

**CHAPTER TWO**

**HISTORICAL BACKGROUND OF**  
**TEXTILE INDUSTRY**

- 1] **HISTORY IN INDIA**
- 2] **HISTORY IN MUMBAI**
- 3] **HISTORY IN ICHALKARANJI**

## CHAPTER TWO

# HISTORICAL BACKGROUND OF TEXTILE

## INDUSTRY

### A] HISTORY OF TEXTILE INDUSTRY IN INDIA :

From time immemorial India has been the home of cotton. The yarn for the world famous Dacca Muslin, described as the "WEB OF THE WOVEN WIND".

The textile industry of ancient and medieval India showed a fatal weakness. While the spinners and weavers attained the summit of specialisation in their craft, they never organized themselves into corporate bodies like the guilds of Europe. In the Urban areas the position was, however somewhat different. The men engaged in cloth production worked in Karkhans or workshops, especially in the capitals of kings and governors.

The idea of starting factory production of cotton cloth and yarn in India took shape during the first two decades of the nineteenth century. The pioneers

of the India textile industry were men of vision and enterprise but moderation and realism formed the basis of their activities. During the period India was dependent on England for starting the industry and for ensuring its success. Therefore, a large part of the managerial and technical skill and plant and machinery has imported from England. From the first, the ownership of the India enterprise transcended all national, racial and religious exclusiveness.

The textile mills in the country were started by British nationals and among Indians by the Parsis, Hindus and Muslims. Similarly, the first cotton mill in India was established by a leading firm of English traders. It was started in Calcutta towards the end of the second decade of the last century. The second cotton mill in Bengal which came into existence about 1830. It is now known as Bowbazar Cotton Mill Company Ltd. It began as a spinning unit and had 30000 spindles in 1854.

Bengal had long been the home of textiles, provides a ultimate for mechanized production of cloth and yarn.

Pondicherry, a French settlement in the South, was more fortunate in its venture. The Savana Mill, which owes its origin to the enterprising zeal of M.M.Blin and Delbruick, came into existence and started working in 1830. It began as a spinning mill with the generous assistance of the Governor of Pondichery. At first, its daily production of yarn was at the modest rate of 150 lbs. "As days went on," says on authority, "this venture was gradually improved by the addition of the latest machinery and by the 1860's the status of the mill was raised to a standard composite mill".

The textile industry, however, found its most hospitable home in Western India and more especially in the Island of Bombay. Its founder at Ahmedabad acclaimed as the Bolton of the East, was an ex-government servant. This enterprising man bore the name of Ranchhodlal Chhotalal. Since 1848, he had been planning to set up a small cotton mill in Ahmedabad.

Seth Ranchhodlal Chhotalal was a man of great determination. The seth was able to start the first

power-driven spinning mill in Ahmedabad in 1861. Due to the help given by the James London, an Englishman who came to India in 1848 and won fame as a pioneer of the cotton mill industry in Western India. His enterprise proved contagious and a good number of businessmen followed his example so that by 1900, there were in the capital city of Gujrat as many as 27 cotton mills nearly all of them producing only yarn. James London was a man of great ambition and adventure. He spent many years in America where he had shown keen interest in the culture of cotton. He came to India to seek his fortune and was connected with the Cotton Experiments Center at Broach in Gujrat. Within five years of his coming to this country he could save a sizable sum of money which he used in securing the ownership of ginning factory run by steam power. London was a man of great imagination and drive. He conceived the idea of starting a cotton mill. He founded THE BROACH COTTON MILLS COMPANY and his mill started working on Oct 8, 1855. That day was acclaimed as the red letter day in Western India because it marked the birth of organized sector of the textile industry in that

part of the country.

This growth of textile industry is not from one or two decades. The growth in textile mills is from the year of 1854. In that year there was only one mill in India. But, after the gap of two or three years the Textile industry has started growing at rapid rate. Over the India the growth is more. Particularly in Maharashtra, the growth of Textile industry is more than other states. Due to industrialisation in Maharashtra, Textile Industry has shown its position in the state. Due to good climate there is existence of more textile factories in Maharashtra. This development in textile industry has provided ample scope for the creation of employment to the people of India.

Now , India became a top most country in the production of cloth on powerloom and autolooms. In 1947 there were 202662 powerlooms and total mills were 423. This figure is increasing year by year in India. The year-wise growth in textile industry can be seen with the help of following table and graph (see Appendix I & II):-

STATEMENT SHOWING GROWTH OF TEXTILE INDUSTRY

(Table 1)

YEAR	MILLS	SPINDLES	LOOMS
1854	1	30000	NIL
1855	2	47000	NIL
1856	3	64000	NIL
1858	4	108000	300
1869	17	393000	4600
1880	58	1471000	13000
1889	108	2667000	22000
1901	190	4933000	41000
1913	259	6597000	94000
1923	292	7732000	143000
1933	344	9580000	189000
1943	398	10200000	198000
1947	423	10353973	202662

SOURCE : THE COTTON MILLS OF INDIA 1854 TO 1954, S.D. MEHTA, THE  
TEXTILE ASSOCIATION (INDIA)

In the year of 1955, the growth in number of powerlooms is also more crucial because of increase in the number of mills. In 1981, Maharashtra is the leading state of number of powerlooms more than other states as compared AndhrPradesh, Gujrat and Tamil Nadu etc.

The All India Federation Of Co-operative Spinning Mills, 18th Annual Report, it is reviewed that In Andra Pradesh, there is more distributions of powerlooms than other states. The growth of textile industry is not limited to one state. It has occupied its growth all over in India. India is the leading country for the textile industry growth. Growth in Textile Industry is the growth of India. Because this industry has occupied its growth in all over India.

The following statement shows distribution of total powerlooms in different states & see Appendix I & II for more information :-



STATEWISE DISTRIBUTION OF AUTHORISED POWERLOOMS

IN LAKHS (1981)

STATE	NO. OF POWERLOOMS		TOTAL
	ON COTTON)	ON NON-COTTON	
1. ANDRA PRADESH	0.09	0.06	0.15
2. ASSAM	0.02	---	0.02
3. BIHAR	0.06	0.04	0.10
4. GUJRAT	0.21	0.59	0.80
5. HARYANA	0.01	0.01	0.02
6. KARNATAKA	0.11	0.17	0.28
7. KERALA	0.05	0.01	0.06
8. MADHYA PRADESH	0.13	1.02	0.15
9. MAHARASHTRA	1.46	0.35	1.81
10. ORISSA	0.04	----	0.04
11. PUNJAB	0.05	0.17	0.22
12. RAJASTAN	0.06	0.01	0.07
13. TAMIL NADU	0.65	0.23	0.88

CONTINUE :-

STATE	NO. OF POWERLOOMS		TOTAL
	ON COTTON)	ON NON-COTTON	
14.UTTAR PRADESH	0.18	0.05	0.23
15.WEST BENGAL	0.13	0.02	0.15
16. OTHER STATES & UNION TERRITORIES	0.03	0.02	0.05
TOTAL :-	3.28	1.17	5.03

SOURCE :- ALL INDIA FEDERATION OF CO-OPERATIVE SPINNING  
MILLS, 18<sup>TH</sup> ANNUAL REPORT AND REVIEW, 1981-82.

## B: HISTORY OF TEXTILE INDUSTRY IN BOMBAY

The foundation of India cotton mill industry was well and truly laid in Bombay. The island had all the essential assets and attributes conducive not only to its growth as a great "TEXTILE CENTRE". But also to its eventual development into India's premier commercial and industrial city. The fact that Bombay has one of the finest natural harbors in the world.

The Portuguese ,who acquired the island in 1534, made no serious attempts to build it up into a prosperous part town. In 1661 the island was ceded by the Portuguese to the British as a dowry to the English sovereign. From the first, the officials of the East India Company realized the value of religious tolerance to ensure its commercial prosperity. They were determined to develop Bombay into their Company's most important entrepot. Within a few decades of its coming under the government of the British, Bombay developed into a thriving town. J Forbes, who resided in India for seventeen years, observed in

1813 that Bombay's population consisted of a almost every "ASIAN NATION".

Lord Curzon, who was the Viceroy of India from 1899 to 1905, said : " I have seen it (Bombay) in prosperity and I have seen it in suffering, and I have been greatly struck by the spirit and patriotism of its citizens. The Sagacious measures adopted by the Company govt. and its successor ensured the progress and prosperity of Bombay. Parsi ship- builders from Surat were encouraged to settly down in the island. Prominent among such immigrants from the Gujrat town was the Wadia family which won a notable place in the history of Indian shipbuilding. The first ship built by the Wadias was launched in 1735 and the last in 1881.

There was considerable development of port facilities by the expansion of the dockyard. Coastal trade also developed rapidly. In 1847, nine steamers operated out of Bombay, five of them playing between Colombo, Surat and Karachi. The opening of the Suez Canal in 1869, which reduced the distance between India and England

by about 4500 miles gave a great filip to India's overseas trade.

The period between 1818 and 1870 is undoubtedly a significant one in the economic history of Bombay. The development of modern commercial and banking institutions during this period laid the foundation of the city's industrilisation . Bombay benefited greatly by the expansion of road and rail transport. It transport facilities on land was were further enhanced by the opening in 1853 of the first railway in India between Bombay and Thana.

Bombay became the principal channel for exporting raw cotton to the textile manufacturing countries. By the early 1850's a number of steam cotton presses came into existence in the city to bale cotton for export. One of the such presses mills were employing one thousand workers. Such growing economic activity stimulated interest in the setting up textile mill in the city. From the time the East India company established its relations with this country. The company encouraged weavers

from the surrounding districts, such as Thana, Chaul and Bhiwandi to settle down in Bombay and supplied looms to them to produce cloth for export.

The idea of starting textile mills in the city took shape in the 1850's. Before 1850, it was a cardboard model of a cotton mill in Bombay. But the year 1854 has generally been regarded as the year founding of the textile mill industry not only in Bombay but also in the country. It was in that year COWASJI NANABHOY DAVAR (1814-1873), a wealthy and resourceful Parsi businessman, pioneered factory production of yarn and cloth in the city. He was the prime-mover in starting the Bombay steam Navigation Company. He was an active figure in the establishment of the Bombay Hydraulic Press Company and a large cotton cleaning enterprise. He conceived the idea of starting a textile mill in 1851 but decided to hasten slowly. His business friend PLATT BROTHERS of Oldham assured him of full support in his new venture. A joint stock company capitalized at Rs.500000/- was floated in July, 1854.

Thus, the first Cotton Textile Mill called BOMBAY SPINNING AND WEAVING MILLS, came into

existence in Bombay and situated at Tardeo, now in the heart of the city, the mill had 17000 spindles. DAVAR established a second mill which was called the BOMBAY THROSTTE MILL. Both these units initially produced only yarn. DAVAR'S example proved contagious. A number of entrepreneurs came forward to float new mill companies. The founder of the third cotton mill of Bombay was another Parsi merchant, MANECKJEE NUSSERWARJEE PETIT (1802-1859) like Davar, had an amazing commercial career. His ORIENTAL MILL proved most profitable. The mill was converted into a joint stock company and was considerably extended with new machinery including 50000 spindles and 1000 looms. The ORIENTAL MILL was the first enterprise to introduce the managing agency system in the cotton mill industry.

Another stalwart in Bombay business world was SIR DINSHAW MANECKJI PETIT (1823-1901). He started the VICTORIAL MILL who was a large unit with 60000 spindles and 1000 looms. Cotton mill building made good progress. Five companies were floated in 1860 and two more in 1861. By 1862 some four units with 94000 spindles and 2150 looms were

in operation. The growth of the Bombay mill industry was temporarily arrested following the American Civil War which broke out in April 1861. Progress was however, resumed by 1870. By 1874, the Mill Owners Association of Bombay was established as many as seventeen mills had been erected.

**J.N. TATA** entered the textile field in a small way in 1868 by taking over oil mill at Chinchpokli, a locality in Bombay and converting it into the **ALEXANDRA WEAVING AND SPINNING MILLS**. The mill soon became one of the most efficient units in Western India and was sold at a large profit. During his previous visit to England, TATA had made a study of the techniques and organization of textile industry in Lancashire. Armed with specialized knowledge, he returned to his homeland and promoted the Central India Spinning and Weaving Company. It was the considered policy of Tata to give a fair deal to labour which he regarded as valued partner of capital. He was the first to belong to the mill industry to introduce the Bonus System and Provident Fund for his employees who were also provided with recreation grounds, reading



rooms and libraries. He set a fine example in SWADESHI. He started the SWADESHI MILL in Bombay in 1886 to produce finer varieties of textile with long staple cotton. Another textile venture of his famous House ,called the TATA MILLS was established in 1913,many years after his death.

JAMSHEDJI TATA was a titan , who lived creatively and inscribed his name permanently on the pages of India's industrial history. In those days ,initiative ,drive and integrity marked the development of the cotton mill industry in Bombay. The mill owners were certainly eager to make profits but they made their gains by fair means and through hard work.

The Maharashtra state is developed in case of Textile Industry due to more increasing proportion of powerlooms. According to Handloom Census of 1987 the powerloom registration present more than other states. Particular in Powerloom sector has occupied more development in Maharashtra as compared to the Handloom and Hosiery sector. Nowadays Handloom units are becoming unseen. The following table shows the registration of textile sectors in Maharashtra : appendix I &II

STATEMENT SHOWING POWERLOOM REGISTRATION IN MAHARASHTRA

SR.NO.	SEGMENT	NO.OF LOOMS/ KNITTING MACHINES
1.	POWERLOOM	4,21,869
2.	HANDLOOM	67,642
3.	HOSIERY	2,000

SOURCE : A) Registration of Powerlooms (Directorate  
of Handlooms and Powerlooms, Maharashtra  
B) Handloom Census, 1987.

## C] HISTORY OF TEXTILE INDUSTRY IN ICHALKARANJI CITY

### INTRODUCTION :

The Maharashtra state in general and the Kolhapur district in particular is recknowned not only for its agro-industrial development but also as the most progressive region in the country for its social reforms. Ichalkaranji, a town in Kolhapur district popularly known as, "MANCHESTER OF MAHARASHTRA" is one of the most prominent centers of decentralized textile industry of the country. Today there are over 70000 powerlooms, around 35 power process houses and 70 hand process houses in and around this town. With the advent of about 35 new spinning mills this region has become a major center for spinning mills. Many of these spinning mills are 100% Export Oriented Units.

**HISTORY :- The development of decentralized Textile Industry in this town has a long and interesting history.**

Ichalkaranji has been a small erstwhile princely state situated on the bank of river Panchaganga and was ruled by the Ghorpade dynasty for last two centuries. The chief of the state His Highness Shrimant Narayanrao Babasaheb Ghorpade was the main source of inspiration for the development of both the decentralized textile industry as well as the co-operative movement.

He encouraged Mr. Vithalrao Dattar, a young entrepreneur of the town, to install a powerloom in 1904 . Perhaps this was the first powerloom started in the decentralized textile industry of the country. Thus, Ichalkaranji has given a new concept and dimension to the textile field of India. The foresighted Ruler gave a royal patronage by extending financial assistance as well as free land to the desirous weavers and other enterprising entrepreneurs.

During his visit to Denmark and other western countries the chief had an access to the co-operative sector. The co-operative movement today not only provides financial assistance to the weavers, farmers and other

Entrepreneurs but also helps in matters pertaining to marketing raw materials supply as well as technical know-how.

The dream of the ruler was to encourage industrilisation of his state which ultimately would lead to prosperity and elevating the standard of living of the common man. The decentralized power-loom industry which was initiated at his instance grew by leaps and bounds. Around 1945, there were approximately 1000 to 1500 powerlooms in the town. The numbers gradually increased to around 5000 in late fifties. With the increasing number of powerlooms, the owners started facing a problem of supply of yarn which is the major raw material for this industry. The powerloom industry then, was dependent on yarn supply from Bombay and other states. But there was no regularity of supply and consistency of quality. The leaders of the industry conceived the idea of having a co-operative spinning mill of the weavers of Ichalkaranji . Late SHIR ABASAHEB KULKARNI & LATE SHRI DATTAJIRAO KADAM pursued keenly the idea and then Chief Minister of

Maharashtra MR.Y.B.CHAVAN upheld the idea and extended all moral support and financial help. As a result of this in 1962 the DECCAN CO-OPERATIVE SPINNING MILL came into existence which was the first of its kind in Asia. Encouraged by success of the experiment a large number of spinning mills in co-operative sector have emerged all over the country during last 36 years.

Alongwith the powerloom industry, the handloom industry also developed and flourished in this town during the World War II period Ichalkaranji became well known for its handloom sarees. However, after Sixties due to economical reasons the handloom industry was forced to a close. Upto 50's the powerloom industry used to sale grey fabric only. To add value to this product it was necessary to have a Chemical Processing Unit. Again the veteran co-operators of this town came together to established the first Process House as the name , "LAKSHMI CO-OPERATIVE PROCESS LTD". With the increasing demand for processing another process known as "YASHWANT CO- OPERATIVE PROCESSORS LTD." was also established . As the powerloom

industry was expanding at a rapid rate in 1980's number of spinning mills in Co-operative sector were registered.

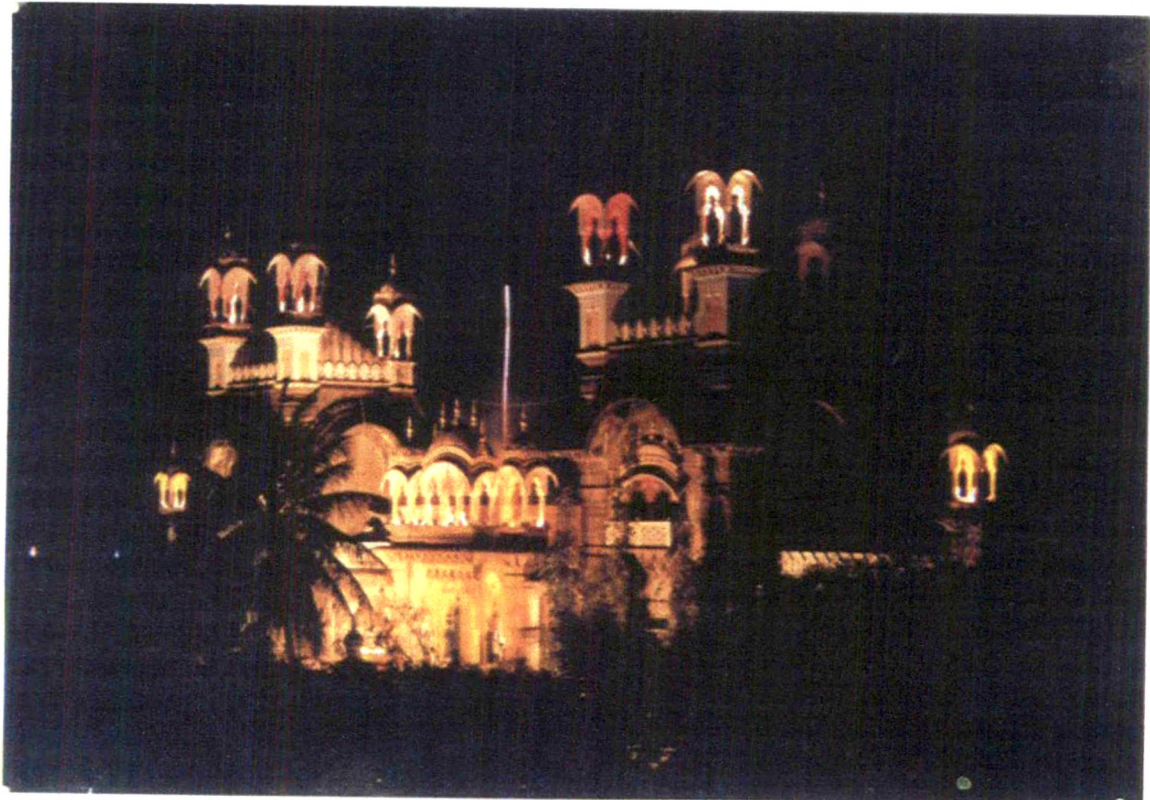
MR.K.B.AWADE then state minister of Industries (M.S.) followed the idea of starting the registered co-operative spinning mills with World Bank finance. The Govt. of India permitted this mill to start on 100% export oriented basis and thus the 100% E.O.U. (Export Oriented Unit) in spinning in Ichalkaranji "NAV MAHARASHTRA CO-OPERATIVE SPINNING MILL".

While this around development of textile industry was taking place in and around Ichalkaranji. The industry started feeling the dearth of Technical man-power. There was one institute education in Textiles and the students passing out from this institute were not willing to come to the remote areas like Ichalkaranji. Various co-operative organisations therefore ,came together under the leadership of MR.K.B.AWADE and established TECHNICAL EDUCATION SOCIETY which was named after the great leader and veteren co-operative "MR. DATTAJIRAW KADAM'S TECHNICAL

**EDUCATION ( D. K. T. E ) The Datagram Kadam Technical Education Society as  
Its First endeavour started the “TEXTILE AND ENGINEERING INSTITUTE ” to  
cater Diploma, Degree and Post graduate level courses in textiles and other related  
areas.**

## **DATTAJIRAO KADAM'S TECHNICAL EDUCATION**

[D.K.T.E]





In recent years there has been a growing awareness about the participation of women in various areas. Ichalkaranji has taken a step ahead in this regard also. Under the leadership of MR.K.B.AWADE, member of Parliament, the first co-operative spinning mill in India totally managed and run by ladies has been established and commenced. This mill has been named after India's former Prime Minister as "INDIRA GANDHI MAHILA SAHAKARI SOOT GIRNI LTD."

Thus Ichalkaranji, a small town in the rural area of this western region of Maharashtra state, has given this nation many pioneering concepts which have not only provided new dimensions and direction to textile industry but also have initiated development of socio-economic as well as cultural status of the ~~society~~ in general.

**GROWTH OF TEXTILE INDUSTRIES IN ICHALKARANJI IN**  
**2001-2002**

<b>SR.NO.</b>	<b>UNITS</b>	<b>NO.OF LOOMS / MILLS</b>	<b>TOTAL WORKERS</b>
1.	<b>POWERLOOM</b>	<b>80,000</b>	<b>30000</b>
2.	<b>AUTOLOOMS</b>	<b>10,000</b>	<b>5000</b>
3.	<b>PROCESSING</b>	<b>23</b>	<b>2000</b>
4.	<b>SIZING</b>	<b>120</b>	<b>2500</b>
5.	<b>SPINNING</b>	<b>13</b>	<b>2500</b>
	<b>TOTAL :</b>	<b>90,156</b>	<b>42000</b>

**Source : The record from The Ichalkaranji Power-loom Weavers Co-operative Association Ltd. Ichalkaranji.**