

Export Potential for Indian Denim Industry

Pradeep Kulshrestha, K.K.Misra, Dharmendra Goswami, Chandrakant Nakum, J J Bhatt

Abstract- Mostly Air jet looms are being used in the industry for production of high quality denim fabrics. Indian companies are producing denim fabric in millions of metres per annum while the export potential still remains weak. The main reasons for poor exports are quality of fabric not compatible with world class manufacturing with cost effective weaving, subjective decisions in four point fabric inspection system, urgency of delivery due to low production and retention of skilled manpower in a particular industry. Based on Market requirement only implementation and follow up of world class norms will improve the export of denim.

Keywords- looms, industry, production, fabrics, export, skilled, delivery

I. INTRODUCTION

In continuation to the discussion on prevailing issue about “Revival and Survival of Denim Industry” following person studied the subject from various sources in Industry, they are well experienced in Denim manufacturing and Product Marketing.

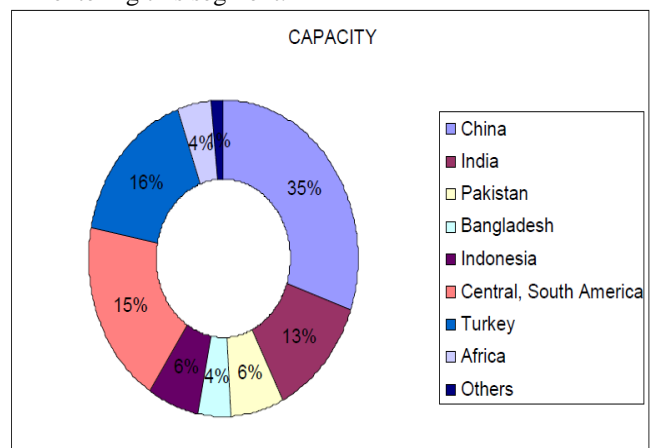
- 1). Mr Pradeep Kulshrestha – HOD (ATIRA - Incubation Centre)
- 2). Mr K K Misra – CEO (ATIRA)
- 3). Mr Dharmendra Goswami – Business Development Officer – ATIRA Incubation Centre.
- 4). Mr Chandrakant Nakum – Consultant – ATIRA Incubation Centre

They have put concentration on business strategy as well as Market Segments (Comparative Bench Marking) of some of the major players in Denim Industry as follows:

Sr. No.	Name of the Company	Visited & details collected By
1	Arvind Mills Limited , Ahmedabad	Pradeep Kulshrestha
2	Raymond Uco Denim Pvt. Ltd., Thane	Pradeep Kulshrestha
3	Nandan Exim Limited , Ahmedabad	Pradeep Kulshrestha
4	Aarvee Denim Limited, Ahmedabad	Pradeep Kulshrestha
5	Rainbow Denim Limited, Ambala	Chandrakant & Goswami
6	Aashima Denim	Pradeep Kulshrestha
7	Soma Textiles & Industries Limited, Ahmedabad	Pradeep Kulshrestha
8	Blue Blends (India) Limited, Ahmedabad	Pradeep & Goswami
9	Jindal World Wide Ltd, Ahmedabad	Pradeep & Goswami
10	Modern Denim Limited, Ahmedabad	Chandrakant Nakum
11	K G Denim Ltd, Coimbatore	K K Misra
12	Sinha denim ltd, Bangladesh	K K Misra & Pradeep
13	Jinjiang Xinlun Denim , Shanghai	Pradeep Kulshrestha

II. WORLDWIDE DENIM MANUFACTURING & APPROXIMATE CONTRIBUTION:

- **World trends in denim**
 - ❖ Oversupply in the denim market worldwide
 - ❖ Global market growth 7-8% pa
 - ❖ Indian market growth 15-20% pa
 - ❖ Chinese market growth 28-35%
 - ❖ European consumption growth 1-1.5%
 - ❖ 600 denim producers worldwide
 - ❖ 40 producers controlling 30% of the market
 - ❖ Europe, North America Japan are major consumers
 - ❖ Average per capita consumption in Europe, USA, Japan is 3 meters
 - ❖ Global average per capita consumption is 1 meter
 - ❖ Mergers, joint ventures, offshore production facilities predominant over the last one year
 - ❖ Trade agreements drive new investments
 - ❖ Asia controls over 65% of global denim market of 4000 million meters
 - ❖ China’s market share of the above is 35%
 - ❖ India’s market share is 10%
 - ❖ Existing players in denim fabric have expanded capacities over the last one year. Newer players are now entering this segment.



III. Impediment for Indian Denim Manufacturers:

Indian Denim Industry producing fabric in Millions per annum while export potential is very weak. Main reasons are concluded as follows:

- ❖ Now a days, Customers are very much Quality conscious while most of the Industries are not producing fresh Denim. Main reasons are urgency in delivery due to low production, lack of skilled men power inadequate / unplanned investment in inventory.
- ❖ More rejection / return of containers due to slackness or subjective decision in 4 point inspection system for Denim.

Manuscript published on 30 November 2015.

*Correspondence Author(s)

Pradeep Kulshrestha, Head - Incubation Centre, Ahmedabad Textile Industry's Research Association (ATIRA) P.O. Ambawadi Vistar, Ahmedabad, India.

K.K. Misra, Ahmedabad Textile Industry's Research Association (ATIRA) P.O. Ambawadi Vistar, Ahmedabad

Dharmendra Goswami, Ahmedabad Textile Industry's Research Association (ATIRA) P.O. Ambawadi Vistar, Ahmedabad

Chandrakant Nakum, Ahmedabad Textile Industry's Research Association (ATIRA) P.O. Ambawadi Vistar, Ahmedabad

J J Bhatt, Ahmedabad Textile Industry's Research Association (ATIRA) P.O. Ambawadi Vistar, Ahmedabad

© The Authors. Published by Blue Eyes Intelligence Engineering and Sciences Publication (BEIESP). This is an [open access](http://creativecommons.org/licenses/by-nc-nd/4.0/) article under the CC-BY-NC-ND license <http://creativecommons.org/licenses/by-nc-nd/4.0/>

Export Potential for Indian Denim Industry

- ❖ Frequent Quality changes may cause the reasons of rejection, if machines are not well set during these changes.
- ❖ Retention of Skilled Manpower in particular Industry.

IV. Remedies

- ❖ On Job training for shop floor employees by well experienced Trainers so they can understand properly the machine operations, process knowledge, and cost saving techniques, awareness of quality assurance, importance of housekeeping.
“Ahmedabad Textile Industry’s Research Association “(ATIRA) is conducting aforesaid training programs to improve Productivity Conventional & Technical Textiles.
- ❖ To maintain consistency in productivity it is very important to solve the problem of employees so they can work regularly and efficiently.
Our analysis shows the reason of poor quality as well as less efficiency at various levels which are attributed to replacement of workers (Increase in migration and absenteeism). If we see in Ahmedabad, housing cost has been increased drastically so many Companies taking initiative and providing bachelors accommodation to workers and family accommodation to dedicated staff.
- ❖ Various incentive schemes can be introduced to achieve good productivity in time for delivery under strict observation; these practices will help to retain skilled employees for longer period.

V. Marketing

Significant variations in Market Trends warrant to be observed. Attempts for Value addition in product, Innovative skills, attractive packing etc are the secretes of consistency in sales at par the marketing policy. Only the concept that minimum manufacturing cost and optimum production can help us to avoid stock deposition in case of saturated market. If Cost of manufacturing has been controlled, one can sale the particular variety in time even during competition. Various impediments contribute to high attrition rate of workers (Operators) comprising of Mobilization, accommodation factors etc. to be studied in light of relevant facts. Continuous market survey and research towards expanding market coverage can help industry to avoid deposition of surplus varieties and thus adhere to Methodical Supply chain Management.

VI. CONCLUSION

Scope of consistency depends upon Follow Up, Skill up gradation, Multi tasking, Multi Entry & Exit, Vertical Mobility, continuous Learning Opportunities. In this way, losses may be minimized by Time & Motion study, timely analysis and action, attention towards welfare of employees etc. India should not miss opportunity of translating itself into a world class Denim Manufacturing. Manufactures have large number of modern machines with microprocessor based controls only limiting factor is that everyone must play their role with result oriented attitude.

ACKNOWLEDGEMENT

We are grateful to Dr. A.K. Sharma Director- ATIRA for giving us the permission to publish this paper for the benefit of Denim Industry.

REFERENCE

1. World Class Manufacturing by Kamalakar Mutalik (Symbiosis – 2011)
2. Indian Textile Industry in 2015 – A Vision by Cygnus Business Consulting & Research, Hyderabad
3. Demand – Supply Gap in Trained Manpower by Nayan C. Parikh
4. Trend Analysis of India & China’s Textiles (Federation of Indian Chambers of Commerce & Industry)
5. "Working Lives India: Denim king". BBC News. Retrieved 20 May 2015.
6. "RIL eyes Arvind Mills' manufacturing facilities". The Economic Times. 27 Oct 2007
7. www.raymondindia.com/grp_uco.asp
8. sinhagroup.com
9. http://www.made-in-china.com/cs/hot-china-products/Denim_Jeans.html

Author Profile

Pradeep Kulshrestha, is an experienced technical professional in the field of textile operations management with more than three decades of rich experience in nine esteemed companies in India and abroad. He is currently Head of Department, working for continuous development in the field of technical textiles and composites at ATIRA in the Incubation Centre (Centre of Excellence).