

# A Study on the Obstacles Confronting by the Garments Exporters in Tirupur District

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## Abstract

The study is to know the obstacles of garment exporters undergoing in Tirupur city. Following the project, the main objective is to analyze the problems faced by Tirupur garment exporters, the measures taken by exporters and the Government to overcome the crisis, factors affecting the exporters, to know the promotional measures offered to exporters. Limitations were restricted to Tirupur city only. The tools used for the examine are easy percent, Rank evaluation, Weighted common score techniques. It is analyzed that to overcome the obstacles and business crisis they have to improve their business status and increase the economic position and to know the absence of professionalism and snail pace Government systems. The exporters need to come out with a comprehensive strategy and a movement plan for his or her sustainable increase and promotional operations.

**Keywords:** Garment Exporters, Obstacles, Business, Sustainable growth

## Introduction

The garment industry performs an essential role in the economic system of the sector countries due to its industrial output, employment era and forex income. The industry corporations a number business devices, which use a huge type of natural and artificial fibers to supply fabrics. Garment industry are regularly classified into two classes, the organised mill sector and consequently the unorganised mill region. clothing industry is mostly worried with the assembly of yarn, and material and therefore the subsequent layout or manufacture of apparel and their distribution. raw materials could also be natural or synthetic the use of merchandise of the enterprise . Tirupur is that the seventh largest city in Tamil Nadu and is one a number of the fastest growing towns in the nation. Popularly stated as “greenback metropolis” or “Small Japan” or “Banian town” it excels in knitted prepared-made clothes. As humans in India has their existence and paintings tradition during a mix, humans at Tirupur has an equivalent . The growth of the industries in Tirupur has also confronted many troubles in its journey in phrases of industrial company, metropolis infrastructure, natural uncooked substances resources, personnel enterprise, pollution, energy problem etc., nonetheless the industrial affiliation and authorities are operating to solve present issues to make Tirupur a miles higher vicinity to flourish. With these troubles getting solved, Tirupur is waiting for its next giant soar quickly.

## Review of Literature

HAL HILL, KP KALIRAJAN 1993, This paper examines technical efficieny within the Indonesiangarment enterprise, based totally on the country's 1986 Census of Small enterprise. Drawing on a sample of 2250 firms, our evaluation indicates that inter- company variations in efficiency are very significant. The paper then investigates the correlates of these variations locating, especially, a high quality correlation between technical performance and each of export orientation, economic integration

and female participation inside the team of workers. It is also discovered that there is an enormous level of labour–capital substitution within the industry.

Vern Simpson (2001), in his take a look at on “India’s clothes and apparel enterprise: boom capacity and exchange and funding possibilities” discovered that the take a look at examines India’s clothes and garb enterprise in phrases of its structural anomalies and other key factors inhibiting the growth of the industry, competitive strengths and weaknesses of the enterprise, authorities packages designed to assist improve the competitiveness of the industry and so forth.

Narayan, Paresh Kumar<sup>1</sup>; Prasad, Biman Chand -2003, Sugar, tourism and garment industries are three of Fiji's main industries. These industries were present process a few extreme issues throughout the past decade. This paper analyses the performance of those industries, examines the troubles besieging them, and appears at the potentials these industries have for the country. The paper additionally gives some recommendations which coverage makers in Fiji ought to take into account on the way to ensure that those industries hold to benefit Fiji.

ABHIJIT BANNERJEE, KAIVAN MUNSHIT, 2004, This paper research the effect of network identification on investment behaviour inside the knitted garment agency in the South Indian town of Tirupur. We file very huge and systematic versions in every tiers of capital stock and the capital depth of producing in corporations owned through people from special network corporations.

### **Objectives of the Study**

- To analyze the problems faced by Tirupur garment exporters.
- To study the measures taken by exporters and government to overcome the business crisis.
- To analyze the factor affecting the export of garments from Tirupur.
- To study the promotional measures offered to the exporter.

### **Methodology of the Study**

A research is a grasp plan for the behavior of formal research.

The technology offers with principles and system in research and look

at. research methodology is the pathway or an method to get the wanted facts by means of finding the facts from one of a kind assets which might be primary and secondary.

### **Statement of the Problem**

Few of the issues are guide coping with, Inflation, authorities rules, loss of improvements, Lack of government assist Heavy Tax and obligations, frequently increasing yarn charge, petrol and diesel prices, and electricity costs, sudden ultimate of

dyeing devices, often abnormal electricity supply, excessive fee of new generation machines, Labour Turnovers, a whole lot method for purchasing credit centers, price of interest turned into too excessive and so on...

### **Statistical Tools used for the Study**

The following statistical equipment have been used to analyze the primary statistics,

- Easy Percent
- Rank Analysis
- Weighted Common Score Technique

**Analysis and Intrepretation Percentage Analysis**

QUESTIONS	MAJORITY	PERCENTAGE
Type of Exporters	Manufacturing exporter	73%
Type of Organization	Sole proprietorship	57%
Experience	5years	47%
Capital employed	Owned and borrowed capital	76%
Members of TEA	Yes	86%
Other associations	Apparel export promotion council (AEPC)	77%
Annual turnover	Less than 5 crore	37%
Expectations from the Buyer	Flexibility	87%
Problems Faced	Power cut	41%
Methods used to secure export orders	Canvassing	68%
Exporting countries	European countries	48%
Fabric material	Cotton material	73%
Quality parameters	Buyers standards	58%
Problems while exporting	Poor quality	45%
Recycling of material	Yes	96%
Helpful source in developing infrastructure	Export processing zones	68%
Challenges faced to sustain fabric quality	Dyeing problems	63%
Measures taken for uncertainty in price of yarn	Change in value of product	43%
Overcoming of electricity breakdown	Generators	69%
Export credit facilities	Credit facility for importing capital goods	47%
Subsidy/ Incentive Aailed from government	Duty drawback	63%
Suggestions to reduce transit time	Outsourced effective logistics management	42%

General problems	Unaware of government subsidies	42%
Way to be successful in export business	Seeking out domestic buyers who represent foreign and users for customers	46%

### Rank Analysis

Showing the Ranking Of Government Scheme

Government scheme	Rank 1	Rank 2	Rank 3	Rank 4	RANK 5	RANK 6	TOTAL SCORE	RANK
Tuf (modernization)	12	13	33	29	20	15	396.7143	6
Tmc (textile mission Of cotton)	20	16	12	27	16	15	361.7143	4
Interest subsidy in technical Textile	19	24	13	22	16	24	385.1429	5
Assistance provided to apparel institution and Trainees	17	21	11	4	22	27	308.2857	35
Brand equity Fund	10	12	21	10	13	7	260.3333	1
Market	22	14	10	8	13	12	292.5714	2

The ranking analysis indicates that the brand equity fund has been ranked 1st 260, market has been ranked 2nd with 292, assistance provided to the apparel institute and trainees has been ranked 3rd with 308, TMC has been ranked 4th with 361, interest textile in textile has been ranked 5th with 385 and TUF has been ranked 6th with 396.

Showing The Ranking Of Problems Faced In Export

PROBLEMS	RANK 1	RANK 2	RANK 3	RANK 4	RANK 5	TOTAL SCORE	RANK
Sampling delay in loading services	24	23	20	14	19	192.33	3
Price fluctuation	23	20	9	30	18	216	5
Export procedure	17	14	29	10	30	182	2
Technology	22	27	17	20	14	211.66	4

Political condition	34	2019	9	18173	1
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The ranking analysis indicates that political condition has been ranked 1st with 173, export procedure has been ranked 2nd with 182, sampling / delay in loading services has been ranked 3rd with 192, technology has been ranked 4th with 211 and price fluctuation has been ranked 5th with 216.

### Weighted Average Score Method

Showing The Promotional Measure to the Exporters Consider Important For Export

Promotional Measure	Extremely Important	Important	Neutral	Matters much	Doesn't Matter	Total Score	Weighted Average Score	Rank
National Fare, International Fare	39	27	22	2	10	383	3.19	1
One to One Marketing	20	22	22	24	12	314	2.61	4
Collaboration plan/ Joint venture	27	15	24	27	7	328	2.73	5
Cause Marketing	53	11	12	13	11	382	3.18	2
Event marketing / sponsorship marketing	16	21	20	33	10	300	2.5	6
Advertisement through website	39	16	16	22	7	358	2.98	3

### Findings

Majority (73%) of the respondents are doing Manufacturer Export Business.

Majority (57%) of the company are Sole proprietorship concern.

Majority (47%) of the respondents are less than 5 years in the working experience.

Majority (76%) of the respondents are using owned and borrowed capital.

Majority (86%) of the respondents are members in TEA.

The maximum numbers of the respondents are Members of Apparel Export Promotion Council (AEPC)

Majority (37%) of the respondents annual turnover are below less than 5 crore.

Majority (41%) of the respondents faced power cut problems.

Majority (68%) of the respondents are canvassing ti secure their order.

Majority (48%) of the respondents are exporting to European countries.

Majority (73%) of the respondents are using cotton material for manufacturing.

Majority (58%) of the respondents are choosing Buyers standards.

Majority (45%) of the respondents facing problem on poor quality while exporting.

Majority (96%) of the respondents are using recycling packing materials.

Majority (68%) of the respondents prefer Export processing zone to develop the infrastructure.

Majority (63%) of the respondents faced Dyeing problem in the fabric quality.

Majority (43%) of the respondents say changing the value of product to overcome yarn price.

Majority (69%) of the respondents use generator to overcome from electricity breakdown.

Majority (39%) of the respondents availed credit facility for importing capital goods from commercial bank.

Majority (63%) of the respondents availed duty drawback by the government.

Majority (69%) of the respondents select outsourced effective logistics management to reduce time.

Majority (42%) of the respondents say unaware of government subsidies in exporting.

Majority (46%) of the respondents say seeking out domestic buyers who represent foreign end user or customers to get successful in export business.

The respondents ranked the source given by government scheme have assigned first rank to brand equity fund, Market has been ranked second, assistance provided to apparel institution and trainees has been ranked third, TMC has been ranked fourth, interest subsidy in technical textile has assigned ranked fifth, and TUF has been ranked sixth.

The respondents ranked the problem faced in export have assigned political conditions as rank first, export procedure at rank second, sampling/ delay in loading services as rank third, technology as rank fourth, price fluctuations as rank five.

The respondents derived maximum importance for export from the National fare / International fare which has been ranked with the best high score. Cause marketing has been ranked second, Advertisement through websites has been ranked third, One to One marketing has been scored rank fourth, Joint venture has been scored fifth rank and Event marketing with the least score which has been ranked sixth.

### **Suggestions**

Government ought to pay attention similarly more on research and improvement and must offer era Up Gradation fund to make their product an amazing satisfactory and innovative so that it will compete the global alternate.

Another trouble in abnormal power deliver, because of this problems companies cant capable to complete their productions in well timed manner and effects in cancel of varioud orders and ends in intense reasonable loss. So the government can take various treatments for those problems.

Authorities must prevent the export of cotton to different international locations up to a positive limit so that it will avoid the trouble of growing yarn expenses.

Organizations need to supply proper education for their employees and enhance the best of their work. With a purpose to preserve them the organizations should listen more on their health benefits.

## **Conclusion**

Few of the problems are guide dealing with, Inflation, authorities regulations, lack of innovations, Lack of presidency help Heavy Tax and obligations, regularly increasing yarn charge, petrol and diesel prices, and power costs, surprising last of dyeing devices, regularly irregular strength deliver, excessive fee of recent generation machines, Labour Turnovers, an awful lot method for getting credit score facilities, charge of hobby became too excessive and so on...Tirupur have the capacity to take up small orders or huge orders at quick notices. it is also able to produce the whole variety of knit put on at decrease cost.

The observe offers an concept approximately the issues faced via the Garment Exporters and their techniques to be followed for a particular time period. After accumulating all of the statistics, records analysis is executed. sooner or later owner dealing with severe troubles and they are trying to conquer from this as a good deal as they are able to which will enhance their enterprise popularity and additionally boom the monetary role and conquer the diverse losses incurred due to absence of professionalism and snail tempo authorities systems. there may be an urgent want of brooding about the enterprise leaders and coverage makers with a purpose to permit them to return up with a properly thought out complete method and an movement plan for their sustainable boom and profitable operations

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