

## A Comparative Analysis of Growth of Textile Industry in India during Pre and Post Global Recession Period

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### Abstract

Textile Industry is one of the most significant agro-based manufacturing industries in India. This was one of the worst hit sectors by Great Recession that world economy suffered during 2007-2009. Looking at the strategic impact of the global crisis on the Indian Textile Industry, an attempt is made to compare and analyse the growth of Textile Industry in India during pre and post-recession period. Present study attempts to analyse the growth of Textile Industry in relation to five growth parameters namely : number of factories, number of employees, productive capital, profits and net-value added for a period of 24 years from 1993-94 to 2016-17; which is bifurcated into two: pre-recession period ranging from 1993-94 to 2007-08 and post-recession period ranging from 2008-09 to 2016-17. Simple growth rates and compound annual growth rates have been calculated for various parameters considered for growth. Using t-test, it was primarily concluded that there is significant difference in growth of Textile Industry in India during the pre-recession and post-recession period.

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**JEL Code :** G01, G11, L67, L81

**Keywords :** Textile, Recession, Growth, Economy, India

### I. Introduction

IN ANY ECONOMY, agriculture is the primary source of livelihood. Human existence depends on agriculture. It is life line for an economy. Indian economy is also predominantly dependent on the agricultural sector. It contributed more than 50% to the Gross Domestic Product (GDP). Over a period of time, Indian economy gradually moved from being an agriculture-based economy to a service based economy. Since the last few years the manufacturing sector has been the major focus for Indian government. Some of the major upcoming industrial sectors in India are aviation, automobile, electronic and semi-conductor, chemical, mechanical, pharmaceutical and Agro-based.

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