CHAPTER-II

Profile of the Selected Units
2.1 Indian Textile Industry

The Indian textile industry is currently one of the largest and most important sector in the economy in terms of output foreign exchange earnings and employment in India. The textile industry has the potential to scale new height in the globalize economy. The textile industry in India has gone through significant changes in anticipation of increased international competition. The industry is facing numerous problems and among them the most important one is the liquidity for many organized sector units, demand recession and insufficient price realization. The long-range problems include the need for sufficient modernization and restructuring of the entire industry to cater more effectively to the demands of the domestic and foreign markets for textiles as per the needs of today and tomorrow. The Indian textile industry has a significant presence in the economy as well as in the international textile economy. It contributes 20 per cent of industrial production, 9 per cent of excise collections, 18 percentage of employment in the industrial sector, nearly 20 per cent to the country’s total export earnings and 4 per cent to the gross domestic product. In human history, past and present can never ignore the importance of textile in a
civilization decisively affecting its destinies, effectively changing its social scenario.

2.1.1 History of Textile Industry

India has been well known for her textile goods since ancient times. The traditional textile industry of India was virtually decayed during the colonial regime. However, the modern textile industry took birth in India in the early nineteenth century when the first textile mill in the country was established at fort gloster near Kolkatta in 1818. The cotton textile industry, however, made its real beginning in Mumbai in 1850’s. The first cotton textile mill of Mumbai was established in 1854 by Parsi cotton merchant. Majority of the early mills were handwork of parsi merchants engaged in yarn and cloth trade at home and Chinese and African markets. The cotton textile industry made rapid progress in the second half of the nineteenth century and by the end of the century there were 178 cotton textile mills; but during the year 1900 the cotton textile industry was in bad state due to the great famine and a number of mills of Mumbai and Ahmedabad to be closed down for long period. The two world wars and the Swadeshi movement provided great stimulus to the Indian mills increased from 178 with 4.05 lakhs looms in 1901 to
Figure 2.1

INDIAN TEXTILE INDUSTRY

Cotton Textile

Organized Sector

Cotton Mills (Private Public & Co-operative)

Composite Mills (Yarn & Cloth)

Spinning Mills (Yarn)

Man-Made

Silk

Woolen

Jute

Decentralized Sector

Handlooms (Cloth)

Power Looms (Cloth)

Source: Bulletin of Spinning Owner’s, 2010.
249 mills with 13.35 lakhs looms in 1921 and further to 396 mills with over 20 lakhs looms in 1941. By 1945 there were 417 mills employing 5.10 lakhs workers. After independence, the cotton textile industry made rapidly increased. Between 1951 and 1982 the total number of spindles doubled for 11 million to 22 million. It increased further to 26 million by 1989-90.

2.1.2 Investment in Textile Industry

Investment is the key for Indian textile to make rapid strides. The Vision Statement prepared by the Indian Cotton Mills federation has projected that the industry has the potential to reach a size of $85 billion by 2010 from the current level of $36 billion. Further, the vision statement has estimated that textile exports could touch $40 billion by 2010 from $11 billion in 2002. In the process, India’s share in the global textile and clothing trade is expected to double from three per cent in 2002 to six by 2010. To reach these ambitious target, it is estimated that new investment to the tune of Rs.1,40,000 crores will be needed in the next five years. After analyzing the capacity and technology levels in various segments of textile industry and the need for modernization, funds required for various segments.
2.1.3 Export at Glance

Textile exports play a crucial role in the overall exports from India. Through export friendly government policies and positive efforts by the exporting community, textile exports increased substantially from US$ 5.07 billion in 1991-92 to US$ 12.10 billion during 2000-01. The textile exports basket contributing over 46 per cent of total textile export. In world textile trade has risen to 3.1 per cent in 1999-2000 as against 1.80 per cent of total export. Exports have grown at an average of 11 per cent per annum over the last few years, while world textile trade has grown only about 5.4 per cent per annum in the same years. During the year 2000-01 India’s textile export was US$ 12014.4 million. It was increased the year 2004-05 US$ 13038.64 million. The exports of textile (including handicrafts, jute, and coir) formed 24.6% of total exports in 2001-2002, however this percentage decreased to 16.24% during 2004-2005. The textile exports recorded a growth of 15.3% in 2002-2003 and 8.7 in 2003-2004. Textile exports during the period of April-February 2003-2004 amounted to $ 11, 698.5 million. During 2004-05 textile exports were US$ 13,039 million, recording a decline of 3.4 as compared to the corresponding period of previous year. However, during April-November, 2005 the textile exports have shown growth of 8.2% as compare to the
corresponding period of previous year. Against a target of US $15,160 million during 2004-05, the textile exports were of US $13039 million, registering a shortfall of 14% against the target. The overall export target for 2005-06 has been fixed at US $15,565 million. In 2005 textile and garments accounted for about 16% of export-earning. India textile exports to the USA have shown a good rise of 29.5% between January and June 2009.

2.1.4 India’s Major Competitors in the World

India’s share in global exports is only 3% compared to Chain 13.75. In addition to chain other developing countries are emerging as serious competitive treats to India. Looking at export share, Korea (6%) and Taiwan (5.5%) are ahead of India. While Turkey (2.9%) and others like Thailand (2.3%) and Indonesia (2%) are not much further behind. The reason for this development is the fact that India lags behind these countries in investment levels, technology, quality and logistics.

2.1.5 Vision India 2010

- Textile economy to grow to $ 85 billion by 2010.
- Creation of 12 million new jobs in textile sector.
- To increase India’s share in world trade to 6% by 2010.
- Achieve export value of $ 40 billion by 2010.
- Modernization and consolidation for creating a globally competitive industry.
2.2 Tirupathi Cotton Mills Limited

Tirupathi Cotton Mills Limited was established by M/s. P. Suryanarayana & Sons Private Limited in Suryanarayananapuram, Renigunta, Chittoor District, Andhra Pradesh in the year 1956 with a licensed capacity of 30320 spindles to manufacture cotton yarns. The commercial production started with commissioned capacity of 6000 spindles which were later increased to 21040 and subsequently to 29668 spindles. Later, the mill was taken over by central government under an ordinance promulgated during 1972 and subsequently the mill was nationalized under the provision of Sick Textile Undertakings (Nationalisation) Act, 1974. Presently, the mill was working under National Textile Corporation Limited (NTC), a government of India enterprise. The mill is situated at 2.5 km away from Renigunta and 13 km away from Tirupathi on the state highway No.32 towards Chennai. The mill is well connected by Road, Rail and Air.
ORGANIZATION CHART OF TIRUPATI COTTON MILLS LIMITED. RENIGUNTA, CHITTOOR DISTRICT, A.P
2.2.1 Objectives of TCM

- To generate employment for the people of nearby villages.
- To make the best use of raw materials which are available in surrounding areas.
- To earn profits and to participate in national development.

2.2.2 Organization Structure and Management of TCM

The success of any business concern depends upon its organizational structure, which is evolved through the process of development. As an organization under National Textile Corporation, Tirupathi Cotton Mills Limited., has adopted a compact organization structure with optimum span of control for effective management and achievement of company’s objectives. The management consists of the Board of Directors headed by the Chairman, a government official.

The General Manager conducts the day-to-day operations of the company as per the resolution of the NTC. Production, Personnel, Administration and HRD are the key departments in the organization. A Senior Manager heads each department. The concept of delegation and decentralization of authority is followed here. The General Manager guides these heads of respective functional groups in matters of company affairs and
in formulating and monitoring the execution of the corporate policies and plans.

Table: 2.1

Manpower Particulars of Tirupathi Cotton Mills Limited

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<tr>
<th>Sl.No.</th>
<th>Particulars</th>
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<td>Trainees</td>
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<td>6.</td>
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<td>7.</td>
<td>Contract Labour</td>
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<td><strong>TOTAL</strong></td>
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<td><strong>820</strong></td>
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</table>

Source: Office Records, TCM, 2009-10

2.2.3 Personnel, Administration and HRD of TCM

TCM has a separate department for personnel, administration and HRD. Both the departments are under the control of Senior Manager (operations). Security and Vigilance, welfare, medical, personnel are the key sections in personnel and administrative department. Each of these sections is managed by the respective heads. Training and development is the main activity of HRD. Each of these sections is headed by the respective in-charge, assistants, clerks and staff of different cadre.
2.2.4 Human Resources of TCM

TCM believes that the quality of their human resource directly affects the performance and profitability of their business. TCM is a fair employer conforming to progressive human resource practices that extend well beyond statutory benchmarks. These practices comprise.

- Housing for the employees.
- Fee reimbursement for children’s education of its employees.
- Ongoing training programmes to enrich employee competencies.

2.2.5 Process Details of TCM

Blow Room: The cotton taken from mixing room is fed into blue room. The function of opening and cleaning is done by various types of beaters. This process removes the sand particles, impurities, etc. The machines are carefully adjusted so that they clean the cotton without damaging the fiber.

Carding: Carding process is the most important function in cotton spinning. The cotton is carried further by means of a cylinder and further intensive opening of the cotton take place between the flats which are moving slowly on cylinder. This fibers are then transfer to doffer and then on to crust rolled
which completely pulverise the foreign matter. The cotton is delivering in the form of a thin web.

**Draw Frames:** The draw frames fulfills the objective by doubling and drafting. The doubling of the ends also ensures a through blend of the various pairs of roller, each successive pair of roller revolving faster than the preceding ones this draws one of the fibers and arranges then in a parallel fashion.

**Simplex:** The process of Eli mating the short fires done by means of chambers. Normally first passage draws frames cans fed ton super lap former which is preparatory machine for combing.

**Spinning:** is the process of converting cotton or manmade fiber into yarn to be used for weaving and knitting. Spinning sector is a technology intensive and productivity is affected by the quality of cotton and the cleaning process used during ginning.

**Cone Winding:** In this process, the yarn caps are wounded into bigger packages, this package comes in the form of cones. While winding on to cones the yarn is passes between two closely set combs, which remove foreign matter and thick places in the yarn.

**Doubling:** The doubler winder joints two ends together and winds them into a cheese form.
2.2.6 PRODUCT PROFILE

The mill produces only single type of product. The products name is “Cotton Yarn”. The raw-material of the cotton mill only “Cotton” and the source of cotton was required from the Cotton Corporation of India Ltd.

Types of Cotton (in counts)

1. 40's Carded cone yarn.
2. 2/40’s carded cone yarn.
3. 40's carded plain hand yarn.
4. 2/40’s carded plain hand yarn.
5. 40’s carded loosed hunk yarn.
6. 2/40’s carded loosed hunk yarn.
7. 42’s carded corn yarn.

2.2.7 Consumer Profile:

The cotton mill was selling the products within India. The mainly selling areas of the cotton within India are :

- Ehambara kuppam (in Andhra Pradesh)
- Cheesala (in Andhra Pradesh)
- Vechala Karunji (in Maharastra)
- Malanegaon (in Maharastra)
2.3 Super Spinning Mills (Private) Limited

In modern fashion technology, the demand for perfection begins right at the birth of raw material permeates through every single process, till the highly discerning customer done the finished garment. It is this demand for perfection that has spurred the growth of an organization and its corporate philosophy. Those who can furnish clients with the best quality, competitive price, and excellent customer services and prompt delivery can only survive in the market. Super Spinning Mills (Private) Limited takes immense pride in perceiving its role as the comprehensive architect of every single yarn and garment that is produces. SARA ELGI is a multi-unit, multi-interest business group with a wide range of industrial activity, an organization that has founded its evolution on value-based commercial practice. Super Spinning Mills Limited was established in 1962 with an initial capacity of 1,20,000 spindles. Over its four decades of chequered growth it has expanded to 1,30,000 spindles spread over 3 operational units namely Super ‘A’, Super ‘B’ and Super ‘C’. The company commenced operations with the manufacture of grey, gassed mercerized and dyed cotton yarn. Today, the company has carved a niche for itself on the textile map of the country.
The ‘A’ Unit was set up in 1962 at Kirikera, near Hindupur, Anantapur District, Andhra Pradesh with an initial capacity of 12,000 spindles. This was expanded to 57,600 spindles. This unit produces the finest quality of yarn. Super spinning Mills Limited is one of the leading spinning mills in India noted for its progressive outlook and technical excellence.

2.3.1 Mission of SSP: Mission of SSP can be stated in the following manner.

- High level customer satisfaction and productivity.
- Continual improvement in the quality of human resources.
- Concern for occupational health and safety and,
- Commitment to environmental management.

2.3.2 Values of SSP

- Employee empowerment for commitment to total quality.
- Team work and increased productivity.
- Ethical management practices.

2.3.3 Quality Policy of SSP

“Quality Leading to Customer Satisfaction shall be our Top Priority”. All employees shall be systematically trained, developed and motivated continuously to improve the quality of their work. The mill has equipped quality assurance laboratory manned by well trained technicians to ensure quality, continuous modernization and timely expansion. As a result of this, the company has established itself as a leader in most of its
products. According to surveys conducted by South Indian Textile Research Association (SITRA), the performance of the company has been maintained consistently in production and quality over the past. During the 25th survey conducted by South India Textile Research Association, out of 270 mills, SSP units productivity performance ranked as 11th. Produce of SSP units has been well accepted in the market of UK, Canada, Singapore, Malaysia, Hong Kong, Mauritius, Israel, Spain and Dubai since 1988.

2.3.4 Objectives of SSP

- To produce finest quality yarn.
- To generate employment opportunities in nearby areas.
- To produce commodity at good standards as well as diversification of products and services with highest concern for customers.
- To earn profit and to participate in national development.
Figure 2.3

ORGANIZATION CHART – SUPER SPINNING MILLS (PRIVATE) LIMITED, KIRIKERA, HINDUPUR, (ANANTAPUR DISTRICT) A.P.

Managing Director

Jt. Managing Director

President

General Manager

Sr. Manager (Production)

Mill Manager

DHP

Production Officer

Dy Production Officer

Workmen

DHS

Production Officer

Dy Production Officer

Workmen

DHF

Production Officer

Dy Production Officer

Workmen

Sr. Manager (Administration)

Administration Manager

Corporate HRD Manager

HR Manager

Manager (Electrical & Utilities)

Electrical Manager

Sriv. Electrical Engg.

Electrical Engg.

Trainning officer

Labour Welfare Officer

HRD-O

A/cs

Yarn

Raw Materials

Stores

DH – Division Head; P-Preparatory, S-Spinning, F-Fining, O-Officer
2.3.5 Organization Structure and Management of SSP

The Board of Directors consisting of a Managing Director, a Joint Managing Director, President and a General Manager. The President is vested with powers to take policy decisions. The General Manager conducts the day-to-day operations of the company as per the resolution of the Board of Directors. He delegates some authority to the departmental heads to carry out the routine administration. There is, to some extent, functional division of administration consisting of four departments - Production, Administration, HRD and Electrical. Senior Managers of these departments leads their respective departments. All these heads are of equal cadre and report to the General Manager and General Manager in turn to the President.

Table: 2.2

Manpower particulars of Super Spinning Mills (Pvt) Limited

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Particulars</th>
<th>Total</th>
</tr>
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<tr>
<td>2.</td>
<td>Supervisory Category</td>
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<td>3.</td>
<td>Workmen Category</td>
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<td>4.</td>
<td>Temporary</td>
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<td>5.</td>
<td>Trainees</td>
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<tr>
<td>6.</td>
<td>Contract Labour</td>
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<td><strong>TOTAL</strong></td>
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<td><strong>2774</strong></td>
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</tbody>
</table>

Source: Office Record, SSP, 2009-10
2.3.6 Human Resources of SSP

SSP believes that the quality of their human resource directly affects the performance and profitability of their business. SSP is a fair employer conforming to progressive human resource practices that extend well beyond statutory benchmarks. These practices comprise.

- Housing facility for the employees.
- Fee reimbursement for children's education of its employees.
- Ongoing training programme's to enrich employee competencies.
- Mill is maintaining its own school and a junior college in Kirikera, with a motive to provide education facility to the nearby village people.

2.3.7 Process details of Super Spinning Mill:

The manufacturing process from raw and synthetic cotton in a Super Spinning Mill is under.

Mixing: The first step in the process of production is mixing. In this process various components bales are opened-up, spread out evenly, in the form of a stock with preliminary loosening of the matted cotton. Besides, cotton is highly compressed and stored for a long time before they are opened.
**Blow Room:** The cotton taken from mixing room is fed into blue room. After suitable opening and rolled completely on to what is called 'lap'. Various types of beaters do the function of opening and cleaning. By making use of the centrifugal force at these revolving beaters by make use of the air current, trash sand particles, fragments of seeds, heavier impurities, etc are separated. The waste percentage that is normally removed here depends on trash content in cotton.

**Carding:** In carding process the most important function is cotton spinning viz., individualization of fiber is performed. All the spinning is familiar with an adage to card well is to spin well. The cotton in the lap form that is produced in the blue room, thought open up, has to be further opened for individualization of fibers.

**Drawing:** The fibers emerging out of the cards are all individual but laid in criss-cross fashion along the axis the silver. Since spinning mainly on attenuation process for carding onwards, the fibers, in this sliver are to be perfectly parallel to each other.

**Combing:** Combing is an additional process employed whenever yarn of good quality is required. As mentioned previously, cotton consists of fibers of various lengths. The short-fibers present in the cotton are a nuisance and will result in poor evenness, high
imperfection. Hence, by removing the short fibers, the quality of yarn can be substantially improved.

**Fly frames:** The materials in the form of silver are fed into this machine. This drafted down on attended by about 10 to 15 times by means of pairs of recover as explained earlier.

**Doubling:** When yarn is a better uniform and higher strength is required, doubling is resorted to. The feed package of the doubling frame is cheeses, which is produced at the doublers winding. The doublers winder joints two ends together and winds them into a cheese form.

**Winding:** The yarn deliver at spinning or doubling is in the form of small package called cops. This cannot be directly delivered to the customers of yarn. Besides the consumers require the yarn in different types is double to suit requirements. Because of this yarn is concerted either to cones or honk form.

**Cone winding:** In this department, the yarn caps are wounded on to a bigger package, which is normally one kg in weight, the package comes in the form of cones. This is normally resorted to where the total length of the yarn required is more has in the case of warp yarn for weaving on automatic looms. While winding on to cones the yarn is passes between two closely set combs, which remove foreign matter and thick places in the yarn.
Reeling: When the yarn is to be used in hand looms or for dying before weaving, the yarn is will on the hank form. In this department bathe spinning cops are related to hank form on hank is 840 yards in length the yarn is passed through brushed which remove the adhering foreign matter, etc. This hanks are converted into small bundles and then on to bales for dispatching to the market.

2.3.8 Product Profile

The mill produced variety of yarn in counts ranging between 20's and 100's both carded and combed varieties to suit different end users. The company products are high quality and are being appreciated globally. The produced yarn productions of super spinning group of mills are as follows.

1. 20’s combed hosiery
2. 24’s combed hosiery
3. 30’s combed hosiery
4. 40’s combed hosiery diamond
5. 40’s ruby
6. 50’s combed hosiery reel
7. 60’s hosiery
8. 94 combed hosiery
9. 80’s grey combed.
### 2.3.9 Consumer Profile

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<td>Vijayalakshmi dying works</td>
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<td>Radha yarn trading company</td>
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### 2.3.10 Consumer Profile

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