

DETERMINANTS OF TEXTILE INDUSTRY IN RAJASTHAN

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ABSTRACT

Rajasthan textile industry is one of the emerging industry in worldwide after 1991 it was unorganized industry but scenario of textile sector is changing through the liberalization Indian economy since 1991 textile sector is adverse field sector which produce such type of product that used by virtually everyone textile sector is one of the oldest sector in the world which is emerging in subsector of textile.

Textile industry is referred to economy of India as traditional industry the textile & clothing industry is highly labor intensive industry which provide employment at each level of sub-sectors for, skilled, unskilled and also indulging women's. In traditional textile of Rajasthan especially hand loom sector is emerged the world force to for embroidery world some of the state such as Gujarat, Punjab, Tamil nadu, Maharashtra and Uttar Pradesh have experienced high gross state domestic product.

KEYWORDS: Textile industry, clothing industry, sub-sectors skilled, unskilled

INTRODUCTION

India's largest state Rajasthan Which located in north waster part of it the border of Rajasthan attached with sin major parts of Rajasthan northern, western and central Rajasthan is a corridor between prosperous north eastern and west western state govt. of Rajasthan provide policy incentives, geographical location, infrastructure and natural resource to best suited for investment in textile sector. Between 2010-11 to 2014-15 growth state domestic product expanded at rate of 12.38% to US\$ 102.98 billion. RIICO of Rajasthan developed industrial land to generate growth rate Govt. of Rajasthan taken some initiatives to promote Investment destination in textile sector.

- Development of power sector in Rajasthan (with US \$ 4.82 Billion) and rural development (US \$ 1.88 billion)
- Establishment of single window clearance system for approvals of investment.
- Govt. of Rajasthan promotes such development sectors as SEZ, handicraft, ITS, electronics and textile.
- RIICO established 323 industrial areas to promote industrial parch and inland container depots.
- Information technology parley set up at Jaipur, Jodhpur, Udaipur, Kota and Alwar.

Rajasthan Gross state domestic product was account US \$ 95.31 billion in 2014-15 The growth of GSD depicts in following graph :-

Table 1

Year	GSDP (US\$)
2010-11	74.02
2011-12	85.06
2012-13	84.55
2013-14	86.22
2014-15	95.31

Source :- Directorate of economic statistics Rajasthan, Central statistics office.

Table 2

Year	NSDP(US\$)
2010-11	65.91
2011-12	77.02
2012-13	75.54
2013-14	76.02
2014-15	85.60

Textile has a pivotal role in GSDP of Rajasthan because highest labor force encased in directly indirectly manner 21% of total investment had taken in textile sector. IT generate employment token in textile sector. It generates employment through make In India project VASTRA FAIR and other Govt. schemes in textile units of Rajasthan.

Exportation of Textile fabric: - Major textile products exported to such countries Italy, Germany, turkey, china and Africa. In Rajasthan mill sector exported 247 In 2014-15.

Major Export companies of Rajasthan are as follows 2014-15

- Nitin Spinner LTD (100% cotton yarn and fabric)
- RSWM
- Sudiva spinner
- kanchan India ltd
- sangamindia ltd
- BSL
- sutlaj textile and industries ltd (STIL)
- BTMC export of zora fabric

Geographical Indicators :- Rajasthan have 342, 239 Km area which indicate highest industrial land. There is enormous geographical indicators to determine textile industry in Rajasthan :-

- Availability of industrial land.
- Availability of water through rivers dams and tube wells
- Wealth north err and prosper sis western region of Rajasthan well suited to produce raw material.

ANALYSIS

We have collected data on production and employment for twenty five companies of Rajasthan to find out relationship between production and employment in Rajasthan. At the first stage we have calculated correlation between these two variables (Table 1). There is high positive correlation between these variables. At the next step we tried to find out regression between these variables and for that we have used well-known stepwise regression model. Table 2 shows that Employment is dependent variable and production is independent variable. Table 3 shows R Square 0.555 and Adjusted R Square is 0.534, which is sufficient and ANOVAs Table 4 shows F Value 28.33 significant at 1% level and hence model is fit. Table 5 shows significant at 1% level positive association between production and employment in the textile companies of Rajasthan.

Table 1: Correlations

		Production	Employment
Production	Pearson Correlation	1	.745**
	Sig. (2-tailed)		.000
	N	25	25
Employment	Pearson Correlation	.745**	1
	Sig. (2-tailed)	.000	
	N	25	25

** . Correlation is significant at the 0.01 level (2-tailed).

Table 2: Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Production	.	Stepwise (Criteria: Probability-of-F-to-enter <=.050, Probability-of-F-to-remove >=.100).

a. Dependent Variable: Employment

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.745 ^a	.555	.535	693.86023

a. Predictors: (Constant), Production

Table 4: ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	1.379E7	1	1.379E7	28.633	.000 ^a
	Residual	1.107E7	23	481442.020		
	Total	2.486E7	24			

a. Predictors: (Constant), Production
b. Dependent Variable: Employment

Table 5: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	426.243	268.794		1.586	.126
	Production	.148	.028	.745	5.351	.000

a. Dependent Variable: Employment

At the next step, we have calculated association among production, export and employment for the purpose to compare between exports oriented companies and non export oriented companies. Table 6 shows descriptive statistics which includes maximum, minimum, mean and standard deviation of the selected variables. Table 7 shows significant positive correlation between employment and production as well as between employment and exports where as here is insignificant yet positive correlation between export and production in the nineteen selected export oriented companies of textile industry in Rajasthan. It could be analyze easily from the table 11 that association between production and employment is weak in 19 export oriented companies in comparison to 26 companies of export and non export companies of textile industry of Rajasthan.

Table 6: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Production	19	965.00	20104.00	8705.4211	5022.52435
Export	19	2.11	96.25	28.9711	26.84257
Employment	19	35.00	3007.00	1593.6842	839.62757
Valid N (listwise)	19				

Table 7: Correlations

		Production	Export	Employment
Production	Pearson Correlation	1	.308	.734**
	Sig. (2-tailed)		.199	.000
	N	19	19	19
Export	Pearson Correlation	.308	1	.615**
	Sig. (2-tailed)	.199		.005
	N	19	19	19
Employment	Pearson Correlation	.734**	.615**	1
	Sig. (2-tailed)	.000	.005	
	N	19	19	19

** . Correlation is significant at the 0.01 level (2-tailed).

Table 8: Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Production	.	Stepwise (Criteria: Probability-of-F-to-enter <=.050, Probability-of-F-to-remove >=.100).
a. Dependent Variable: Employment			

Table 9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.734 ^a	.538	.511	587.12700
a. Predictors: (Constant), Production				

Table 10: ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	6829332.220	1	6829332.220	19.811	.000 ^a
	Residual	5860207.886	17	344718.111		
	Total	1.269E7	18			
a. Predictors: (Constant), Production						
b. Dependent Variable: Employment						

Table 11: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	526.055	275.095		1.912	.073
	Production	.123	.028	.734	4.451	.000
a. Dependent Variable: Employment						

Another analysis based on export and production, taking exports as dependent variable shows that there is insignificant yet positive association exists between production and export Table 15, where as there is significant and positive association between employment and export in nineteen export oriented companies of Rajasthan Table 19.

Table 12: Variables Entered/Removed^b

Model	Variables Entered	Variables Removed	Method
1	Production ^a	.	Enter
a. All requested variables entered.			
b. Dependent Variable: Export			

Table 13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.308 ^a	.095	.042	26.27746
a. Predictors: (Constant), Production				

Table 14: ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1230.837	1	1230.837	1.783	.199 ^a
	Residual	11738.584	17	690.505		
	Total	12969.421	18			
a. Predictors: (Constant), Production						
b. Dependent Variable: Export						

Table 15: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.638	12.312		1.189	.251
	Production	.002	.001	.308	1.335	.199
a. Dependent Variable: Export						

Table 16: Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Employment	.	Stepwise (Criteria: Probability-of-F-to-enter <=.050, Probability-of-F-to-remove >=.100).
a. Dependent Variable: Export			

Table 17: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.615 ^a	.378	.342	21.77574
a. Predictors: (Constant), Employment				

Table 18: ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4908.314	1	4908.314	10.351	.005 ^a
	Residual	8061.107	17	474.183		
	Total	12969.421	18			
a. Predictors: (Constant), Employment						
b. Dependent Variable: Export						

Table 19: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2.372	10.948		-.217	.831
	Employment	.020	.006	.615	3.217	.005
a. Dependent Variable: Export						

CONCLUSIONS

From the above analysis it can be concluded that textile industry of Rajasthan has been playing an important role in generating employment which is the utmost need of present era. It becomes more useful when we talk about demographic dividend and make in India campaign of our Hounrable PM Shri Narendra Modi. Textile industry of Rajasthan is also useful for export as well as to earn foreign revenue for the state development as a whole. This chapter is an attempt to find out links between production and employment, production and export, export and employment in the textile industry of Rajasthan.

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