CHAPTER 1

INTRODUCTION
CHAPTER – I
INTRODUCTION

The Textile industry in India is a very old industry. It is one of the largest industries and a major foreign exchange earner for the country where India has a natural advantage. At present, it adds 14% to industrial production and 35% to the country's export earnings.

The Textile products continue to play an important role in the total export basket of the country. Textile exports recorded a growth of 15.3% in 2002-2003 and 6.0% in 2003-2004. During the period April to November 2004, Textile exports were US$ 8348.5 million, recording a growth of 4.6% as compared to the corresponding period of previous year. For 2004-2005, the target for the export of textiles has been fixed at US$ 15160 million, against US$ 13500 million set during 2003-2004.

The history of home furnishings in India is probably as old as the beginning of man kind civilization, when the man started using an animal skin to cover himself and for sleeping over the same. With the advancement in the field of textiles and home furnishings, India kept up its lead.

After China, India is the world's biggest supplier of home furnishing fabrics. India has been the one of the fastest in the world on deliveries and consistent in quality.

In the state of Tamilnadu, home furnishing fabrics are produced in large quantities mostly in Namakkal, Erode, Salem, Coimbatore and Karur Areas. Home furnishing fabrics have a high potential for development of exports. Almost 91% of household textile items are made mainly from cotton. This sector has shown considerable preference for natural fibers of basic textiles made from natural fibers such as cotton.
Home furnishing fabrics

The following are the items that are called home furnishing fabrics:

- Bed linen
- Both linen
- Table linen and kitchen linen
- Curtains, drapes and furnishing fabrics
- Blankets
- Carpets and floor coverings
- Made ups

Statement of the problem

There is a lot of scope for export of home furnishing fabrics from India but yet, the achievement is not upto the mark due to several problems faced by the manufactures. Also, the exporters who are in the real picture are not manufacturers of home furnishing fabrics. If manufacturers directly become exporters, the benefit will not only be high but also usable to economic development of the country. This will also facilitate textile industry to grow better and stronger. An attempt on identifying the problems would be of great help to the industry for having better prospects. Also, a study on the issues and problems pertaining to operation of manufactures would be useful for them to take appropriate steps to overcome the same.

Even though India is playing a major role in the export of home furnishing fabrics, the manufactures are not acting as the exporters. Home furnishing fabrics are procured and they are exporting to other countries as the manufacturers are not exporting the household fabrics directly because of source problems, the identification of which may be usable tips for taking remedial action for the growth of exporting of home furnishing fabrics.
Objectives of the Study

The following are the broad objectives of the study

1. To identify and analyze the profile of home furnishing fabrics manufacturing units.
2. To identify operational pattern of manufacturing units that produces home furnishing fabrics.
3. To analyze the export performance of home furnishing fabrics for the past 7 years up to 2005.
4. To identify the problems of manufacturing units related to exporting of home furnishing fabrics.
5. To offer suggestions on the basis of results of the study.

Methodology

The following methodology is used in the study

i. Study Area

The study area refers to Salem, Erode, Namakkal, Karur and Coimbatore Districts where large numbers of manufacturers of home furnishing fabrics are found when compared to other districts in Tamilnadu.

ii. Data Sources

The study has used both primary and secondary data. Primary data were collected from the manufacturers of home furnishing fabrics using interview schedule method. Secondary data were collected from HEPC, PDEXCIL, power loom and weaves services centers and from the office of textile commissioner. To ensure the accuracy of the primary data, interview schedule has been prepared in such a way that the respondents were able to express their opinions freely and frankly. A pilot study was conducted in order to validate the interview schedule.
iii. Sampling Design

For purpose of collection of primary data, 300 manufacturing units producing home furnishing fabrics were selected using probability proportional to size sampling method.

iv. Statistical tools used for analysis

The collected data have been processed both manually and with the help of computers. The statistical tests are conducted at 5% level of significance. The following statistical tools are used.

- Descriptive analysis
- Diagrams and charts
- Chi-square analysis
- Average rank analysis
- Four point scaling technique
- Average score analysis
- SWOT analysis
- Multiple regression analysis
- Factor analysis

Limitations of the study

The process of collection of data was a real challenge as it has taken more time for the respondents to respond. Further, there was reluctance on the part of the respondents to provide data. However, adequate care has been exercised to collect the unbiased data.

Operational definition

Home furnishing fabrics: The term ‘home furnishing fabrics’ refer to different textile materials intended for various specific uses. The terms home furnishing fabrics, home textiles, home furnishing textiles, home textile products refer to one and the same.
Chapter scheme

This thesis is arranged to present in the following five chapters

Chapter – I : Introduction
This chapter presents in brief statement of the problem, objectives of the study, methodology used and limitations of the study.

Chapter – II : Review of Literature
This chapter reviews elaborately and present the previous studies made in the area relevant to the study.

Chapter – III : All about Home furnishing Fabrics
This chapter provides a theoretical basis to understand the core aspect of home furnishing fabrics.

Chapter – IV : Analysis and Interpretations
This chapter presents the analysis and the interpretations relating to the data collected from the manufacturers of home furnishing fabrics.

Chapter – V : Summary and Conclusion
This chapter presents the summary of findings, recommendations made on the basis of results of the study and conclusion.