Chapter - 5

CHANNELS OF FABRIC MARKETING
IN ICHALKARANJI

1. INTRODUCTION:

Marketing is indeed an ancient art; it has been practiced in one form or the other. Today, it has become the most vital function in the world of business. This chapter analysis the various ideas associated with marketing and bring out preeminence of the marketing concept.

In common parlance marketing is process of selling something at a shop or at market place. To some it has meant he study of individual commodities and their movement in marketing place; to some it has meant the study of institutions and persons who move these products or study of the economic contribution; whereas to others it has meant study of behaviour of product movements and the way the persons involved move them.

Marketing can occur any time one social unit [person or organisation] strives to exchange something of value with this social unit. Thus, the essence of marketing is transferring or exchange. In this broad sense, marketing consists of activities designed to generate and facilitate exchanges intended to satisfy human needs or wants.

In a business context, marketing is a total system of business activities designed to plan, price, promote and distribute on satisfying product to target marketing to achieve organizational objectives. Thus main difference between marketing and selling is must in selling emphasize on customers wants.

The American Marketing Association the largest professional organisation in the marketing field, developed definition:

“Marketing is a process of planning and executing the conception, pricing promotion and distribution of ideas, goods and services to create exchanges that satisfy individual is and organizational objectives”.

Before to move on to the marketing concept I would like to analyze the difference between selling and marketing.
Marketing is much wider than selling and much more dynamic. In fact, there is a fundamental difference between the two selling revolves around the needs and interests of the sellers; marketing revolves around the needs and interests of the buyers. Selling starts with the existing products of the corporation and views business as a task of somehow promoting these products. Marketing on the contrary starts with customers – present and potential – and view business as a task of meeting the needs of the customers by producing and supplying those products and services that would meet such needs selling seeks profits by ‘pushing’ the products on the buyers.

Marketing too, seeks profits but not through aggressive pushing of products, but by meeting the needs of the customers and by creating value satisfactions for them. In other words, marketing calls upon the corporation to choose products, prices and methods of distribution and promotion, which will meet the needs of the customers. It does not unwisely limit its role to persuading the customers to accept what the corporation already has or what it can offer readily.

The marketing concept emerged in the mid 1950s and challenged the preceding concepts. Instead of a product centered, “Make-and-Sell” philosophy. The marketing concept shift to a customer centered, “Sense-and-respond” philosophy. Instead of “hunting”, marketing is “Gardening”. The job is not to find the right customers. As stated by the famed direct market or Lester Wunderman, “The chant of the Industrial Revolution was that of the manufacturer who said, ‘This is what I make, won’t you please buy it’. The call of the information Age is the customer asking, ‘This is what I want won’t you please make it’ “.

The marketing concept holds that the key to achieve its organizational goals consists of the company being more effective than competitors in creating, delivering and communication superior customer value to its chosen target markets.

2. PROMOTIONS:

Companies are increasingly taking value network view of their business instead of limiting their focus to their immediate suppliers, distributors and customers; they are examining the whole supply chain that links raw material, components and manufactured goods and shows how they are moved toward the final consumers. Companies are looking at their suppliers’ suppliers upstream and at their distributors’ customers downstream.
In the term supply channel can be criticized for taking make-and-sell-view of the business. It suggests that raw materials, productive inputs, and factory capacity should serve as a shorting point for the market planning. A better term would be demand-chain because it suggests a “Sense and Response” view of the market. The planning strategy point would be a customer segment with certain needs. To which the company responds by organizing resources.

Experts are even beginning to say that a supply chain or demand chain view of business a still too limited because it takes a linear or vertical view of purchase-production-consumption activities with the advent of Internet companies are forming more numerous and complex relationships with other firms.

3. FUNCTIONS OF MARKETING CHANNEL:

A marketing channel performs the work of moving goods from producers to the consumers. It overcomes the time, place, and possession gaps that separate goods and services from those who need or want them members of the marketing channel perform number of key functions.

1. The greater information about potential and current customers, competitors, and other actors and forces in the marketing environment.
2. They develop and disseminate persuasive communications to stimulate purchasing.
3. They reach agreements on price on other terms so that transform of ownership or possession can be affected.
4. They place order with manufacturers.
5. They acquire he funds to finance me inventories at different levels in the marketing channel.
6. They assume the risks connected with carrying out channel work.
7. They provide for the successive storage and movement of physical product.
8. They provide for buyers payment of their bills through banks and other financial institutions.
9. They oversea actual transform of ownership on one organization or person to another.

Some functions [Physical, title, promotion] constitute a forward flow of activity from the company the customer; other functions [Ordering and payment] constitute a
backward flow from customers to the company. Still others [information, negotiation, finance and risk taking] occur in both directions.

The question is not whether various channels function needed to be performed – they must be – performed – but rather, who is to perform them. All channel functions have three things in common: they use up scarce resources; they can often be performed better through specialization; and they can be shifted among channel members. When the manufacture shifts some functions to intermediaries, the producer’s costs and prices are lower, but the intermediary must add a charge to cover its work. If the intermediaries are more efficient than manufacturer, crisis to consumer should be lower. If consumers perform some functions themselves, they should enjoy even lower prices.

Marketing functions, then at given time changes in channel institutions largely reflect the discovery of more efficient way to combine or separate the economic functions that provide assortments of goods to large customers.

Most producers not sell their goods directly to final users, between producers and final users stand one or more marketing channels. A host marketing intermediaries performing a variety of functions. Marketing channel decisions are among the most critical decisions facing management. The company’s chosen channel [S] profoundly affects all other marketing decisions.

Companies use intermediaries when they lack the financial resources to carry out direct marketing, when direct marketing is not feasible, and when they can earn more by doing so. The use of intermediaries largely boils down to their superior efficiency in making goods widely available and accessible to target markets. The most important functions performed by intermediaries are information, promotion, negotiation, ordering, financing, risk taking, physical possession, payment, and title.

Manufactures have many alternatives for reaching a market. They can sell direct or use one-two, -or three-level channels. Deciding which type (S) of channel to use calls for analyzing customer needs, establishing channel objectives, and identifying and evaluating the major alternatives, including the types and evaluating the major alternatives, including the types and numbers of intermediaries involved in the channel. The company must determine whether to distribute its product exclusively, selectively or intensively, and it must clearly spell out the terms and responsibilities of each channel member.
Effective channel management calls for selecting intermediaries and training and motivating them. The goal is to build a long-term partnership that will be profitable for all channel members. Individual members must be periodically evaluated. Channel arrangement may need to be modified when market conditions change.

Marketing channels are characterized by continuous and sometimes dramatic change. Three of the most important trends are the growth of vertical marketing systems, horizontal marketing systems, and multi-channel marketing systems.

All marketing channels have the potential for conflict and competition resulting from such sources as goal incompatibility. Poorly defined roles and rights, perceptual difference, and interdependent relationships companies can manage. Conflict by striving for superordinate goals, exchanging people among two or more channel levels, co-opting the support of leaders in different parts of the channel, and encouraging joint membership in and between trade associations.

Channel arrangements are up to the company, but there are certain legal and ethical issues to be considered with regard to practices such as exclusive dealing or territories lying agreements, and dealers’ rights.

3.1 Marketing Channels:

Manufactures normally use intermediaries for taking their products to the users. The intermediaries bear a variety of names. That is sole-selling agent, marketer, re-distribution stockiest, stockiest/distributor/wholesaler, semi-wholesaler, retailer/dealer, broker, franchisees, authorized representatives, Commission agents, Jobbers.

All such intermediaries constitute the marketing channel. The manufacturer’s branch office’s depots, warehouses and showrooms too form part of the marketing channel, where institutional channels like chain-stores, super markets etc. are used by the firm, they too form part of the marketing channel of the firm channels play pivotal role in marketing; they perform a number of vital distribution functions. Their importance emanates from the functions performed by them.

Firms rely on the marketing channels for generating customer satisfaction and for achieving differentiation over competitors. Channels are thus vital source of competitive advantage for the firm.
3.2 Channel Decisions and Market Decisions:

The decisions on channel have vital bearing on other decisions relating to marketing pricing decisions, for Examples are related to the channel pattern adopted by the firm and the compensation paid to the channel. Similarly, decisions on the sales force, its size, type, etc., depend on the nature and size of the marketing channel adopted. The channel pattern influences the pattern of salesman’s operations. It also determines to a significant measure the size and complexity of the marketing department of the firm.

Channel decisions usually bind the firm with long-term commitments. The channel types and the number of levels / layers in the channel cannot be changed every now and then. Example – once a firm has developed a marketing channel of its own, with company’s own stock-points performing the wholesaling semi wholesaling tasks, and dependence on external channel limited to retailing activity alone. It cannot all of the sudden switch to a sole – selling agent system or even a wholesaler – retailer system. Having invested heavily in company’s own stock points / depots, the firm cannot suddenly extricate itself from the commitments already made. Basically, once a firm adopts a particular channel model and goes along with it for some time, exiting the model will be difficult.

3.3 Channel ‘Levels’, ‘Members’:

All marketing intermediaries do not operate at the same tier; they operate at different tiers. Each distinctive tie of intermediaries is referred to as a ‘Level’ in the channel; and each link is referred to as a ‘Channel Member’. The number of ‘Levels’ determines the ‘Lengths’ of the channel; the more the levels, longs is the channel. The number of ‘Members’ does not determine the ‘Length’ of the channel.

3.4 Alternative Channel Patterns:

* Manufacturer → Manufacture’s Salesmen → User
* Manufacturer → Manufacturer’s showrooms / depots → User
* Manufacturer → Retailer → User
* Manufacturer → Franchisees → User
* Manufacturer → Wholesaler/ (Stockiest)/ Distributor → Retailer → User
Distribution channel is a pathway composed of intermediaries to perform such functions as needed to ensure smooth and sequential flow of goods and services from the manufacturing ends to consuming ends in order to achieve the marketing objectives of a company. Distribution channels and the intermediaries composing them play a considerably significant role by adding value to almost all products. They increase the efficiency of the process by reducing the total transactions to bear minimum smooth out product flow by bridging the discrepancy between the assortment of goods afford and demanded, reduce cost of transactions by marketing them routine, is out the buyer seller search process, reduce the need for keeping inventory at one point, and better interprets the market needs on account of interaction with consumers.

The distribution channels are broadly classified as non-integrated and integrated channel non-integrated channels are fragmented networks in which loosely aligned manufactures and intermediaries behave autonomously and perform conventionally defined set of functions. These channels may be direct or indirect in the former, the manufacturer deals directly with the consumers while in the latter the dealings are indirect through intermediaries. Integrated distribution channel are on the other hand, networks in which channel components participate in a co-coordinated manner. These channels may be vertical or horizontal. The vertical channels are professionally managed and certainly programmed networks pre-engineered to achieve operational economies and maximum market impact though administrative designs or contractual provisions.

The horizontal channels are on the other hand alignment of two or more companies to jointly exploit a marketing opportunity either by themselves or by creating a third entry. Intermediaries may also be classified as merchant or agent intermediaries. The merchant intermediaries take both title to and possession of
goods while agent intermediaries do not do so but only assist manufacturers in carrying out selling transactions. The merchant intermediaries include wholesalers, semi-wholesalers, retailers whereas the agent intermediaries include selling commission agent and brokers.

The choice of distribution channels and intermediaries depend on number of factors. The channel factors includes: market factors like the numbers of consumers their geographic locations and purchase patterns; Strength and weaknesses of intermediaries; the options of competitors; the type of product marketed; company strengths and weaknesses; the degree of market control desire; the environmental factors like economical conditions, legislative and other regulations and fiscal structure; and the financial considerations like sales value and return on investment on a channel. The intermediary factors include the market serve, product line specialization, market reputation perpetuity, selling policies and organizations, financial strength & facilities offered. All these factors are collectively considered and weighted to mark the relevant choices.

The choices of channels and intermediaries are usually made within the ambit of channel. Policies and strategies adopted by a company. In terms of intensity channel policies may be divided into three classes, namely, intensive, selective, exclusive policies.

The intensive channel policy envisages maximum product exposure in the market through as many outlets as possible, while selective policy envisage exposure though only selective outlets but in the exclusive policy the product exposure is set by company only and exclusively through one intermediary. All these policies are followed by companies in India which have both strength and weaknesses interims of motivation, loyalty, market control and cost. However exclusive policy is usually favoured when a product is new, show-moving and having a high unit value and greater servicing needs. The other channel options available to company may include policy regarding conditions of transactions sale on consignment, policy of reciprocity and policy of dwell or multiple distribution and full line forcing.

For the effective utilization of strengths and intermediary services it is necessary to properly managed besides proper selection. The other aspect of channel management include compensation, motivation, co-ordination and control
compensation in respect of intermediaries means providing consideration in lieu of the services rendered by them. It is paid in the form of commission, trade discount or quantity discount, in order to motivate intermediaries to give their best. A company may adopt a number of measures, such as dealer advisory councils, cooperative advertising, missionary salesmen, credit facility, etc. on account of the external local of intermediaries and spatial separation. There is also a need to coordinate channel operations interact and with those of the company, especially in areas like pricing, advertising and physical distribution. It may be attained through return or oral communication. The behavior of intermediaries, particularly in non-integrated channels needs to be controlled. So as to ensure that they behave in the manner desired, specially in respect of re-sale pricing, order size, sales value, advertising credit, loyalty and the selling policies. Channel behavior may be controlled by the exercise of the power vested in company. The power–mix may consist of reword, coercion, expert knowledge and referral powers and powers to take legal actions.

It is usual for a manufacturer to seek cooperation from intermediaries on account of interdependence and also encounter conflict in the course of working relationship. Co-operation is sought by variety of ways including those adopted to motivate intermediaries. In co-operation both the parties help each other to achieve their respective goals. But conflict is a situation in which one channel member perceives another member to be engaged in behaviour that is preventing or impending him from achieving his goals. From the stand point of intermediaries the conflict may arise on account of forcing full line or slow-moving products, re-sale price maintenance, dwell or multiple distribution and increase or reducing prices. From the manufacturers stand point conflict may arise owing to violation of territorial jurisdiction by dealers, premium charging, non-adherence to order size, non-order delayed retirement of documents from bankers etc. and conflict situation is never attractive but in reality all conflict is not bad. Some conflict situations do play a positive role; only pathological conflict should be avoided. Conflict may be managed through variety of strategies such as bargaining, involving use of different power-bases, appointment of a liaison man to correctly interpret the companies’ policies to the intermediaries, dealer meetings and conferences, and the strategy of conciliation, mediation and arbitration.
The Indian distribution scene is characterised by private and public distribution system. The former is composed of a large number of merchant and agent middle men while the latter includes wholesale and retail consumer co-operative societies and fair price shops. By and large the private distribution system has worked well on a very low margin but, of late, his come under a lot of public criticism owing to the strains it has developed while public distribution system is in adequate and ridden with inefficiency. The ultimate responsibility to efficiently distribute whatever that is available however rests with the manufacturers who must formulate an action programme train members of the private distribution system and evolve channel innovations. The problems at the micro-level have to be solved by the solutions developed at the micro-level.

**4. SKETCH OF SMALL MEDIUM ENTERPRISES, OTHER ENTERPRISES & INSTITUTIONS IN ICHALKARANJI:**

<table>
<thead>
<tr>
<th>Category I</th>
<th>Power loom units doing 100% job work for traders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category II</td>
<td>Power loom units doing partial job work and partially catering to the local market through brokers</td>
</tr>
<tr>
<td>Category III</td>
<td>Power looms manufacturing fabric through job work by meeting domestic and export markets</td>
</tr>
<tr>
<td>Category IV</td>
<td>Power looms manufacturing processed converts into garment and catering to local markets through brokers</td>
</tr>
<tr>
<td>Category V</td>
<td>Merchants/traders who don’t have any power loom and process house but are in the business of finished product</td>
</tr>
<tr>
<td>Category VI</td>
<td>Process houses that do not have any power looms but are getting the fabrics processed for merchants</td>
</tr>
<tr>
<td>Category VII</td>
<td>Merchants who do the business of grey fabrics only (local as well as exports)</td>
</tr>
<tr>
<td>Category VIII</td>
<td>100% EOU of spinning mills whose rejects comes to local markets</td>
</tr>
<tr>
<td>Category IX</td>
<td>Spinning units catering to local power looms only</td>
</tr>
<tr>
<td>Category X</td>
<td>Yarn depots procuring yarn from other spinning mills in India and catering to local power looms</td>
</tr>
</tbody>
</table>
5. TYPES OF JOBWORK DONE BY SME:

1. Getting the sized beam and weft from the fabric trader and converting into fabric and supplying back fabric to trader. These types of SME's are getting only conversion charges. The traders are also giving advances to these SME's therefore; such SME's don't need working capital.

2. In the second type, the SME's are purchasing the yarn on their own, getting its sized, converting into fabric and selling to the traders. Normally, these are sold goods. In this case, the SME's needs working capital and these SME's are invariably using their own money. The idea behind this is that if they use Bank finance they have to add Bank interest in their calculations.

5.1 Economics of Job Rates:

The Table below shows prevailing jobwork rates:

<table>
<thead>
<tr>
<th>Type of Loom</th>
<th>Width</th>
<th>Pick Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plain</td>
<td>48&quot;</td>
<td>2.25 to 3.00 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>60&quot;</td>
<td></td>
</tr>
<tr>
<td>-do-</td>
<td>72&quot;</td>
<td>4.00 to 5.00 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>110-120&quot;</td>
<td>9.00 to 12.00 paise</td>
</tr>
<tr>
<td>Auto Ruti 'C'</td>
<td>48&quot;</td>
<td>8.00 to 12.00 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>72&quot;</td>
<td>8.00 to 12.00 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>90&quot;</td>
<td>13.00 to 15.00 paise</td>
</tr>
<tr>
<td>Ruti 'B'</td>
<td>48&quot;</td>
<td>5.00 to 6.00 paise</td>
</tr>
<tr>
<td>Ruti 'B'</td>
<td>60&quot;</td>
<td>8.00 to 10.00 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>72&quot;</td>
<td>10.00 to 12.00 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>90&quot;</td>
<td>12.00 to 14.00 paise</td>
</tr>
<tr>
<td>Cimmco</td>
<td>68&quot;-72&quot;</td>
<td>6.50 to 12.0 paise</td>
</tr>
<tr>
<td>-do-</td>
<td>84&quot;</td>
<td>11.00 to 15.00 paise</td>
</tr>
<tr>
<td>Sulzer</td>
<td>-</td>
<td>22.00 to 40.00 paise for double width</td>
</tr>
</tbody>
</table>
Plain powerloom owners receive maximum 3 paise per pick as job rate. The owner of autoloom i.e. RUTI-C gets maximum 12 paise per pick and the owner of shuttleless loom gets maximum 40 paise per pick. The reason for getting highest jobwork rates for shuttleless loom (Sulzer) is that heavy fabric can be produced on these looms and these looms are less in number compared to plain and auto loom. The reason for being less shuttleless loom is heavy capital investment is needed to install these looms.

Pick Rate System:

For example - For 60 inch Plain Loom 52 picks per inch quality and if pick rate is 3.00 paise then rate paid by the trader to the weaver will be 3 X 52 = 156.00 paise per metre i.e. Rs.1.56 per metre job work rate.

Comparison of getting jobwork done and purchasing from sale purchaser for traders.

Example: Quality - 30 X 30/ 68X60 grey 132 gms per sq. metre.

Table – 5.2

COMPARISON OF JOBWORK AND SELF YARN PURCHASE

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Jobwork</th>
<th>Self Yarn Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Yarn Cost</td>
<td>13.06</td>
<td>12.67</td>
</tr>
<tr>
<td>2.</td>
<td>Waste</td>
<td>1.5%</td>
<td>1% or less</td>
</tr>
<tr>
<td>3.</td>
<td>Warping/Sizing</td>
<td>85 paise</td>
<td>85 paise</td>
</tr>
<tr>
<td>4.</td>
<td>Weaving cost</td>
<td>4 paise/ pick (2.70/mtr.)</td>
<td>2.5 paise/pick (1.70/mtr.)</td>
</tr>
<tr>
<td>5.</td>
<td>Interest</td>
<td>25 paise/mtr.</td>
<td>25 paise/mtr.</td>
</tr>
<tr>
<td>6.</td>
<td>Interest (manufacturing)</td>
<td>-</td>
<td>25 paise/mtr.</td>
</tr>
<tr>
<td>7.</td>
<td>Freight</td>
<td>-</td>
<td>10 paise/mtr.</td>
</tr>
<tr>
<td>8.</td>
<td>Production cost + profit (for grey)</td>
<td>17.31 paise</td>
<td>16.20 paise</td>
</tr>
<tr>
<td>Sr.No.</td>
<td>Particulars</td>
<td>Jobwork</td>
<td>Self Yarn Purchase</td>
</tr>
<tr>
<td>-------</td>
<td>-----------------------------------</td>
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<td>--------------------</td>
</tr>
<tr>
<td>9.</td>
<td>Finishing Charges</td>
<td>Rs.2.50</td>
<td>Rs.2.50</td>
</tr>
<tr>
<td>10.</td>
<td>Production cost + profit (for finished)</td>
<td>Rs.19.81</td>
<td>Rs.18.70</td>
</tr>
<tr>
<td>11.</td>
<td>*Net profit</td>
<td>45 paise/mtr.</td>
<td>Rs.1.30/mtr.</td>
</tr>
</tbody>
</table>

*Assuming the market price is Rs.20/ mtr.

The powerloom owner who does the jobwork for the traders earns only 45 paise per metre for the above-mentioned fabric. Whereas the powerloom fabric manufacturer who buys himself yarn and manufacturers the fabric earns Rs. 1.30 for 1 metre fabric.

The trader normally earns more in getting jobwork done because he knows the costing of fabric yarn rates etc., and accordingly he pays pick rate charges to the weaver. He can thus get manufactured the required fabric at just marginally higher cost to cost of production and sell it in the market at much higher rates. On the contrary, sale purchaser also can make good profit by saving on wastage, labour charges, and raw material cost (he may use cheaper yarn). The sale purchaser can sell his fabric in open market also if he gets, higher rate. But in sale purchase system normally fabric is sold on the credit of 60 to 90 days, and therefore his working capital gets blocked and risk of not getting full payment or Diwalkhori is involved. On the contrary, in jobwork there is no such risk involved, but the profit margin is very low. The profit margin again varies with the demand and supply theory.

Sale purchase weavers normally produce regular running qualities e.g. poplin, cambric, dhoti etc.

6. **MARKET OF POWERLOOM FABRICS IN ICHALKARANJi:**

Most of marketing is done through local traders. The SME’s either do the job work of the trader or sell their fabric to the trader. There are very few SME’s, which
sell their fabric outside Ichalkaranji or take the order from garment/made-ups manufacturers directly and supply.

6.1 Market Analysis vis-à-vis Focusing on Quality Upgradation:

- SME is not able to know the market & user of his product also the hence he has to depend on the link person for this purposes. Also there is no synchronization of thoughts and activities among SME's, which will lead to the synerging of the community as whole. Instead they are cutting each others market there by creating problem for each other by creating a cost based market and ultimately the commissioning agents / trader are benefited out of this.

- If the powerloom owners & processors are well aware of the market they are catering to and they work in network to cater to bulk demands.

- There are couples of SME's, which have changed their business from powerloom to knitting. They have basically formed co-op. society to start the business; taken loan from State Government (NCDC Scheme) and other have taken the loan from the Central Government under the TUF Scheme.

- The above points are suggested based on the response of Powerlooms owners on issues related to direct marketing and by introspection analysis

6.2 Problems in Powerloom Fabric Market:

1. The yarn depots are dominated by the Commissioning Agents, which develops the picture of scarcity/shortage of yarn and thus hikes the prices.

2. Commissioning agents take away lions share of the value added finished fabric. First in the supply of yarn from the composite mills to the depots and then in the marketing of finished fabric.

3. As the manufacturing of fabric from yarn to finished stage is not taking under one roof, it is very much necessary for the SME’s of common thinking and goal to come together and form networks.

4. The unit solely depends on the merchant traders for their survival. The job work charges collected from the merchant trader is the only income
to meet the operating expenses. Arrears of job work changes and default in payments are issues often confronted by these SME's / units.

5. Major problems related to quality and market access being faced by the Local powerloom cluster and relating industry are:

6. Inferior quality of raw materials i.e. yarns, dyes & chemicals.
7. Lack of upgradation and modernization of looms.
8. Inadequate maintenance of existing looms.
10. Lack of knowledge in energy and water conservation.
11. Absence of scientific professional quality management systems.
12. Lack of awareness about export market and basically the local market, which they cater indirectly to.
13. Absence of adequate instruments and testing facilities for checking the quality of yarn.

7. CONCLUSION:

Ichalkaranji powerloom fabric market can be classified in 10 categories. The powerloom owners who are doing jobwork are getting very little profit whereas the powerloom owners who are purchasing yarn and manufacturing fabric in their factory can earn more profit compared to the jobwork doing powerloom owners.

REFERENCES: