in our country. At present, there are 103 co-operative spinning mills in India of which 9 co-operative spinning mills are installed in Karnataka.

Karnataka possesses a large number of power looms and handlooms. There are about 3 lakh powerlooms in Karnataka which require cotton yarn. Powerlooms have concentrated in sizeable numbers around Davanagiri, Soundatti, Belgum, Bagalkot, Bijapur, Gokak and Hulkoti in the state of Karnataka. Nearly one fourth of power looms in India are located in Karnataka. Hand looms and power looms get their supplies of raw materials i.e. cotton yarn from cotton mills and spinning mills with a view to protect the interests of hand looms and power looms. The Government of Karnataka has adopted a number of measures relating to financial assistance, differential rates of excise duties, reservation of certain cloth varieties etc. for handloom and power loom weavers in decentralised sector. A notable feature in the history of co-operative spinning mills is in the year of 1968, in which first co-operative spinning mill was established in Karnataka i.e. the Hulkoti, in Dharwar District.

1:7 CO-OPERATIVE SPINNING MILLS IN DHARWAD DISTRICT

Dharwad District occupies a place of pride in respect of co-operative spinning mills in Karnataka. By 1972-1973, there were Nine Co-operative Spinning Mills in Karnataka, out of which 5 were in Dharwad District.

Dharwad District had one of the biggest composite mills in India namely, (The Gadag Co-operative Textile Mills Ltd.). The dyanmic efforts of co-operative leader. Late Shri K.H.Patil, Honorable Minister of was Panchaythiray. Lion of co-operative, which has the total project cost was Rs.220.00 lakhs for the spinning mill of 25,056 spindles.

The primary object of the mills is to encourage the cotton growers and help them by purchasing their cotton, for the mill disseminate knowledge at scientific research to increase their quantitative and qualitative yield per acre and to carry on the business of cotton spinners and supply of yarn to the weavers co-operative societies.

Weavers and to others and to carry on the business of manufacturing, bleaching finishing and selling cloth and other fabrics made from raw cotton

and other suitable materials and generally to carry on the business of the spinning and weaving mills in all their branches.

And followingly one more mill in Gadags Taluka, "FARMARS CO-OPERATIVE SPINNING MILLS LTD., HULKOTI." in Dharwad District an 1979-80 for encourage the cotton growers and help them and name of the new one. Textile mill in Dharwad District at Navalgund taluka. The Venkateshwar Co-operative Textile Mill Ltd. "Annigar".

Another one at Suadatti named by "Shri Renuka Yallama Co-operative Textile Mill Ltd. "SUDATTI". and also one textile co-operative mill in "Lakshmaswar" in Dharwad District. Thus at present there are 5 co-operative spinning mills installed and functioning in Dharwad District.