

## Value addition to cotton at weaving stage

S.H. GHARGE, R.B. CHANGULE, U.S. MANE AND P.L. KOLEKAR

Received : April, 2011; Revised : July, 2011; Accepted : August, 2011

### ABSTRACT

Attempt has made to examine the value addition to cotton at weaving stage. The investigation was based on the data collected from 60 sample units from Sangli and Kolhapur districts of Maharashtra state. The result indicated that the average total cost incurred in the processing of yarn to cloth worked out to Rs. 36.30 lakh of which the total variable cost (Rs. 35.53 lakh) formed the major component in the cost of processing of cotton and amounted for 97.88 per cent of the total cost of cotton processing. The fixed cost being Rs.0.77 lakh accounted for only 2.12 per cent of total cost of processing. The value addition in weaving process was Rs. 13.85 lakh. The output input ratio worked out was 1.12 in weaving process.

Gharge, S.H., Changule, R.B., Mane, U.S. and Kolekar, P.L. (2011). Value addition to cotton at weaving stage. *Internat. J. Com. & Bus. Manage*, 4(2): 291-293.

**Key words :** Weaving, Processing, Fixed cost, Variable cost, Value addition

The processing of cotton is a business, which is undertaken for the purpose of value addition to the product. The value addition to cotton takes place at four main stages ginning, spinning, weaving and garments. Weaving and knitting convert cotton, manmade, or blended yarns into woven or knitted fabrics. India's weaving and knitting sector remains highly fragmented, small-scale, and labour-intensive. Weaving sector consists of handlooms and powerlooms. "Powerlooms" are small firms, with an average loom capacity of four to five owned by independent entrepreneurs or weavers. The cotton or manmade fibre yarn as per the requirement of the variety is a basic raw material for the powerloom sector. The power loom sector is spread over small villages and towns of the state. Each unit comprises of 2 to 4 powerlooms and termed as small and tiny units. As per general assessment, 70 to 80 per cent units in the state are working on job work basis. The power loom holders in absence of adequate working capital are obtaining raw materials from the traders and in turn produce cloth at certain rates of wages. The power loom sector in the state requires 887.04 million kilogram of yarn. The spinning mills under the cooperative sector in the state are just producing 88.1

million kilogram of yarn per annum, which is 10 per cent of the total requirement of yarn by the power loom sector. The powerloom sector accounts for around 62 per cent of the national fabric production. The indigenous garment sectors are procuring their requirements mainly from this sector for the manufacture and marketing of readymade garments, both in the domestic markets and for exports. By keeping in view its important, the study was carried to find out value addition to cotton at weaving stage.

### METHODOLOGY

Multistage sampling design was adopted for selection of region, district, tehsil and weaving units. Western Maharashtra region of Maharashtra state was selected for the study as textile industries and weaving units are one of the important industries of the region. As more number of powerlooms situated in Kolhapur and Sangli district, Kolhapur and Sangli districts were purposefully selected for study. On the basis of availability of powerlooms, Hatkanangale and Shirol Talukas from Kolhapur district and Khanapur and Palus Talukas from Sangali district were selected for study. Fifteen weaving units from each selected Taluka were chosen randomly for the collection of required information for the study. Thus, the total sample size was 60.

The objective, to find out value addition to cotton at weaving stage was achieved by tabular presentation method. The data were presented in tabular form to facilitate comparison. This technique of tabular presentation was employed for estimating the cost of

#### Correspondence to:

S.H. GHARGE, Department of Agricultural Economics, Marathwada Krishi Vidyapeeth, PARBHANI (M.S.) INDIA

#### Authors' affiliations:

R.B. CHANGULE, U.S. MANE AND P.L. KOLEKAR, Department of Agricultural Economics, Marathwada Krishi Vidyapeeth, PARBHANI (M.S.) INDIA