Chapter- III

COTTON TEXTILE INDUSTRY OF KANPUR: ITS GROWTH, PROBLEMS AND PROSPECTS
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In the previous Chapter the growth and problems of textile industry of Uttar Pradesh have been discussed in general. In this Chapter the cotton textile industry of Kanpur which invariably produces coarse and medium varieties of cloths, has been discussed.

Kanpur which is the main Textile Centre of Uttar Pradesh has been discussed at length in the coming pages.

Atherton Mills of Kanpur, New Victoria Mills of Kanpur, Swadeshi Cotton Mills of Kanpur, Elgion Mills Co. Ltd. No. 1 and Mill No. 2, have been chosen for the purpose of inference and reference.

Cotton Textile Industry of Kanpur

Kanpur one of the most important cities of India, is known for its industrial activity. Here production and exchange are carried on, as has been done for generations. The city is a rapidly growing industrial centre of the State of Uttar Pradesh.

Rise of Kanpur as Industrial Town

Though the industrial units are scattered throughout the State of Uttar Pradesh, Kanpur continues to be the main centre
of industrial concentration. The role of Kanpur in the organised cotton textile industry of Uttar Pradesh is, therefore, almost similar to that of Ahmadabad in Gujarat and Bombay in Maharashtra. Hence, there is every justification for analysing in depth the relevant aspects of the industry in Kanpur. In the following pages an attempt is made to trace the evolution, present position, future growth and the problems and prospects of the cotton textile industry of Kanpur.

Kanpur

The present Kanpur, originally named Kanhayapur or Kahnpur, was a small village upto the time of its first contact with the British. During the sixteenth century, it did not occupy an important place in the industrial map of Uttar Pradesh and for that matter of the country.

The history of Kanpur, as such, is of comparatively recent origin. It is situated in the lower Doab and nothing is known of its early history. If we go back less than a thousand years then we find that these tracts were inhabited by tribes known as Arakhs, Meos and Bhars. Before that there were some other inhabitants, but their origin is not known. Out of these three tribes, the Meos seem to have survived. They are known in history as Ishaelites, who sheltered themselves from the successive ruling influences. Now they are called Thakurs.
After the fall of Brahmanic dynasties, came the growth of Mughals. They established local governments at Agra and Allahabad. At the time Kanpur had no entity of its own but was divided between three 'Sirkars' namely Kanauj, Kalpi on the west and Kara on the East. The local governor had set up prefects at these places. Though the city or the district of Kanpur was not known at that time, yet there existed two places which are still famous i.e., Jajmao and Bithur. Jajmao was also known as Sidhipuri and was a landing place for an important Jerry.

Bithur has a history behind it. It is connected with the name of Brahma and Vishnu tracing its connection to historical times. Under the British rule, it was the Head Quarters of the District of Kanpur from 1811 to 1819 and again it gained importance due to Nana Saheb during the 1857 Mutiny then Marathas and the Nawab Vizier of Oudh during almost the whole of 18th century. But at last came the British power. This was the new power which came into the land. The British had to fight with these Nawab one of whom also took the help of the Maharashtra but in the end all of them were defeated and sites at Bilgram in Oudh and Farrukhabad were taken for the establishment of contonment outposts.

In 1788 the British force at Bilgram was moved and brought to Kanpur, because the latter was thought to be move
convenient and strategically a better site as it commanded forts across the Ganges into Oudh.¹ Thus, in 1788 British contonment was established for the first time in Kanpur.

This advent of British rule into Kanpur led to a considerable demand not only for food but also for clothing and other requirements for these forces. In order to cater to the military needs there were established in and around the Kanpur contonment, innumerable cottage and small industries for manufactures, clothing and equipment of military personnel.

With such an ordinary beginning Kanpur has made, slowly but steadily, a tremendous progress in this field. Thus, Kanpur which once was a small village, grew up into the biggest cotton textile centre in Uttar Pradesh.

The following information about the development of the industry in Kanpur is of great economic and social significance:

**Origin of the Industry**

The cotton textile industry of Kanpur owes its origin as stated earlier to the establishment of military contonment. Originally, the industry was started for catering to the military clothing. For the same purposes other industries like leather work and shoe making were also set up. This developed an

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industrial atmosphere and enterprise. For the location of industrial units Kanpur offered other favourable factors also like the availability of cotton within the State of Uttar Pradesh. Another encouraging factor was the availability of abundant labour at cheap rates. Availability of cheap power and evolution of a fair consumer market were also helpful in the establishment of this industry at Kanpur.

Moreover, the industry gathered momentum because of the security and amenities offered by the cantonment set up in Kanpur. They attracted many traders and merchants and a number of persons belonging to other working classes. In this move quite a good number of merchants from Mirzapur and other centres shifted their business to Kanpur, while many others established their branches here.

**Evolutionary process**

The evolutionary process was due to the enterprise of the East India Company which established a factory at Kanpur which in turn progressively gave rise to increasing activity in the manufacture of indigo and plantation of cotton for clothing. During the period of seven years as between 1812 and 1819 the indigo and cotton business flourished. In the middle of 1819 there came a great crash due to reckless trafficking and gambling in the various stages of the plantation of cotton. Huge
advances were given to Zamindars who spent the money without any return. Under these conditions the East India Company closed down its cotton gins, indigo planters utterly failed and so huge sums and landed property in the district was divided up. In this gloomy conditions there emerged two champions: Maxwells and Green Ways, who are inseparably connected with the foundation and development of Kanpur industry. More specially the latter acquired lusters in the industrial development which followed after the first War of Independence in 1857. The indigo planters exploited the growers and made huge profits. This speeded up the process of mutiny against the East India Company.

**After the Mutiny**

The real period of progress of Kanpur industry begins after the War of Independence of 1857. Though the Mutiny adversely affected British interest and many British merchants gave up their pursuits. There followed after mutiny a period of greater industrial activity. The site of the British entrenchments across the Ganges was converted into a government leather and clothing factory. The opening of the East India Railway brought new enterprise and greater incentive to industrial development.

The organisation of the industry began at the hands of the government for providing clothing for its troops which was
taken up by private individuals. In 1860 an association, the Cawnpore Cotton Committee, was formed largely on the initiative of Mr. Buist, the Station Master of newly opened East India Railway. Several Indian and British merchants and military officers, notable among them was Mr. Hugh Maxwell, partner in the firm of Begg Sutherland and Co., were associated with him. His family had owned large estates in the Kanpur district since the beginning of the century. This enterprising man brought into being the Elgin Cotton Spinning and Weaving Company Ltd., which was incorporated in 1861. It commenced working in 1864. The Company was started with an initial capital of Rs. 3 lakhs. The Elgin Mills Co. was, however, forced to go into liquidation in 1871. Its property and goodwill were sold by auction and the partners of this firm, together with Mr. A.S.B. Put the mills stood upon their feet again in 1872. Mr. Gravin John a relative of Mr. Hugh Maxwell left Elgin Mills later in order to start the Muir Co., which was registered in 1874 with a capital of five lakhs of rupees. Mr. Gravin John was its first Managing Director.

Mr. John Harwood left the services of Elgin Mills and established the Cawnpore Cotton Mills (Now Elgin Mills No 2). This mill under the management of British India Corporation was registered in 1883 with a capital of Rs. 5 lakhs. Mr. Atherton West, a weaving Master brought by Elgin Mills from Lancashirs also left the services and set up the Victoria Cotton Mills Co.
(now New Victoria Cotton Mills Co. Ltd.) in 1886 with an initial capital of Rs. 5 lakhs. In this undertaking an old Indian firm, Messrs Ramnath Baijnath were closely interested.

Another branch of family tree of Kanpur Cotton Textile industry was the Swadeshi Cotton Mills Company which was set up by Mr. A.F. Hersoman who was the Manager of the Cawnpore Cotton Mills for many years. This concern was registered as a private-limited company in 1921. The Ramnath Baijnath's association with the Kanpur Cotton Mills is responsible for yet another branch namely Juggilal Kamlapat Mills which was set up by private interest descended from that old established firm of Ramnath Baijnath. Atherton Mill is by no means less important branch of the tree of more recent growth as it was set up by Messrs Atherton West, who founded the Victoria Mills Company.

From the brief history of growth of the Cotton Textile industry of Kanpur in its early stages one can safely conclude that it was established as a family concern. It was the British enterprises that led to the formation of the first cotton mill namely Elgin Mills Co. Ltd. Later on Kanpur which was once a small village, gradually grew up as cotton textile centre in Uttar Pradesh.
Kanpur stands out to be the biggest centre in the whole State of Uttar Pradesh so far as the installed capacity, average number of workers and the consumption of cotton are concerned. The Paid Up Capital of Kanpur Cotton mills stand at nearly 47 per cent of the total Paid Up Capital of mills in Uttar Pradesh. The Kanpur cotton mills alone employs about 42.2 per cent of the total spindles and about 83 per cent of total looms in Uttar Pradesh. As far as the consumption of cotton is concerned Kanpur alone consumes about 58 per cent of the consumption in Uttar Pradesh. Similarly the percentage of the average number of workers employed in Kanpur mills comes around 67 per cent of the total labour force engaged in cotton textile industry of Uttar Pradesh. It is clear from this comparison that Kanpur is the biggest cotton textile centre in Uttar Pradesh.

The industry in Kanpur is more than hundred years old. Twelve Cotton textile mills were established during the period 1861-1935. However, two mills were later permanently closed down leaving ten cotton textile mills into existence. All the existing mills were originally set-up by private enterprise and initiative and worked under private management.

But now some of these mills have been taken over by the State. For their control an autonomous body, namely, the

1. For data giving Cotton production, Exports and Ex-factory Consumption Imports and Total Availability at the national level, See Appendix VIII.
National Textile Corporation (NTC) has been set up. Atherton West, Lakshmi Ratan Mills, New Victoria Mills and Muir Mills are under the charge of the National Textile Corporation while Elgin No. 1 and No. 2, J.K. Cotton Mills, Kanpur Textiles and B.I.C. Ltd., are still in the private sector.

**Prospects of the Industry**

From every standpoint the cotton textile industry has a great scope of development in Uttar Pradesh. No doubt the State is poor in raw materials resources but there exists large potential for development of agriculture and livestock sectors. These resource fields can contribute to a great extent to the expansion of such industries as cotton textiles, leather manufacturing and sugar etc. by providing necessary raw materials. It may also be noted that though the existence of raw materials at a particular place is favourable factor for industrial growth, it is not necessary condition for it especially for industries. For example, there are countries (such as Japan, U.K. etc.) which have been able to build vast industrial complexes entirely on the basis of imported raw material. This became possible through other favourable factors such as demand, availability of capital and manpower. As far as the local demand is concerned, Uttar Pradesh has a great advantage of its very large population. In spite of marked changes in
consumption pattern of cloth, cotton is still the most preferred fibre in Uttar Pradesh. According to a Consumers Preference Survey of Uttar Pradesh "The percentage of respondents giving first preference to cotton was 93.8 in the case of shirt, 59.8 in case of pants, 92.5 in the case of sarees and 92.2 in case of blouses".  

The consumption of man-made fabrics has been increasing more than cotton fabrics. While forming an impression about cotton textiles, this vital factor should also be taken into account. In this context we find that the per capita annual consumption of cotton cloth in the country has been around 14.1 metres in recent years. The consumption of the man-made fabrics, on the other has been increasing more than cotton fabrics. In fact, with the increasing popularity of man-mades, the income elasticity of demand for cotton textiles has become less than unity. On the basis of time-series data for 1959-67, an elasticity coefficient of 0.71 was obtained.

A more recent exercise by the Sub-committee of the Development Council for Man-made Textile, yielded an elasticity

2. For data giving national per capita availability of Cotton and Man-made Fabrics see Appendix IX.
co-efficient of 0.86 for Cloth.¹

Besides the competition of man-mades, which have a higher income elasticity of demand, another factor has contributed to the slackening response of cloth consumption to income changes, viz., changes in garment habits of the people which have led to a reduction in demand in terms of yards of cloth for the same clothing comfort.

Hence, with an income inelastic demand, the increase in consumption of cotton fabrics will be more in response to the growth of population than in response to marginal increase in per capita income. If, therefore, we assume 4 per cent growth in national income and a 1.5 per cent growth in per capita income it is likely that the per capita consumption of cloth will be only 15 metres and assuming a 2.5 per cent compared rate of growth of population (which puts the estimated population figure in 1979 around 670 million), the total requirement of cotton fabric within the country would be roughly 10,000 million metres in future. On the other hand, the production of cloth in the organised sector during the alst few years has been round 4,000 million metres per year. In the decentralised sector, output has been about 3,5000 million metres annually. Unless there is major rise in production in decentralised sector (and so far as

¹ "Sagar Committee on Role of man-made Textile Industry in Meeting the coun-
handloom are concerned, this can be ruled out, production in the mill sector will have expand by 40 to 50 per cent implying a compound growth rate of about 4 to 4.5 per cent just to satisfy domestic demand without a price rise. And then, one has to allow for exports of cotton fabrics which form one of our leading, traditional exchange earners. An export target of 1,000 million metres towards the end of the decade, as set forth by the Development Council would imply that production in the organised sector will have to go up at an even faster rate.

Problems:

From the above analysis it becomes clear that the cotton textile industry of Uttar Pradesh is not self-sufficient. The annual production of mill made clothes in the State is about 30 crore metres. Thus, U.P. accounts for roughly 7 per cent of cloth produced in the country; although it accounts for 17 per cent of the population. Hence, it imports cotton piece goods from other States. The textile industry in the State is languishing. Kanpur has the largest number of textile mills. But these mills are not so favourably located as Bombay mills. They produced coarse varieties. Cotton has to be imported for manufacturing textiles. The cost of production in Uttar Pradesh mills is higher as compared to their counterparts in other centres of the country. Moreover, machinery is outdated and power rates are also
higher. It appears that the extremely low level of consumption on account of general poverty is also responsible for stagnation of cotton textile industry in the State. The monthly per capita average expenditure on clothing is less than Rs. 2 in Uttar Pradesh.\footnote{Kirpa Shankar: Economic Development of Uttar Pradesh, Arthika Anusandhan Kendra, Allahabad, p. 157.} Thus, the industry, though matured and organised, is beset with multiplicity of problems. Let us discuss some outstanding ones in the following pages:

**Change in Consumer Preferences:**

In many cases the needs for which the mills were set-up, exist no longer. The mills at Kanpur are producing coarse cloth to meet the requirement of the people of the surrounding regions.

But the taste and the purchasing power of the people have changed and they no longer wish to purchase coarse varieties of cloth. This is one of the very important reasons responsible for the ills of the Kanpur mill industry.

The Government of Uttar Pradesh has set up a Textile Corporation with an Authorised Capital of Rs. 3 Crores mainly to help in the running of the side mills and to take steps to ensure smooth functioning of the industry in the State. From our point of view the task of such a Corporation should be to see that the industry is enabled to produce what the consuming public wants.
The State of Uttar Pradesh has not made any headway in regard to the production of blended yarn and fabric. Production of both is negligible in the State while substantial progress has been recorded in respect of blended yarn production in Maharashtra, Gujarat and Tamil Nadu and in respect of blended fabrics in the first two States. In view of the rising demand for blended fabrics, we need hardly to over stress that the Uttar Pradesh mills should step up the production of blended textiles. In particular, in the units to come up in the future at least 10 per cent of the capacity should be used for production of blended textiles. Moreover, one or two cotton textile processing units should also be set-up in the State. This would certainly help the State's cotton textile industry to increase the production of chemically processed fabrics. More important is that the textile units, particularly those coming up in the future, should try to develop their own processing facilities.

**Heterogenity:**

In considering the development of cotton textile industry of U.P., another important problem that should be dealt with its great heterogeneity. Whether it is from the point of view of technology or the quality of products, or the efficiency of the production, there is considerable divergence within the industry. On the one hand there is talk about open and spinning and set
looms. On the other, there is increasing stress on handlooms and Ambar Charkha. There are various factors which give rise to heterogeneity.

The first factor is the existence of handlooms, powerlooms and the mill sectors. Secondly the textile industries using different fibres have tended to remain in separate watertight compartments. The third factor of heterogeneity is due to the considerable variation in the levels of technological competence and efficiency even within the mill sector. With the existence of these sector, generally competing with each other and asking for special privileges and reservations, it is difficult for the industry as a whole to progress. One of the effects of this heterogeneity is the difficulty of policy formulation because of the conflict of interest between various sectors. If this state of affairs continues it would be harmful for all the sectors. It is essential that all the sectors showed progress in an atmosphere of harmony. In place of sectoral competition they showed work as complementary and supplementary to each other. In order to integrate the production programme of the decentralised and organised sectors the Government took a number of steps. It is essential that these measures should be strictly followed and each sector must have security and surety of progress to be maximum level.
Under-utilisation of Capacity

The cotton textile mills in Uttar Pradesh as in the country as a whole, have not been able to utilise their installed capacity. Nearly all the mills of Kanpur and similarly other composite and spinning units of Uttar pradesh have not been able to actually utilise their licensed installed capacity.

In the case of composite units the ratios between (i) licensed spindlage and installed spindles (ii) installed spindlage and running spindlage and (iii) licensed spindlage and running spindlage were 0.86, 0.86 and 0.74 percent respectively. Similarly, the ratio between (i) lisensed loomage and installed loomage, (ii) installed loomage and running loomage, and (iii) licensed loomage and running loomage were 0.94, 0.88 and 0.82 per cent respectively. Of course, the above ratios do not provide a satisfactory measure of the extent of under-utilisation of capacity in the weaving and spinning sectors of the textile industry in Uttar Pradesh and Kanpur too. When this aspect is studied in comparative terms some more idea can be had of the extent of under-utilization. Calculation made by NCAER for 1972 and for 1971 are available for this purpose.¹

Under these circumstances, it is importance that along with setting up of additional capacity in new units there must be expansion and full-utilisation of the installed capacity in the

existing units both spinning and weaving. This will be largely conditioned by the availability of raw materials and power. The Uttar Pradesh Textile Corporation can play a useful role effectively. Working of more shifts in the textile mills is also essential. At present 54 per cent of looms are working on 3 shift basis when compared with other States and the country as a whole this not a bad performance, but there is every scope for working more looms on a three-shift basis. RTS should made to bring this percentage up to a level of at least 75 per cent. As regards spindles, the extent of three shift utilisation in Uttar Pradesh, is relatively less compared with Gujarat, Maharashtra and the country as a whole. A 75 per cent utilisation on three-shift basis as in Maharashtra, should be the target of weaving mills in Uttar Pradesh (and Kanpur).

It is also to be stressed that the weak and marginal mills have no right to exist unless their capacity is expended to a viable level and their management becomes efficient. An indiscriminate take over of sick mills either by the National Textile Corporation or the State Textile Corporation is not justified. Only potentially sound units must be considered for taking over. For a viable expansion of uneconomic units, financial assistance should be provided from some special Fund to be created for rehabilitation of the cotton textile industry in Uttar Pradesh.
RAW MATERIALS:

Only very important factor responsible for the under-utilisation of installed capacity is shortage of raw cotton which should be made available in required quantity and desired quantity. India has the largest area under cotton in the world but ranks fourth as the producer.

This is because the yield of cotton per hectare is very low in India compared to those U.S.S.R. and Egypt etc. The main reasons for this low yield are that more than 80 per cent of the crop in India is raised under rainfall conditions and that 60 per cent of the crop falls under Asiatic types of cotton. Adverse weather conditions have been the major reasons for sharp decline in production.

The problem of raw material is more serious for the cotton textile industry of Uttar Pradesh. The Mills in Kanpur mostly manufactures coarse and medium quality of cloth which comes to 15 per cent and 85 per cent respectively of its total production. Compared to all India figure of about 90 per cent, the Kanpur mills manufacture only 58 per cent of processed cloth. The mills in Western India have the advantage of proximity to sources of raw material as compared to Uttar Pradesh which has now ceased to be a cotton growing State of importance. At one time Uttar Pradesh was one of the chief cotton producing States of the country, but now it depends for it on other States.
The yield rates are also lower in Uttar Pradesh than in states like Gujarat, Haryana, Punjab, Rajasthan and Tamil Nadu.

The mills in Kanpur were originally designed to manufacture coarse varieties cloth also due to availability of the supply of short staple cotton grown in the State. With the gradual decline of cotton production in Uttar Pradesh as also due to The mills in Kanpur are changing their pattern of production due to the change in consumers preference to medium and fine varieties of cloth. They are now manufacturing medium varieties of cloth. Some mills are also producing fine varieties of cloth. They mainly obtained cotton supplies from Punjab which produced suitable cotton for such varieties.

A significant part of the cotton growing area of Punjab went to Pakistan in 1947. Thus the availability of cotton to Kanpur mills from Punjab became restricted. The Kanpur mills had no option but to obtain a substantial part of their cotton requirements from Madhya Pradesh, Gujarat and Maharashtra. This resulted in higher cost. Freight changes, interest, insurance, storage and other charges for storing cotton in large quantities, all added to the cost of cotton supplies.

The Government has also put restrictions on the cotton stock limit of mills; though mills violate the rule. Thus not fulfill the rules regarding the holding of cotton stock. The Kanpur mills
suffer in matters of their need of quality cotton. As there are no ready markets for cotton in Kanpur the facility of obtaining quality cotton throughout the year is not available to them. To meet their requirements of cotton, the mills buy large quantities during the first few months of cotton season, so that the supply of quality cotton be maintained as per their requirements. The restrictions imposed by the banks on limits for advances against cotton are also adversely affecting the mills in Kanpur. There being ready cotton markets in Bombay and Ahmadabad, large stock are readily available from which the mills there can purchase cotton as and when required. Uniform Government restrictions on the purchase and stocking of cotton, therefore, adversely affect the Kanpur mills.

Imported varieties of cotton are allotted normally to mills termed as traditional users because they consumed such cotton in the past. A small quantity is also allotted to mills in the cooperative sector and to those under the Government sector. Foreign cotton is denied to the mills in Kanpur as they are not the traditional users.

The profitability of mills using foreign cotton is manufactured from such cotton is of fine and superfine quality, bringing greater profit than on the manufacture and sale of medium and coarse cloth by using Indian cotton. It is suggested
that foreign cotton should be allotted to all the mills and not
only to the traditional users alone.

The increased cost of raw material is because of two
main reasons.

(A) The price of raw cotton is increasing because of
increased demand in the organised as well unorganised sectors
of the industry. Since the per acre yield of cotton is low in the
country, price of raw cotton naturally tends to go high. Heavy
levy of cess on the consumption of cotton and a large
percentage of raw material wastage due to mishandling and
disproportionate mixing of cotton further add to the increased
cost of raw material. These reasons apply not only to Kanpur
but also to Bombay, Ahmedabad and other regions.

(B) The additional cost incurred in maintaining sufficient
stocks of raw cotton by the Kanpur mills particularly much in
advance. Since in Bombay cotton is always available, stocking
of raw cotton is usually avoided. It has been estimated that this
item alone costs Kanpur mills an average of about Rs. 4 per
candy per month and the cost of an extra six months stock
amounts to Rs. 24 per candy on cotton consumption. This is
inevitable because the Kanpur mills do not have the advantage
of availability of cotton as the Bombay mills have. The interest
charges are reflected in high cost of production and in low
productivity.
It is to be noted that all the Kanpur mills purchase cotton in bulk and in the cotton season lasting for several months. Most of the cotton buyers are parties in which the middlemen are financially interested. This is held to be utterly undesirable. In order to ensure that cotton is supplied to specified quality and would reach the mills exactly in accordance with the required quantities at fair market price, it is desirable that U.P. Government should also take a financial and supervisory or regulatory interest in it. There can be no guarantee whatsoever of good cotton mixing unless supply of better quality cotton is placed in the hands of an agency independent of middleman.

A similar agency may be formed to purchase stores and spare parts, foreign as well as local. Here also the U.P. Government should have a share both financial and regulatory to ensure the necessary supply of machines and stores on standard prices.

Formation of central cotton and stores purchasing pools will remove double from the minds of the workers regarding purchase of these items at inflated prices to divert profits of the mills into the hands of middlemen. Besides, this will reduce substantially the production costs because stores account for seven to ten percent of manufacturing charges which are 25 to
30 per cent of aggregate production cost of cloth. Cotton accounts for about 60 per cent of the aggregate production cost, the formation of the pool can check under over purchase of cotton as well as stocks and consequently the blocking of capital.¹

**Plant Layout and Planning**

Layout of plant and building which is an essential condition for increased productivity, has not been given due attention in Kanpur. In Kanpur all the mills represent unsatisfactory layout and planning features. The reason for this lies in the fact that at times when the cotton mill industry was established in Kanpur, little consideration was given to layout and planning. In Kanpur where the cotton textile industry is long established, the original layout in almost all the mills represents unsatisfactory features. Almost all the mills are of old type with old ideas of layout, planning and spacing. Various departments of the mills do not follow each other according to processing stages. They are scattered and spread over in irregular manner badly affecting the continuity. Mills in Kanpur have narrow alloys, dark sheds, irregular layout, insufficient ventilation and lighting arrangements, overhead shaft driven etc. In most of the mills,

1. For national data on Cost Profit analysis of selected mills See Appendix X.
processes are working exactly in the manner in which they used to work a quarter of a century ago. There is, however, a tendency that the mills are now changing over from old machines to modern high speed ones. High speed machines are invariably driven individually. Very few mills have equipped the departments with overhead transport lines, while most of the mills work on old principles of manual labour. Material is carried from department through lifts and thereafter dragged or carried on trucks. Since the layout and planning being not in conformity with modern ideas and present day tendencies, irregularities and hazardous working conditions are the glaring features in Kanpur Cotton Mills. It is observed that the mills in Kanpur do not have wide space between machines and the standingt portion of workers.

The mills are now changing to modern high speed machines. Very few mills have equipped their departments with overhead transport lines. Most of the mills work on old principles by employing manual labour. Material is carried through lifts and thereafter is dragged or carried on trucks. Irregularities and hazardous working conditions exist in Kanpur cotton textile industry.

Sizing departments of all the mills are also in need of fresh planning. Spacing of machines and layout of the
departments have no difference whatsoever when compared with Bombay and Ahmedabad. Departments are somewhere on the first or second floor while weaving shed is on the ground floor or in some other buildings; and the number of workers engaged is too many because of irregular layout. Departments are dark, dirty and lights and ventilation are not adequately provided.

Insufficient lighting, presence of steam in the departments inadequate space for easy movement of man and material and machines of very old type with no modern control methods, have led to poor working conditions resulting in less output and bad quality.

In some cases the drawing-in department lies within the sizing departments without any consideration for light, ventilation and adequate space for free movement of material, while some mills have their departments in separate sheds with better light effect. Drawing in departments of the same mills are working with fluorescent tubes while others are working with incandescent lamps. In Kanpur mills, drawing-in departments are not followed by the weaving departments. This results in unnecessary transport work in carrying the beams in and out.

Since mills in Kanpur have been established when very little thought was given to layout and planning, hence in weaving sheds, too, there is nothing like layout and planning. Almost all
the sheds are on the ground floor of storeyed buildings and, therefore, they are dark. Looms are driven from overhead shaft in most of the cases and illumination is of ordinary incandescent type. Alloys are narrow and presence of dobbles and jacquards has made the sheds congested and dirty due to machines being laid out very near to each other. Sufficient space at the back of the looms is wanting and has made it hazardous for the cleaning staff to clean the looms and flooring properly. The loom sheds are humidified and ventilation do not seem to be effective. Weavers beams are carried from distant drawing-in departments on shoulders by beam carriers. Such working conditions have resulted in low productivity and poor quality.

In some mills folding departments are situated on the ground floors of two storeyed buildings while in other cases the folding departments are attached to the dyeing and bleaching departments. This requires about 5 minutes way from the weaving shed. As in other departments, Kanpur mills have given no consideration with regard to layout and planning of the folding departments. Both material and artificial light effects are poor and departments look cramped with machines, men and materials.

For increased productivity proper layout and planning is most essential. It should form an integral plant of rationalisation.
In Kanpur poor layout of machines as well as looms is due to the fact that the number of machines has been increased. It is now right time for cotton mills management to give due consideration to layout and planning.

**Obsolescent Machinery affects Productivity:**

Apart from the question of defective layout and planning of the cotton textile industry in Uttar Pradesh is the existence of obsolete machinery. The capital equipment of the industry is worsening dangerously due to greater wear and tear and run down of the machines. This factor does not exert a favourable influence on productivity which is already very low when compared to textile mills in Maharashtra and Gujarat. If we fail to modernise our plants and equipment it would be rather difficult to maintain even the existing levels of efficiency and productivity, we must modernise our plant and equipment.

In almost all the departments of Kanpur cotton mills machines are old needing immediate replacement. As pointed out earlier outdated machines not only slow down production and adversely affect the quality of the product and increase damage percentage which, according to the findings of the teaching sub-committee of working party for the cotton textile industry, was as high as 30 in the weaving department of the cotton mills.\(^1\)

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Frequent machines stoppages and breakdowns are found in all the Kanpur mills which disrupt chain work as well as reduce output per man-hour. In case machines remain idle for reasons mentioned above, cost per unit of output rises up. Moreover, unless high degree supervision is exercised and checking tightened up, great quantity of faulty cloth would come in the market which affects adversely not only the sales turnover but also the goodwill of the mills in the competitive market.

The published accounts of the various cotton textile mills in Kanpur reveal that the cost of repairs forms heavily a recurring expenditure every year. The annual average cost of repairs has been about several lakhs of rupees. Although cost of repairs is essential for the proper upkeep and maintenance of the machines, it can be justified up to a point where the cost incurred on repairs does not exceed, or at least equals the gains accrued out of it. Beyond that point, it is neither gainful nor, indeed, desirable. If the cost of repairs does not ensure any gains of higher productivity. It is always prudent on the part of management to replace the existing machines by new ones. But this requires huge investment.

It has been estimated that machine dry prior to 1910 is obsolete in design and completely worn out and should be replaced by modern ones at the earliest. Machines in the
second age group can give satisfactory service for a few years more if properly maintained. However, it is not economical to work some of them. All cards and combers should be replaced as they could not be reliably set close enough. Slubbing frames must be scrapped and the existing intermediates converted to zone-drafting; winding and warping should be replaced by modern high speed machines. The latter change should be introduced for the machinery in the second age group also. For the machines in the third group like Blow Room process should be made continuous by making additions and alterations.

According to an estimate under in 1969 the replacement cost of machines required Rs. 30 millions in Uttar Pradesh and for Kanpur cotton mills Rs. 26 crores. Keeping in view the cost increase and further deprecations, the figure will now increase at least to Rs. 90 million. Such a huge investment is beyond the capacity of Kanpur mills. Internal finances are also not available on account of a high increase in tax rates. The Kanpur mills which are incurring heavy losses for the last few years are put to still greater difficulty in matters of financial assistance from the banks because apart from stocks, their immovable property and other fixed assets are already mortaged with the banks against current advances.

1. Northern India Employers' Association Memorandum to the Chief Minister, Uttar Pradesh, on June 9, 1969, p. 12.
Since Kanpur mills are producing coarse and medium cloth, they do not make huge profits on account of increased cost of production. Whatever is left with the mills by way of depreciation and retained profits is further taken away by the inflation which is advancing every year. Hence, the financial resources of the mill companies do not permit to undertake any plan of modernisation and replacement.

The terms and conditions on which financial agencies grant assistance are so stringent that the mills can not fulfill these conditions particularly regarding the nature and quantum of security demanded. In the absence of capital market, the only recourse left with the Kanpur mills is to depend inevitably on banks for loan. But mills which are incurring heavy losses for the last few years are put to still greater difficulty in matters of financial assistance from the banks because apart from stocks, their immovable property and other fixed assets are already mortgaged with the banks against current advances.

It is, therefore, suggested that the conditions for the grant of assistance by the financial institutions should be liberalised. The State Government should create a special fund for granting assistance in deserving cases. Moreover, a comprehensive plan for the modernisation of cotton textile industry of Kanpur should be chalked out.
Labour Problems:

Labour is one of the most important factors in cotton textile industry. It affects output and efficiency. Productivity is measured as a ratio between output and labour. Needless to say that labour problem add to the overall cost structure of cotton textile industry. Wages are the most important item accounting for about 28 per cent of the total cost of producing cloth and 20 per cent of yarn. Hence, a disappointing behaviour of labour adds to cost. The widespread labour unrest, problems of labour turn over and absenteeism in normal working days need successful tackling. Strikes, lockouts, bundhs, demonstrations, personal threats, refusal to work and slowdowns, all adversely affect output and productivity.

It is to be emphasised that while comparing the performance of Indian labour with his counterpart in other countries some retarding factors of Indian economy should also be taken into account. It is a fact that typical climatic conditions in India are to some extent responsible for comparatively low efficiency. Particularly the entire northern region is a belt of extreme climates. During summer it is extremely hot and dry while in the wet season it has excessive rains and sometimes floods. These features adversely affect the industrial efficiency. Similarly, the migratory character and mass illiteracy of Indian
labour are also retarding factors to efficiency. Widespread illiteracy is a typical problem of India which is rather unknown in industrially advanced countries. With this serious disability Indian workers have to work as humble servants of the machine. It is to be pointed out that modern industrial development depends in a large degree on the expansion of education among workers. It is imperative on the part of management to take educative measures in order to inculcate a sense of understanding in the minds of workers and to make them realise that they are equal partners in the field of higher productivity.

Thus, it is important to note that the Indian workers have to work under socio-economic and physical odds otherwise they are equally efficient. In India more workers are employed per unit of machinery and its simple reason is that labour is relatively cheaper and machinery dearer. In Japan, England and the U.S.A. wages are much higher and it is, therefore, necessary to economise labour there. Hence, low output per worker in India cannot be exclusively attributed to the inefficiency of the workers. The findings of some reports bear testimony to this fact. The Labour Investigation Committee pointed out that from such published evidence as could be made available to it unrest which has badly affected most of the textile mills of Kanpur. There were strikes, lockouts, bundhs, demonstrations, personal threat, refusal to work and slowdowns.
It is believed that labour in Europe and other Western countries is capable of turning out much more work than Indian labour in a given hour of work. It was pointed out by the Tariff Board as early as 1927 that the number of spindles looked after by each operative in India was only 189 while in Japan it was 240, in England 540 to 600 and in the U.S.A. 1,120. The number of looms attended by one weaver in Japan averaged two and a half, in the U.K. 4 to 6, in the U.S.A. 9, while in India it was usually 2.1 The Kanpur Labour Enquiry Committees of 1929 also pointed out that there were for every 1000 spindles, 6.1 operatives in Japan during the course of its investigation, the alleged inefficiency of the Indian worker is largely a myth. Granting more or less identical conditions of work, wages, efficiency of management and of mechanical equipment of the factory, the efficiency of Indian labour generally is no less than that of the workers in most other countries.2

Hence, to improve the situation Indian workmen are to be trained and through organisation and proper supervision modern productive methods are to be applied. What we lack most in India is skilled and experienced supervision. In fact,

textile workers in India try to put in as much work as possible in existing working conditions. But factors such as worn out machinery, inefficiency of management, lack of supervision and proper facilities to the workers go a long way to retard the efficiency of Indian worker. Besides this, hour of work in India are longer, wages low, and the rate of absenteeism and labour turnover high. Also human relations which is the pre-requisite for increased labour efficiency are not fairly developed. In fact these are the causes of low efficiency rather than the innate inferiority of the workers.

It is now sufficiently clear from the above discussion that the inefficiency of labour in industry is not of inherent character. There are number of factors which are responsible for labour inefficiency. Factors like the absence of a scientific method of recruitment and selection and the lack of training facilities make the labour force weak from the base. Low wage level relative to the higher cost of living, lack of incentives and other benefits, long working hours, poor working conditions, higher rate of absenteeism, and above all, lack of human relations within the industry, all are responsible for labour insufficiency. In other words, personnel problems are the root cause of poor performance of cotton textile industry of Kanpur. It is hoped that if these problems are sincerely attended to and earnestly solved, performance of the industry is bound to
improve. This call for a better understanding of the science and art of personnel management.

The latest performance of some cotton mills of Kanpur has been discussed as follows:

1. Atherton Mills

This concern was established in 1920. It was taken over by the National Textile Corporation on 19th July, 1976. This composite mill works in two shifts. The total number of workers as in January, 1985 was 2530. 1777 were permanent, 562 substitute and 191 temporary.

It has 3068 spindles of these only 34168 are working. The number of looms installed are 898, 697 of these are working.

Output

The average production of yarn is 4116 kg and of cloth is 36063 metres per day. The total output of cloth in 1985 was 1013809 yards valued at Rs. 5528218/-. 

Raw material consumed, income from sale proceeds and position of profit and loss

The details of the value and the raw material consumed and income from sale proceeds for the last five years along with profit are given below.
Table No. 3.1

Consumption of Raw material, income and profit of the Atherton Mills

<table>
<thead>
<tr>
<th>Year</th>
<th>Raw material consumed</th>
<th>Income from Sale proceeds</th>
<th>Profit/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-82</td>
<td>168.73</td>
<td>414.07</td>
<td>(-) 297.60</td>
</tr>
<tr>
<td>1982-83</td>
<td>167.92</td>
<td>349.30</td>
<td>(-) 364.23</td>
</tr>
<tr>
<td>1983-84</td>
<td>198.05</td>
<td>585.16</td>
<td>(-) 450.55</td>
</tr>
<tr>
<td>1984-85</td>
<td>265.82</td>
<td>516.84</td>
<td>(-) 509.81</td>
</tr>
<tr>
<td>1985-86</td>
<td>264.57</td>
<td>621.86</td>
<td>(-) 535.53</td>
</tr>
<tr>
<td>Total</td>
<td>1271.20</td>
<td>3115.10</td>
<td>(-) 2447.37</td>
</tr>
</tbody>
</table>

Source: Subsidiary of the Employers Association of Northern India, Kanpur, p. 235.

From the data given above it can be observed that consumption of raw material, has gone up from Rs. 168.73 lakhs in 1981-82 to Rs. 264.57 lakhs in 1985-86, showing an overall increase 34.3 percent. the sales rose from Rs. 414.07 lakhs in 1981-82 to Rs. 621.86 lakhs in 1985-86 showing 56.9 percent rise. In spite of the increase in income the mill has been incurring losses. In 1981-82 the loss stood at Rs. 297.60 lakhs rising to Rs. 535.53 lakhs in 1985-86. Thus, the mill is facing financial constraints which is further aggravated due to losses.

New Victoria Mills

Established in 1924 by the private management, the Victoria Mill was taken over by the National Textile Corporation w.e.f. 1st April, 1974. It is a composite mill having 4255 workers
on roll as on January 1, 1985. The total number of spindles installed is 52820, 49440 of these are working. The total looms installed in the mill number 1197 out of which 1101 are plain and 96 are Auto-looms.

Output

The average output of yarn in the mill is 8115kg. per day and production of cloth is 62400 metres per day. The total output of the cloth in June 1986 was 13.41 lakhs metres, valued at Rs. 62.21 lakhs.

The following table depicts profit and loss of the concern during the last five years:

\[
\text{Table No. 3.2}
\]

<table>
<thead>
<tr>
<th>Year</th>
<th>Raw material consumed</th>
<th>Income from sale proceeds</th>
<th>Profit/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979-80</td>
<td>286.70</td>
<td>799.22</td>
<td>(-) 125.82</td>
</tr>
<tr>
<td>1980-81</td>
<td>370.04</td>
<td>796.51</td>
<td>(-) 153.91</td>
</tr>
<tr>
<td>1981-82</td>
<td>463.98</td>
<td>1002.30</td>
<td>(-) 286.46</td>
</tr>
<tr>
<td>1982-83</td>
<td>377.21</td>
<td>907.32</td>
<td>(-) 232.79</td>
</tr>
<tr>
<td>1983-84</td>
<td>451.63</td>
<td>1022.92</td>
<td>(-) 415.25</td>
</tr>
<tr>
<td>1984-85</td>
<td>507.35</td>
<td>1044.65</td>
<td>(-) 560.41</td>
</tr>
<tr>
<td>1985-86</td>
<td>425.95</td>
<td>968.63</td>
<td>(-) 500.51</td>
</tr>
<tr>
<td>Total</td>
<td>2851.23</td>
<td>6541.55</td>
<td>(-) 2275.15</td>
</tr>
</tbody>
</table>

Source: Subsidiary of the Employers Association of Northern India, Kanpur, p. 230.
The data above indicate that the consumption of raw material went up from Rs. 286.07 lakhs in 1979-82 to Rs. 507.35 lakhs in 1984-85, registering 56.38 per cent rise. But in 1985-86 the consumption of raw material declined to Rs. 425.95 lakhs from Rs. 507.35 lakhs in 1984-85.

As regards profit there has been a continous loss. In 1985-86 the loss was of Rs. 500.51 lakhs as against Rs. 125.82 lakhs in 1979-80. The causes of continued losses must be immediately found out by the management to give a new life to the Victoria Mills.

**Swadeshi Cotton Mills Kanpur**

Established in the year 1921 it was taken over by the National Textile Corporation on April 16, 1978. Then, it was nationalised with effect from 1.4.84. It is a composite mill with the total 6288 workers (including operating clerks and supervisors) on roll as on January 1, 1985.

**Output :**

The average output of yarn by the mill is 7500 kg per day and that of the cloth is 50,000 metres per day. The total production of cloth during 1985-86 was 143.58 (lakhs metres).

The data given below pertain to consumption of raw material, income from sale proceeds and profit and loss of the Swadeshi Cotton Mill.
Table No. 3.3

Raw material consumed, sales proceeds and Profit and Loss of the Swadeshi Mills

<table>
<thead>
<tr>
<th>Year</th>
<th>Raw material consumed</th>
<th>Income from sale proceeds</th>
<th>Profit/Loss (in lacs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979-80</td>
<td>388.81</td>
<td>1317.52</td>
<td>(-) 269.34</td>
</tr>
<tr>
<td>1980-81</td>
<td>564.76</td>
<td>1363.42</td>
<td>(-) 276.87</td>
</tr>
<tr>
<td>1981-82</td>
<td>618.66</td>
<td>1319.93</td>
<td>(-) 563.05</td>
</tr>
<tr>
<td>1982-83</td>
<td>523.77</td>
<td>1979.97</td>
<td>(-) 672.97</td>
</tr>
<tr>
<td>1983-84</td>
<td>489.99</td>
<td>1977.81</td>
<td>(-) 920.19</td>
</tr>
<tr>
<td>1984-85</td>
<td>351.76</td>
<td>717.81</td>
<td>(-) 1406.93</td>
</tr>
<tr>
<td>1985-86</td>
<td>402.50</td>
<td>813.95</td>
<td>(-) 1667.63</td>
</tr>
<tr>
<td>Total</td>
<td>3245.7</td>
<td>7883.11</td>
<td>(-) 5780.68</td>
</tr>
</tbody>
</table>

Source: Subsidiary of the Employers Association of Northern India, Kanpur, p. 237.

It may be inferred that the consumption of raw material stood at up Rs. 402.50 lakhs in 1985-86 as against Rs. 388.57 lakhs in 1979-80 registering an overall increase of 96.5 percent. Sale proceeds, however, declined from 1317.52 lakhs in 1979-80 to Rs. 813.95 lakhs in 1985-86, showing a decrease of 161.8 percent. The mill has been incurring losses which has Rs. 269.34 lakhs in 1979-80, and had increased to Rs. 1667.63 lakhs in 1985-86.
Elgin Mills Co.:  

Elgin Mills consists of two units (i) Mill No. 1 at Civil Line, and (ii) Mill No. 2 at Cooperganj. Mill No. 1 was established in 1864 and Mill No. 2 which was formerly known as Kanpur Cotton Mill was established in 1874. Sutherland & Co. worked as managing agents and thereafter it remained with the British India Corporation with effect from 1883. On 11.6.1981, it became a Government Company. The Mill is a composit unit with processing department. Elgin No. 2 (formerly known as Kanpur Cotton mill) was closed in the year 1958 and later on, the Elgin Mills Co. Ltd. purchased this unit in 1960 and renamed it as Elgin Mills Co. Ltd. (Mill No. 2). Earlier this Mill was also under the private sector, but it became a Government Co. w.e.f. 11.6.1981. The details of Mill No. 1 and Mill No. 2 are given below.

Elgin Mill No. 1

The total number of workers (permanent, temporary and substitute) in Mill No. 1 in Jan. 1985 stood at 5581. The Mill has 48,484 Spindles but only 47,092 spindles are working. the number of looms installed is 1194 (plain). All these are working. The Mill works in three shifts.

The average wages bill per month including fringe
benefit involve an expenditure of Rs. 64.43 lakhs. The average daily production of yarn is 16.709 kg and the average daily production of cloth is 80,000 metres.

**Elgin Mill No. 2**

The total number of workers employed in the mill as on Jan. 1985 was 4907 including 3,677 permanent hands, 1089 substitutes and 142 as temporary.

It is a composite textile processing unit, working in 3 shifts. The labour employment per 1000 spindles is 9.27 and per hundred looms is 46.65 and the total wage bill along with benefits per month comes to Rs. 61.11 lakhs. The average daily production of cloth is 83,700 metres.

**Elgin Mills**

The accounts of both these companies are maintained together.

**Working of Elgin Mills No. 1 and 2**

The below given table indicates the value of material consumed, income from sale proceed and profit and loss.
Table No. 3.4

Raw Material Consumed, Income and Sales Proceeds and Profit and Loss

<table>
<thead>
<tr>
<th>Year</th>
<th>Value of Raw Material (Cotton consumed)</th>
<th>Income from Sale Proceeds</th>
<th>Profit/Loss (in lacs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979-80</td>
<td>936.00</td>
<td>2688.00</td>
<td>(+) 162.00</td>
</tr>
<tr>
<td>1980-81</td>
<td>1312.00</td>
<td>2981.00</td>
<td>(-) 87.00</td>
</tr>
<tr>
<td>1981-82</td>
<td>1350.00</td>
<td>2559.00</td>
<td>(-) 583.00</td>
</tr>
<tr>
<td>1982-83</td>
<td>1144.00</td>
<td>2501.00</td>
<td>(-) 494.00</td>
</tr>
<tr>
<td>1983-84</td>
<td>906.00</td>
<td>2340.00</td>
<td>(-) 799.00</td>
</tr>
<tr>
<td>1984-85</td>
<td>1156.00</td>
<td>2242.00</td>
<td>(-) 1101.00</td>
</tr>
<tr>
<td>1985-86</td>
<td>1383.00</td>
<td>2999.00</td>
<td>(-) 1039.00</td>
</tr>
<tr>
<td>Total</td>
<td>8192.00</td>
<td>18310.00</td>
<td>(-) 3941.00</td>
</tr>
</tbody>
</table>

Source: Subsidiary of the Employers Association of Northern India, Kanpur, p. 222.

The data given above indicate that there has been no material change in the consumption of cotton except in 1983-84. The income from sale proceeds also does not show any increasing trend. These mills are continuously incurring losses, since 1980-81 which have been increasing year after year.

Elgin No. 2

The table below gives the trend of cotton consumed and production of cloth during 1980-81 to 1985-86.
Table No. 3.5

Consumption of Cotton and Cloth output

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Cotton Bales (consumed)</th>
<th>Production of Cloth (in metres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>76046</td>
<td>4,97,21,561</td>
</tr>
<tr>
<td>(15 months)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1981-82</td>
<td>55826</td>
<td>3,68,18,571</td>
</tr>
<tr>
<td>1982-83</td>
<td>54568</td>
<td>3,75,52,163</td>
</tr>
<tr>
<td>1983-84</td>
<td>41383</td>
<td>2,96,23,049</td>
</tr>
<tr>
<td>1984-85</td>
<td>40871</td>
<td>3,20,09,207</td>
</tr>
<tr>
<td>1985-86</td>
<td>59764</td>
<td>4,18,97,154</td>
</tr>
</tbody>
</table>

Source: Subsidiary of Employers Association of Northern India, Kanpur, p. 223

The data given above indicate that there has been a continuous decrease in the consumption of cotton bales since 1980-81. Likewise the output of cloth declined from 4,97,21,561 metres in 1980-81 to 3,20,09,207 metres in 1984-85. In 1985-86 the output of cloth was much higher than its output in 1984-85.

The declining trend should be properly studied by the management and an effective strategy should be adopted to overcome these problem of losses etc.

Performance:

The following table indicates the production of cloth of some cotton mills of Kanpur.
### Table No. 3.6

**Output of Cloth by Some Kanpur Mills**

<table>
<thead>
<tr>
<th>Name of Mills</th>
<th>Quantity of Production (in lakh metres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Victoria Mills Kanpur</td>
<td>281.18</td>
</tr>
<tr>
<td>Atherton Mills Kanpur</td>
<td>110.40</td>
</tr>
<tr>
<td>Swadeshi Mills Kanpur</td>
<td>261.58</td>
</tr>
<tr>
<td>The Elgin Mills Kanpur</td>
<td>418.97</td>
</tr>
</tbody>
</table>

Source: Central offices of the Cotton Textile Mills of Kanpur.

The table above gives cloth production of some composite mills of Kanpur during 1985-86 to 1989-90.

The data reveal that the output of cloth by the New Victoria Mills, Kanpur came down from 281.18 lakh metres in 1985-86 to 86.10 metres in 1990, indicating a decrease of 326.5 percent. Likewise, the output of Elgin Mills Kanpur also declined from 418.97 lakh metres in 1985 to 416.35 lakh metres in 1989-90, representing a decrease of 100.6 per cent. While the production of the Swadeshi Cotton Mills went up from 261.58 lakh metres to 873.43 lakh metres in 1989-90, recording an increase of 29.9 percent. Thus, the output of the New Victoria Mills Kanpur, Atherton Mills Kanpur, The Elgin Mills Kanpur has been declining continuously. Only one mill i.e., the Swadeshi Mills Kanpur is viable showing increase in its output.