Chapter - 2

REVIEW OF LITERATURE

1. INTRODUCTION:

An attempt has been made in this chapter to understand product-mix, profitability, marketing of textile, factors affecting marketing of distribution system, demand for textile and modernization in textile.

The book 'Management Perspectives in the Textile Industry', deals specifically with textile mill management. This endeavour proves useful in understanding management in textile. BTRA brought out the publication on 'Management Perspectives in the Textile Industry' as a compilation on the lectures and discussions of this management appreciation programme organized from November 20 - 24, 1978. All the subjects covered in this book are of considerable interest to textile mill management. This book deals with wide spectrum of activities covering management, finance marketing, production, product-mix and industrial relations. This book helps to bring the problems of mill management and ways and means of taking them.

The paper entitled - Cotton Selection and Purchase written by D.P. Kelkar, NTC Ltd., Mumbai (South Maharashtra), explains the plan for procurement of raw material, and Strategy for Purchase.


The paper entitled 'Marketing of Textiles' written by G.C. Chandalia, Swan Mills Ltd.,Mumbai deals with size of the market present structure of the market, market promotion Textile Marketing at Cross-roads - Man-made Fibre Policy, etc.

In order to stimulate the awareness of the Strengths, Weaknesses, Opportunities and Threats on the Textile Export front ATIRA Organised a Conference in Ahmedabad on 17th October 1989. Several papers were presented in this Conference not only by analyst from the research institute but also by organizations, which have achieved marked success in export. The papers
presented at the Conference were published in 'Export of Textiles: Past, Present and Future'\textsuperscript{16}. These papers are of great topical value and contribute towards improving textile exports from India.

In the paper entitled 'International Trade in Textiles and Clothing' written by B.V. Iyer, ATIRA, Ahmedabad\textsuperscript{17} deals with figures for final consumption - in terms of raw fibre equivalents are given in this consumption production. It is seen that the industrialized regions of the world accounted for 64\% of world total in 1984, although their share of world population was only 25\%.

The very high levels of per-capita fibre consumptions in the industrialized countries are the result of higher per-capita incomes and climatic conditions\textsuperscript{18}. It also highlights world trade in textiles and clothing. Cotton products form a substantial part of the trade, with an average share of 47\% in 1980-84 with long distance trading becoming economically viable, there has been a fair degree of product specialization in the form of import of semi processed goods for value added re-exports\textsuperscript{19}.

This chapter also narrates trade flows, adjustment strategies and high-wages of these countries. "In low cost developing countries textile and clothing industries are growing industries rather than sun-set industries"\textsuperscript{20}. This topic also gives information on 'Prospects for International Trade in Textiles and Clothing'\textsuperscript{21}. It can be understood from this chapter that the prospects for future trade in textile and clothing are bright and it is upto each exporting country to exploit its advantages to the maximum.

The paper entitled 'Our Strengths and Weaknesses: Feedback from Importers and Survey of Exporting Mills' written by A.K. Gupta, ATIRA, Ahmedabad\textsuperscript{22} is an attempt of assessing the cost competitiveness of Indian Textiles in exports in markets, based on published data and that provided by some of the mills which participated in Survey. A cross section of the exporting mills in India was surveyed to examine the quality of our Cottons, Yarns and Fabrics vis-à-vis the international levels.

In this topic the author explains about the need of capitalizing on strengths by overcoming the shortcomings. The strategies are as follow.

In a nutshell our inherent strengths in terms of ready availability of a large cotton crop in a wide range of staple lengths and fineness, abundance of a low cost
labour, large installed capacity in spinning, weaving and processing and modern textile machinery building industry are out-weighed by short-comings in terms of poor quality. Low productivity, lack of understanding of the requirements of buyers abroad, limited range of products manufactured and inadequate infrastructure to meet the needs of fast communication and quick delivery schedules.

While some of the problems like improving quality of cotton, quota restriction etc need government intervention. Most of the other problems, really speaking are within the control of individual units. A determined effort is required by those who are keen to capture the export market. The efforts required are:

- Proper cotton selection,
- Judicious renovation / replacement of machinery,
- Installation of new equipment that is essential to meet requirements of importers,
- Training of workers and supervisors at all levels,
- A meticulous care in inspection and packing of goods and
- Last but not least a long term planning for exports.

The paper 'The Recent Spurt In Yarn Exports: Can we Sustain It?' Written by R.L. Taori, General Manager, PBM Polytex Limited, Petlad focuses on the quality requirements of foreign buyers. Means to achieve them has been explained with selection of raw material, selection of appropriate machines optimization of processing parameters, machinery maintenance, housekeeping and material handling workers' training/staff training. Mr. R.L. Taori has suggested other requirements for increasing exports of yarns. These suggestions are regarding packaging size and its quality, liaison with the buyers, consistency of supply.

If persistent efforts are made, it is possible to meet the requirements of foreign buyers of good quality cotton yarns. Our mill entered into export market a few years ago. There are many other mills, which exports their substantial production of yarn. One can definitely sustain the spurt in yarn exports which India has seen in recent years.

The paper entitled 'Success Story of Century Textiles and Industries Limited' written by G.S. Mody, Senior Vice-President (Marketing), Century Mills, Mumbai has elaborated the fair business philosophy of century textiles which emphasizes on exports to put Century Mills on the Road of Success year after year. Mr. G.S. Mody
has explained system approach with machine, labour, raw material, and marketing dimensions. It is possible for the mills to come out today's trouble if they follow the right philosophy and culture at work place. One can assure that a fair and clear business deal always helps. As a result customers will be always ready and eager to buy from entrepreneurs rather than the agents in the market. It can be clearly understood that if the customer is satisfied he will pay the higher price.

The paper entitled 'Proper Cotton Selection: The Gateway to Successful Yarn Exports' written by T.A. Subramanian, ATIRA, Ahmedabad focuses on the dimensions of yarn quality, choosing cottons and processing sequence for premium yarns. He also explains a cotton premium index for selecting cotton.

The paper entitled 'New Machinery Vs Renovation: The Balancing Act in Modernisation' written by A.R. Garde, ATIRA, Ahmedabad is an attempt to explain quality for export, machinery for exports, the right solution for quality and productivity, Mr. A.R. Garde has considered correct choice of machinery for entering and staying in exports market on a long term bases.

A detail Survey by ATIRA of the incidence of defectives in exports fabrics has shown that the level of defectives goes down substantially as one proceeds from non-automatic looms to shuttleless looms. The use of high speed automatic shuttle-looms or of shuttle-less looms of any type requires that warp breakage rate is controlled to a level of one / loom hour-less. This involves controlling breakage rate / 3 thousand ends and 10 thousand peaks to less than 0.4 or so. Consequently the incidence of stoppage itself is less in high technology looms compared to on the non-automatic looms. ATIRA Findings show that the proportion of stoppage leading to faults is much less on high-tech looms than on non-automatic looms. In other words the improved quality from high-tech loom is from two distinct sources; better yarn, quality and less dependency on the viewer for elimination of possible defects. Since the cost per kilogram at winding is much less than the cost of weaving equivalent fabric at the loom, productivity should be sacrificed at winding to clear all yarn faults which would either cause breaks during weaving or would be seen in the fabrics as defects.

The more efforts a mill puts in managing excellent quality with existing machinery, the faster if can change over to new machines of the right type. Here is a "Virtuous Circle" which is now available to the textile mills, which were caught in
"Vicious Circle" of domestic markets in the recent past. It is seen that most of the textile mills are facing the problem of modernization due to lack of capital. If the mills would have kept some amount of their profit in past, then there would not have been the problem of closure of mills. But this was not done properly.

The paper entitled 'Increasing the Export of Processed Fabrics: A Blue Print' written by R.M. Mittal, ATIRA, Ahmedabad\(^2\) has explained the quality of grey fabric, engineering of fabric, processing of fabric. Mr. R.M. Mittal has done comparison of fabric properties with the mercerization dyeing; drying of dyed fabrics, yarn dyed fabrics, finishing.

For meeting the requirements of the buyers abroad co-ordinated efforts by three departments spinning, weaving and wet processing are required. A culture for commitment to quality needs to be developed in every one concerned workers should be made aware of the implications because of negligence in material handling of quality of the product and realization percentage. No short cuts to be adopted. A through preparation of the fabrics is a prime requirement. Selection of dyes and dyeing methods should cover the surface irregularities of such fabrics. Batch wise dyeing by exhaust method should be as far as possible avoided. Strict adherence to process control activity at all the stage of processing needs to be done. Exposure to foreign markets and work places be given to the technologies involved in the processing of export fabrics.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele have made and attempt to analyse important aspects of the Indian textiles and allied industry in their report of 'Decentralised Sector of The Indian Textile Industry'\(^2\). The report on the decentralized sector of the textile industry traces briefly the history of the phenomenal growth of decentralized textiles sector, mainly of the powerlooms and power process houses, which (1991) accounted for over 60% of the total fabric production in India.

The extensive coverage includes system dimensions, entrepreneurial feature, production technology and production cost structure and financing pattern. All these were seen in the context of changing textile policies of the Government of India over the period 1951 to 1991. The report on 'Decentralised Sector of The Indian Textile Industry' is an attempt to cover the decentralized centers of powerlooms and handlooms with special reference to man-made fibres. The report gives full
coverage to the cotton fabrics also. The report helps to understand the current strengths and weaknesses of the decentralized textile industry and its future potential as a player in the fast globalising market.

The chapter one gives the 'History of the decentralised textile industry of India' and it focuses on brief history of powerloom industry in major cities e.g. Bhiwandi, Ichalkaranji Bhilwara, Burhanpura, Malegaon Meerut & Surat.

Growth of Powerloom Weaving in decentralized sector has taken place three distinct chronological phases. In the first phase, powerlooms were installed in Western India like Surat, Ichalkaranji, Bhiwandi, Malegaon, Burhanpura etc. during the first half of the 20th Century. Availability of electric power, closure of some textile mills and the two world wars had favourable impact on the growth of the decentralized powerloom weaving activities during these years.

The second phase in the growth of powerloom industry started with the independence of India. Between 1950 to 1965, powerlooms were started in many Centres of Northern and Southern India. During this phase powerloom weaving was introduced in many centers of handloom weaving by handloom weavers and traders. Report of Kanungo Committee and Ashoka Mehta Committee created a favourable policy environment of the growth of the powerloom industry during this phase.

The third phase of powerloom industry started from 1980 onwards. During this phase, the industry achieved rapid growth in old centers of powerloom weaving and spread to new centers, like Ahmedabad and some other centers of South Gujarat like Vapi, Silvasa, Panoli, Ankaleshwar etc.

It should be noted that the powerloom industry in the majority of the centers has grown in the traditional handloom background. This factor has shaped vital features, like product mix, micro-level organization, entrepreneurship pattern and work-culture of this industry. The historical background in which this industry prospered has however, created many problems. These problems are thoroughly reviewed in this report.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, comments in the chapter 'System dimensions of the decentralised Textile Industry' on growth of decentralized powerloom industry in last two decades (1971 to 1989) cloth production in decentralized sector, geographical distribution of powerlooms in decentralized sector, production capacities of major processing centers, distribution
of looms in the major powerloom centers. 'Formulation of Textile Policy, based on the recommendations of the Kanungo Committee has provided a strong input for further growth of decentralized weaving activity. During the fifties and sixties and the number of powerlooms increased from 10,000 in 1912 to 1,46,000 upto 1965. Since the beginning of 'Seventies, growth of the decentralized powerloom sector has been much more rapid'.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have made an attempt in the article 'Entrepreneurial Features in Powerlooms Industry and Process Houses' to explain the entrepreneurial system of the decentralized textile industry, which has evolved around the matter weaver system, and independent ownership system. In many centers of powerloom weaving both patterns are operating simultaneously. The patterns of growth, socio-economic background and proximity to markets have influenced the evaluation of the entrepreneurial system of the decentralized textile industry. Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, give information about entrepreneurial features in powerloom weaving, entrepreneurial features in the decentralized processing industry.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have commented in their article 'Production Technology in the decentralized Textile Industry' on the decentralized powerloom industry's production technology in India. It has been observed that wide ranges of weaving and preparatory machines are used in the decentralized Textile Industry. The type of powerlooms used range from ordinary plain looms through semi-automatic and automatic looms, to shuttleless looms. However, the numbers of automatic and shuttleless looms are negligible in comparison to ordinary looms. Plain looms in different powerlooms centers are locally assembled from the spares supplied by loom manufacturers Ahmedabad, Surat, Mumbai, Gwalior are the principle centers of supply of looms.

It can be understood from the article of Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele entitled 'Product-Mix of the decentralized Textile Industry', that the decentralized textile industry of India works on a broad spectrum of product-mix. Ranging from heavy canvas at one end to superfine Dhoties, Sarees and Mulmal at the other end. Depending upon the geographical distraction, Socio-Cultural background and the market segment catered to, various centers of the decentralized textile industry have specialized in some specific sorts of fabrics. Dr. R.S. Gandhi,
Mr. Y.C. Mehta and Mr. A.B. Talele, comment on product-mix of different powerloom centers of India, factors affecting the diversification of product-mix.

The decentralized textile industry of India operates over wide base of product-mix. Ranging from low cost sorts like mar keen and canvas to sophisticated art-silk / blended dress material. A significant disparity is observed in the product-mix of different centers. Various factors like form of entrepreneurship, forward linkages, technology, institutional support etc., impose severe restrictions for diversification into a sophisticated product-mix.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have explained in their article entitled 'Cost and Finance Structure of the Decentralized Textile Industry of India'\(^37\) that the cost and finance structure depends upon various factors like entrepreneurship features, geographical distribution, product-mix, technological level, availability of competent technicians and workers etc. In the majority of powerloom weaving centers, warp preparation is carried out on job work bases, while weft preparation and weaving are carried out in the loom-shed. This increases the production cost to some extent because the elements of profit is included in the job work rate for warp preparation while in those powerloom units which are operating on the master-weaving system. The interest burden of the working capital is reduced as the loom-owner does not have to invest in the raw materials. Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have given detail information regarding cost and finance structure of major decentralized weaving centers and wet processing industry.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have made and attempt in their article entitled 'Marketing and Distribution Channels of the Decentralised Textile Industry'\(^38\) to explain the present state of marketing and distribution system in decentralized Textile Industry with the growth of decentralized Textile Industry a heterogeneous system of marketing and distribution channels have evolved in the different centers of the powerloom weaving and processing industry.
2. FACTORS AFFECTING MARKETING DISTRIBUTION SYSTEM:

The marketing and distribution system have been shaped by a variety of factors. The principles among them are:

(a) Pattern of entrepreneurship growth,
(b) Location factors - like
   - Geographical location,
   - Growth of supporting industries like spinning mills, processing houses in vicinity of powerloom centers
(c) Availability of centralized marketing facilities of in the centre of weaving or processing.

In the most of powerloom weaving centres, yarn purchase is done in local market through brokers, yarns dealers, or agents appointed by spinning mills. In many cases the powerloom owners are not offered any credit facility for the purchase of yarns from yarn dealers or mills agents.

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have explained that the role of supportive organizations in decentralized textile industry of India in their article entitled 'Supportive Organizations'. It is apparent from this article that a strong disparity has developed in the growth of supportive institutions - both commercial and administrative in different centers of the decentralized industry. In the centers of Western India, commercially supportive institutions have been developed mostly on co-operative lines. These include co-operative spinning mills, marketing complexes, societies of loom owners and processors, co-operative industrial estates and research and development associations. These co-operative associations have played a pivotal role in the growth of textile industry by way of providing support in the direction of representation to and liaison with government, providing centralized marketing facilities, rendering support through technical training, testing and education etc. 'The Co-operative Organizations developed in Surat and Ichalkaranji can provide a model for other centers to emulate.'

Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, have made and attempt in their article entitled 'Handloom Sector' to explain system dimensions of handloom sector, progress of handloom sectors during plan periods, technology of production, synthetic weaving in the handloom industry. Wet processing technology
for processing of synthetic textiles in the handloom industry. They have also commented on distribution channels, institutional support and measures taken by Central Government. It can be learnt from this article that handloom industry of India is a symbol of ancient and rich cultural heritage of our country. Due to its labour intensive nature and primitive technology used in production of fabric, this sector has vast employment generation of potential. Over the past many years this sector has seen many ups and downs. Since independence, committed efforts by the Government have put this sector on healthy path fit enough for its entry into the 21st Century.

The article of Dr. R.S. Gandhi, Mr. Y.C. Mehta and Mr. A.B. Talele, entitled 'Impact of Textile Policy and Determinants of Future Growth' deals with system effectiveness in decentralized sector vis-à-vis organized sector with special reference to system dimensions, marketing positions, production technology, entrepreneurship features, cost and finance structure, marketing and distribution channels. This article comments on impact of textile policy and determinants of feature growth with special reference to cost economy on purchase of raw material, competitions with organized sector, production machineries.

The changes that have taken place after the introduction of new textile policy indicate and imply that the powerloom industry will have to modernize, become labour conscious, reduce wastage, and diversify its product range to compete with the organized sector both in terms of quality and price. The pre-weaving operations require diversification into modern sizing technology, crimping and texturising of filament yarn. The post-weaving operations also require diversification into hot processing to enable the processing houses to process blended filament yarn fabrics. This requirement of modernization of fabric manufacture and processing technologies has put a heavy strain on the decentralized textile industry regarding capital finance.

The article of Mr. RG.D. Somani (M.P.) entitled 'The Indian Cotton Mill Industry Its Place in the Nation's Economy' deals with historical background of the Indian Cotton Mill Industry, importance of Industry, Textiles in the plan. This article comments the report of the textile enquiry committee also known as the Kanungo Committee Report which was submitted to the Government of India in September 1954. The recommendations of this body were of for reaching importance and call
for careful study since they were likely to have influenced the determination of the production target for the cotton textile industry. "The Committee states that in most categorical terms that all additional demands of cloth should be met exclusively by the handlooms and cottage powerlooms sector."\(^{44}\)

Mr. R.G.D. Somani also comments on the export pattern of India from 1942 to 1955. In 1942 the export was one thousand sixty one million yards and its value Rs. 39 crores rupees and in 1955 export was Rs. 301 million yards and its value was 21 crores rupees.

Mr. R.G.D. Somani also throws light on modernization and reservation textile.

It can be concluded from Mr. R.G.D. Somani's article that with a large, assured and developing house market for its product and with a good export prospects, Indian cotton textile industry is more favourably placed than many of its counterparts in other countries. There is, therefore, ample scope for both mills and handlooms to live and thrive together.

Henry D. Martin has written the book entitled 'The Successful Management of Cotton Mills' Its Modern Methods'\(^{45}\) from 'Cotton Manufacturers' point of view. Many of the chapters on power, presentation of waste, value of floors place, Economical Management are applicable with equal force to any kind of textile industrial plants. This book is intended for all classes of mill men who want to show better results. Mr. Henry D. Martin has made an attempt in 'The Successful Management of Cotton Mills' Its Modern Methods' to give full of practical ideas and various textile problems worked out showing how any man, disposed to improve his opportunities can make remarkable progress and profit for one's company.

It can be understood by studying the views of Mr. Henry D. Martin that manufacturing plants require men who not only know the process, but men who also know how to economize; those who can spend money wisely, take good care of machinery; properly hire help and prudently manage them. The author shows how the textile entrepreneur can grow in right direction. Mr. Henry D. Martin gives special attention on operative value of spindles, cotton manufacturing economy, homogeneous service, the value of an executive, Power value and economy, Economy and supplies, Floor space economy.

Having studied Mr. Henry D. Martin's writing in the chapter the capacity and worth of man\(^{46}\) it can be understood that the strength of the man at the head lies in
the strength of one's organization. The strength of the official machinery, represents the worth and capacity of the manager.

The author further explains the significant role of purchasing department in textile industry management in his writing of ‘Cotton Mill Office’\(^47\). Under this important heading, comes a great question of economy, not all men are good buyers; careful buying is an art, well worth cultivating.

It can be understood from the writing of Mr. Henry D. Martin that 'The ordinary buying of supplies of most mills, however is done by the local agent or when there is no agent, by the superintendent'\(^48\).

'National Household Survey-2003 - Market for Textiles and Clothing'\(^49\) is an attempt to collect and to disseminate market research data / information of continuous survey. The findings are useful for the trades and industry. In this survey, data have been collected among 11860 sample households on bio-monthly basis located in 323 sample locations both in urban and rural area with the changing business and industrial environment due to on going liberalization of our economy, the importance of business information / data base has increased manifold and this survey is an attempt in this direction. The findings on the demand patterns for textiles and clothing that are presented in this report are greatly useful to all stakeholders in the textile industry and trade as well as the government agencies.

3. **NATIONAL HOUSEHOLD SURVEY 2003:**

In the report of 'National Household Survey-2003 - Market for Textiles and Clothing' the textile market is classified into three categories based on the sectors of its consumption\(^50\).

1) Domestic Household Sector.
2) Non-Household Sector (Includes Institutional, Industrial and Technical Textiles).
3) Export Sectors.

Among these sectors the domestic household sector alone consumes approximately 60%, Non household sector consumes 21% and export sector accounts for 19% of the total cloth production in India. So, if the textile industry is the backbone of Indian Economy then the domestic household sector is the backbone of Indian Textile Industry.
4. DEMAND FOR TEXTILE:

Chapter 3 in the survey report of 'National Household Survey-2003 - Market for Textiles and Clothing' intends to explain demand pattern all over India. 'The Market for Textiles and Clothing' is estimated for a population of 1063.28 million persons (in 200 Million households) in 2003. This population estimation is based on 2001 census figure of 1025.56 million persons (in 193 million households). The market for the above population for all textile products in 2003 has stood at 20957 million metres showing an increase of 5.52 percent over the previous year (at 19860 million metres). The overall market of 20957 million metres is further broken into product-wise markets that is affected by factors like area, income groups, preferred fibre, colour / print designs, price range etc\textsuperscript{51}.

'National Household Survey-2004 - Market for Textiles and Clothing'\textsuperscript{52} gives details regarding the performance of textiles and clothing industry in 2004. During the Year-2003-04, the textile fabrics produced was equivalent to 42383 million square metres which, consisted of 18040 million square metres of cotton textiles, 6068 million square metres of blended fabrics and 17613 million square metres of 100% non-cotton textiles.

The fibre wise production statistics of 2003-04 shows in this report that fabrics made out of 100% cotton yarn forms 43% of the total production as compare to earlier share of 64% during 1993-94. The blended fabrics now account for a share of 14% as compared to 11% during 1993-94. The share of 100% non-cotton fabrics stands at 42% compare to 23% during 1993-94. The share of the textile items manufacture in the wool, silk and khadi segments has remained at a meager 2% on the otherside, though there has been a marginal chain in the pattern of cloth production over the last ten years, cotton continues to be the dominant fabric type. The man-made fabrics however are gradually increasing their share in total cloth production.

The survey of 'Market for Jute Carry Bags - Household Sector in India'\textsuperscript{53} reveals that an average Indian households uses carry bags nearly 410 times in a year of which 280 times is used for carrying vegetables, 43 times for carrying wheat flour, 39 times for carrying ration items, 4 times for carrying heavy articles, 10 times for frequent traveling / picnic, 34 times for other purposes. Hence carrying vegetables stand out for the most dominant application.
Plastic and cloth bags command, approximately 75% of the market, share in the small bags segment whereas is jute carry bag stood at 13%. In the medium bag segment cloth and plastic bag occupy 55% of the pie and jute carry bags have a share of 24%. Jute carry bags with a share of 29% beat plastic carry bags (19%) in the large bag segments, but cloth bags with a share of 32% are the leader. Hence share of jute carry bags is more in the large size carry bag segments. This might be due to the fact that strength and reliability factor of bags becomes more important with the increase in size, and the jute carry bags are inherently very strong and reliable compare to its substitutes.

Mr. Philip Kotler's 'Marketing Management' book is dedicated to helping groups, companies and individuals for improving. Mr. Philip Kotler comments on marketing strategies with special reference to global realities. It can be understood from Mr. Philip Kotler's writing that marketing is of the interest to everyone whether they are marketing goods, services properties, persons, places, events, informations, ideas or organizations. Mr. Philip Kotler focuses on the major decisions which marketing managers and top management face in their efforts to harmonize the organization’s objectives, capabilities and the resources which market place needs and opportunities analytical approach. Mr. Philip Kotler presents a framework for analyzing recurrent problems in marketing managements. Cases and examples in the writing of Mr. Philip Kotler's 'Marketing Management' illustrate effective marketing principles, strategies and practices.

Mr. Philip Kotler draws Multi-disciplinary perspective on the rich finding of various scientific disciplines - Economics, Behaviourial science, Management theory and Mathematics - for fundamental concepts and tools. Universal applications of Mr. Philip Kotler's writing on 'Marketing Management' are applicable in marketing thinking to the complete spectrum of marketing: Products and Services, Consumer and Business markets, Profit and non-profit organisations, Domestic and foreign companies, Small and large firms, Manufacturing and intermediary businesses, and low and high-tech industries.

Author has given comprehensive and balanced coverage, which covers all the topics, and information which marketing manager needs to understand to carry out strategic, tactical and administrative marketing practices. The marketing concept is as follows -
The marketing concept emerged in the mid-1950's and challenged the preceding concepts instead of a product-centered, 'Market and Sale' Philosophy, we shift to a customary oriented, 'Sense and Respond', Philosophy. Instead of 'Hunting', marketing is gardening. The job is not to find the right customers for your product, but the right products for your customers. As stated by the famed direct market, 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'.

It can be learnt that the marketing concept rests on four pillars: target market, customer needs, integrated marketing and profitability, where the marketing concept contrasted with the selling oriented. The selling concept takes on inside-out perspective. The starts with the factory, focuses on existing products, and calls for heavy selling and promoting to produce profitable sales. The marketing concept takes an outside in perspective. It starts with a well-defined market, focuses on customer needs, co-ordinates all the activities that will affect customers and produces profit by satisfying customers.

Mr. Philip Kotler's in his writing of 'Analysing consumer’s market and buyer behaviour' elucidates regarding influencing factors on consumer behaviour. The major factors are cultural, social, personal and psychological.

Mr. Kasturi Sreenivasan, in his writing of 'India's Textile Industry - A Socio-Economic Analysis' comments on marketing traditional channels in textiles marketing has not been mechanised in India to any great extent. Mr. Kasturi Sreenivasan gives two reasons:

First - There has to be mass production before mass distribution can be undertaken.

Secondly, marketing is not only on economic function but also a sociological activity and, consequently changes in marketing are more difficult to bring about those changes in purely economic or technological fields.

The regional differences in tastes and dress habits have also contributed to make mass distribution more difficult. As a result, a lot of marketing is still done through what may be called traditional channels.
Mr. Kasturi Sreenivasan deciphers regarding fabric marketing 'Mumbai and Ahmedabad' both have large wholesale markets where most of the large cloth dealers are based. Cloth dealers are responsible for sending goods to various up-country markets. The chain of distribution is wholesaler, semi wholesaler, retailer and consumers. Cloth dealers know their markets well and advise the mills on what types of goods are stable in the various markets. The colours and designs preferred in M.P. would not be suitable in Bangalore, South India. The large varieties in climate conditions between different parts of India also affect the types of fabric concern. There is no detailed or systematic marketing information on tastes trends and fashions. During the years 1969 to 1984, the textile committee of the Government of India has established a marketing division and some basic information regarding consumption pattern has been made available.

Some mills have their own studios there new designs are created. Any designing that is done is based either on their past successful varieties or that of their competitors. A few mills, however, have started leading fashion instead of following it. They have good creative designers who set the trend, but they cater mostly to all India composition markets where tastes are sophisticated.

In many composite mills, there is usually a conflict between the sales people and the production people. The sales people want frequent change in design in reed, pick and sometimes even in the counts. The manufacturing people would like as a few changes as possible, because every change means stopping machines and loss of production. The idea of mass production in spinning, weaving and variety in finishing, which the Japanese Textile Industry has practiced very successfully, it has not yet come in a big way in the Indian Mills.

Textile Industry has influenced on agriculture because of its consumption of cotton. The Industry has an important role to play both in the economic prosperity of the country and in the supply of an essential commodity for the entire population. The structural changes in Indian Textile Industry can be understood from the writing of Mr. Kasturi Sreenivasan's, 'India's Textile Industry - A Socio-Economic Analysis' research work.

As the oldest and the largest industry in the country, textiles have been more prone to sicknesses than others only. Textile Industry is only industry in India where the three sectors - i.e. public, private, co-operative - exist side by side and compete
in the same market. The increasing variety, the diverse characteristics, as well as fluctuating prices of raw materials and changes in public tastes have made the problem of adjustment of changing conditions more difficult. Further, the existence of mills, handlooms and powerlooms using different levels of technology have resulted in a number of complex and intricate socio-economic problems.

Consequently, the textile industry as a whole is beset with a number of challenges that seems to defy solution. But at the same time, because of the influence of the industry on the economy of the country as a whole, its development and progress is of great interest to all concerned.

The book entitled 'Indian Textile Futures: Towards An Intersectoral Perspective' serves the purpose of the stream review of the textile policy 1985 as regards its course and direction in the Indian Textile environment and facilitate a timely identification of emerging structural issues as well as gaps in the network of institutional support to aid the smooth implementation of the policy.

Dr. Biharilal Kanhaiyalal comments on reasons for the crisis in textile composite industry. The size of mills has been less than optimum, largely owing to the fact that this industry was started by traders who with the low capital base managed to finance the industry. This is one of the reasons for the crisis. The second reason is the low productivity. ATIRA was commissioned to do a study on productivity and it was found that in a number of departments, excess capacities were to the extent of 35% and more.

Competitions from powerlooms are another important reason while high civic impositions in the form of sales tax, power tariff and octroi added burden to the already crippling industry.

The research paper entitled 'Profile of Indian Textile Economy' written by Dr. S.S. Mehta, Gandhi Labour Institute comments on consumption in textile. Clothing is most important item of family expenditure in India next only to food accounting for about 1% of private final consumption expenditure.

The unique feature of India's textile economy is that the bulk of production emanates from the small-decentralized unorganized rural sector. This is also true of its employment and consumption pattern. It is estimated that as many as 70% labour forces in the manufacturing sector is employed in the unorganized sector. The most important activities in traditional enterprises are textile and textile product
Almost ⅓ of household workers are engaged in this activity) most of which are produced in handlooms.

However, over years, performance of the textile industry has not been satisfactory. The textile industry has experienced fluctuations in its activities. The cost of textiles has been rising. The per capita consumption of cloth has been falling. The per capita is violability of cloth has remained at low level and productivity has declined.

The book entitled '25 Years of Research' combine with the periodical survey of productivity, profitability and yarn quality. Beginning with productivity inter-firm comparison and irregularity of fibre assemblies, the entire spectrum of research including the improvement in the wear life of cellulosics and machinery development has been explained in the book of '25 Years of Research'.

The 6th Chapter entitled 'Modernization of 25 Years of Research' elucidates modernization aspects in composite textile industry. In Indian Textile Industry, there is a very large variation in the levels of technological competence and efficiency with in the mill sector, that is, between the best mills and worst mills when these are a large number of units of different sizes and different ages producing the same products and competing in the same market, it is inevitable that there should be some differences in their level of efficiency. However, it has been observed in the book of '25 Years of Research' that the difference is much greater in India than in the most of other countries in the world, while the best mills in India compare favourably with good mills in advanced countries, there are large number of units which are technologically inefficient, economically weak and qualitatively poor. ‘During the 1961 to 1981, the productivity of the industry as a whole has increased sustainably, the difference between the best and the worst mills has not comedown. If anything there has been a tendency for this difference to increase. Therefore, if the technical competency of the industry as a whole is to be raised, it can be done, not so much by improving the efficiency of the already efficient period, but by raising the level of all the inefficient units to a basic minimum. This involves a sustained national effort towards introduction of known technology and managerial techniques in these mills. It also involves investment of fund in the modernization of these units and bringing about organizational patterns that are conducive to high efficiency.
It can be understood from the writing of Mr. K. Sreenivasan in the chapter of 'Modernisation' that modernization is not that something which should be done today and forgotten for the next ten years. Often mills get into trouble mainly because they allow things to drift and finally when wholesale modernization is undertaken labour displacement becomes a major problem. They also have to find large sums of money, which imposes great financial strain at time when their profitability is low. Therefore, rather than modernize by fits and starts and create a cycle both in financial commitment and in labour displacement. It should be a continuous activity where annually the process and the products are reviewed and modernization undertaken whenever necessary.

Mr. K. Sreenivasan divulges in his writing of 'Decentralised Sector' regarding the general level of performance in the powerloom sector. It can be understood that from his writing that most of the powerlooms are owned and operated by small businessmen in decentralized powerloom textile sector. The powerloom owners possess little rudimentary knowledge of the technology; they do not have any facilities for proper servicing and maintenance of looms. As a consequence, the technical efficiency of many of the powerloom factories is generally poor. Shortage of trained operatives to run the looms is a common difficulty, experienced in most of the places. The smaller units engage part-time jobbers while the larger units employ them on full-time basis. The warp yarn is supplied on beams, and its working on the loom is taken as an indication of yarn quality. If the working is poor additional size is sprayed on warp or the looms spread is reduced as a means to improving the performance. In a few cases, the beams are returned to the suppliers.

The powerloom owners do not have any clear idea as to the normally allowable level of damages for different kinds of cloth. If the cloth produced contains any major defects a part of the workers' wages is cut. In a few instances the fabric is returned to the weaver himself for being mended. Generally, in units having more than eight looms generators and oil engines have been installed so that uninterrupted working can be maintained during power cut. Most of these factories do not, however, have any humidification.

SITRA power service centre recommended a number of measures to improve the quality and efficiency of production in the powerloom sector. The measures can be cited as follow.
"The operatives have to be trained in proper running, maintenance and prepare of looms, which would not only improve the loom productivity but would also enable to partly overcome the difficulty of getting trained weavers. More and more powerloom owners should be given training in basic principles of weaving, methods of calculating efficiency production assessment, yarn requirements of various kinds of fabrics and procedures of working out cost of production. They should also be apprised of the advantages of and the need for technological innovations such as weft-fork, mechanism and warp-stop motion".

It can be also understood that the fabrication of a loom demands a high degree of precision and requires the incorporation of technological improvement wherever needed. The looms used at present in the industry are however of crude construction and are mostly manufactured by small units. The preparatory equipments are also a need of modernization and more particularly these machines should be converted to power operation.

The method of sizing, especially hand sizing, needs to be improved. 'The quality of bleaching and dyeing is generally not satisfactory'\(^68\). Because of the poor bleaching and consequent drop in yarn strength, only one loom as against the normal practice of two is assigned per operative.

Mr. K. Sreenivasan in his writing of 'Decentralised Sector' focuses on market research and consumer preference survey for the decentralized sector. The survey in 'Decentralised Sector' shows that with increasing income and education, the percentage of cotton garments to the total decreased. Cotton was not only the most widely used fibre; it was also the most preferred fibre. The study indicated that non-cotton varieties, especially rayon and synthetics for men's garments and pure silk and synthetics for woman's garments.

The cost of cotton fabrics as well as the maintenance cost, particularly washing charges has been increasing. This variation in price differential creates stiff competition between cotton and man-made fibres. Handloom fabrics were more popular with woman with increase in urbanization, income and education there is clear-cut tendency for users of mill made garments to increase.

We get detail information from the book entitled 'Man-made Textile Industry of Surat'\(^69\) regarding Surat Man-made Textile Industry which is the largest concentration of looms in the world weaving, man-made filament fabrics.
Dr. P.C. Mehta and Dr. R.S. Gandhi, tried to fill-up and presented various fact of the weaving and processing industry at Surat in their writing of 'Man-made Textile Industry of Surat'. Since the writing of 'Man-made Textile Industry of Surat' there have been significant changes in the industry. There were two trends, which were noticeable, towards automation in the loom shed. There are the shuttle type automatic looms such as Cimmco, Ruti-B, Ruti-C and Rapier Looms are also installed.

Second noticeable trend, in the wake of multi fibre policy and reduction in the prices of Polyester Filament Yarn was a shift from Nylon Fabrics to Polyester Fabrics.

Dr. P.C. Mehta and Dr. R.S. Gandhi in their writing of 'Product-Mix' in weaving reveal information regarding a variety of own designs in the Surat Region which are manufactured using Dobby, Jacquard, Extra-Warp-Weft, insertions for Leno weavings amongst the fabric manufacturer, Sarees occupy a prominent place and plain dyed as well as printed qualities are produced. Some Jacquard designs are also available. There is also seasonal production of sarees and dupattas using gold and silver metallic yarn (Lurex). The weaving units have a highly decentralized character and can be of three types.

(1) Units, which do job work for traders, master weavers, process houses. These are small units having restricted finance. They may / may not have preparatory department.

(2) Units purchasing yarn and preparing / weaving fabrics and marketing as grey.

(3) Units buying the yarn, preparing / weaving fabrics, processing them and then marketing as dyed / printed.

All these units have to take care of mix of yarns. If several qualities are worked, they also have to control wastage.

Dr. P.C. Mehta and Dr. R.S. Gandhi comment on elements of production, cost in weaving. The production cost in weaving units depends to a certain extent methods of operating as requirement of working capital. Those different units doing only job work require very little working capital as yarns are supplied are not affected by fluctuating yarn markets. Requirement of working capital also depends on type of fabrics manufactured, labour wages are also varied and so very 'Stores and Spares', it is likely to have some effect on the capital cost as well because for cheaper
varieties of fabrics, cheaper looms are erected for jacquard designs. Costs of jacquards have to be added. It is therefore necessary to workout details for several qualities to arrive at reasonable picture.

Elements of production cost are divided into (a) fixed costs and (b) variable costs.

It can be learnt from the writing of Dr. P.C. Mehta and Dr. R.S. Gandhi that the sales price of the fabric, realized by the units, varies considerable depending on market conditions, reputation of the manufacturer consistency of quality.

Writing of Dr. P.C. Mehta and Dr. R.S. Gandhi on 'Marketing' deals with mode of operations in Surat Textile Industry. Surat has a predominantly decentralized character. It is possible for a small weaver to get yarn twisted or crimped / texturised as per his requirement or even to get a beam prepared outside for weaving. Likewise a process house not adequately equipped can get its fabrics heat-set for even finished in other processing houses at nominal charges. Such flexibility in working has enabled the entrepreneur to set-up industry at the minimum required investment to start with. It is observed that in trading the same basic philosophy operates to reduce financial burden of an individual. A processor who weaves fabrics seldom processes his own but sells it in grey state to a trader and does job work in his processing unit. Likewise very few traders have their own weaving units or processing units and mostly they purchase grey fabrics from outside and get these processed in two, three or more process houses.

Bulk of business in textile market is of semi-whole-sale and whole-sale nature, with 65% to 70% and 35% to 40% share respectively in semi-whole sale trade a customer is permitted to select 8 to 10 sarees of different colours from several designs. A customer visits several shops and purchases 25 to 30 sarees from each. In wholesale trade a full of lot of designs with 5 to 6 colours combination is purchased. In one quality along 5000 to 10000 metres orders may be booked, wholesale business is mostly on credit upto 60 days.

5. MODERNISATION IN TEXTILE INDUSTRY:

The book entitled 'Modernisation and Renovation in Textile Industry' consists of conference papers on 'Modernization and Renovation', the Conference was held in 1977. Its aim was to discuss concepts, philosophies and criteria for modernization / renovation, including methods for undertaking cost benefit analysis.
Often modernization is interpreted in the restricted sense of replacement of the old machines with the new ones. It is considered that both replacement and renovation as modernization. As long as these changes result in improved technology with gains in quality, productivity or cost minimization and choice of machinery must be necessarily or related to the market of each mill and the product-mix, it is manufacturing or is planning to manufacture, for its market. Modernisation helps in assigning relative priorities for assets in which the mill is reducing its expenditure. It is necessarily continuous process and is not to be looked upon as a sporadic and piece meal exercise which one goes through every few years. It is also necessary that the processing of modernization should be examined in a much wider context. Along with modernization of machinery and equipment, work methods, marketing systems, personal attitudes, management style etc. should be considered to see whether these are required to be changed.

Mr. Prafull Anubhai Shah in his research paper writing on 'Modernisation in Textile Industry' \(^{76}\) expands about crisis of textile industry which are related to the problem of cost competitiveness and quality improvement through modernization while at micro level modernization is considered to be more or less the Panacea for all the ills of the industry. At the unit level it is felt that the patient is not strong enough to respond to further medicine. These views are not contradictory but they reflect difference in the priority. The modernization is a crying need of the industry to achieve the various objectives set out for it. Those objectives are to improve productivity and quality, to establish and economic price level through cost reduction, to improve international competitiveness by cost reduction and quality improvement. Mr. Prafull Anubhai Shah in his research paper writing gives an outline for decision making process in modernization programmes as well as system support and the change in outlook necessary for getting the best out of such programmes.

Mr. A.R. Garde, S. Bandopadhyay and P.D. Kimothi in their research paper writing on 'Rationable for Modernisation in Spinning and Weaving' \(^{77}\) make an enquiry into the importance of modernization for the survival of textile industry. It has been observed that mills which have already modernized have been able withstand the present adverse parity between raw material and fabric prices much better than those who have not. This leads to a general feeling that modernization is the answer for overcoming the difficulties faced by mill continuously since 1950.
There is one aspect of modernization namely addition of machinery. Addition is not necessarily always for the purpose of expansion but can also be for balancing the machines due to changes in productivity. At one for more stages of manufacture often, changes in the product-mix also need additions of different types of machines to take care of the special needs of the produces being manufactured while the addition of machinery for production balancing can be considered as a part of modernization. Addition of machinery requires for changes in product-mix may preferably be considered as a part of product diversification than of modernization.

The question is asked in the context of modernization of machinery in Spinning and Weaving are -

1. Considering the industry's cost structure what impact can modernization have on the profitability of the mill?
2. What are the specific advantages of modernization of machinery in Spinning and Weaving? How to assess the impact of modernization on the performance of Mill?
3. Has the industry reached a level of technical performance in Spinning and Weaving where further improvement is possible only through Modernization? If not, how much is the scope for improvement without modernization in relation to the further improvement possible through Modernization?
4. What are the alternatives available for modernization as each stage of Manufacture? Can one establish generally valued Priorities?

It is, therefore essential to only true gain of modernization of machinery can be estimated, quantitatively and realistically to judge whether a particular type of modernization would give adequate returns or not.

Mr. K.S.V. Menon in his writing on 'Indian Textile Industry in International Perspective' elucidates about trends in consumption of textile fibres, trends in production, changing pattern of production capacity. Mr. K.S.V. Menon comments on information regarding structural and organizational developments, World Wool Textile Industry and Indian Textile Industry.

Mr. K.S.V. Menon in his writing on 'Indian Textile Industry' makes an attempt to study the changing pattern of production and consumption of textile fibres and related developments on a global scale. The point has been driven by Shri B.D. Jatti, Vice-President of India at inaugurating the International Conference on 'Man-
Made Fibres for Developing Countries' organized under the Silk and Art Silk Mills Research's Association in Collaboration with the Ministry of Petroleum in January 1976 Mr. B.D. Jatti Observed:

"Today Cotton constitutes nearly 88.60% of India's Textile Fibre Consumption. Because of the agricultural inputs needed to increase cotton production which is circumscribed by natural factors, there is a certainly a limitation to the total availability of cotton in our country. Therefore, cotton alone cannot meet the increasing demand for the clothing needs of India's population. The development of man-made fibres is possible without any demand on India's agricultural input which can be more effectively used for much needed production of food crops. Further man-made fibres are products of Science and Technology and their production can be increased to any extent needed by expanding the industry"\textsuperscript{80}.

The share of natural and man-made fibre has undergone many changes in different regions and countries.

The book entitled 'Rehabilitation of the Textile Industry'\textsuperscript{81} consists papers published on rehabilitation of the Textile Mills. It is observed that from 1955 to 1985 the cloth production has been gradually slipping away from the Mills into the sector of powerlooms, handlooms and independent processors. On account of the success of this sector, spinning and weaving capacity proliferated in the country out of proportion to the demand for cloth. At the same time sophisticated but relatively inexpensive textiles made abroad were finding their way into India. These trends caused great distress to the domestic industry and this distress was most strongly felt by the organized sector. The research papers in this conference focused on the measures that could be taken to restore health of organized sector. Most of the papers have focused on what the government should do very little has been said about what the mill can do to rehabilitate themselves.

Inspite of availability of modern technology and continuous assistance of research, the lack of freedom in terms of choice of product-mix, uneven duty structures, uneven wage and other costs and finally prevailing loop holes permitting the evasion of duties have led to a very unfair competition between the organized and decentralized textile centre\textsuperscript{82}.

Mr. B.V. Iyer, J.M. Grover, A.K. Gupta and V. Shanbhag in their writing of 'Indias exports of Textiles'\textsuperscript{83} look at the scope of bigger exports against the backdrop
of international trade and international aspects. In the context of restructuring which was underway in the textile manufacture, a common perception made in many forums was that the mill industry should have restricted itself to production of yarns for domestic consumption and exports; of fabrics for exports and of high priced fabrics for domestic market.

Mr. B.V. Iyer, J.M. Grover, A.K. Gupta and V. Shanbhag comment regarding affecting factors on exports. The major factors are raw-materials quality, technology of manufacture and cost of manufacture.

Mr. K. Ranganathan, N. Murugesan, R. Romoni in their writing of 'Sectoral costs of production' comment on comparisons of costs of production: (a) of yarn, between regular spinning mills and small scale spinning plants and (b) of fabrics among the three sectors of the industry - mills, powerlooms and handlooms. These three sectors have been jointly meeting the production requirement of the country.

"The cost of production of grey cotton fabrics produced in powerloom sector would be lower by about 5% as compare to the mills sector."

Inspite of higher yarn cost for powerloom sector, which is about 08 to 10% more due to sales tax, etc. conversion cost (the cost of converting yarn to fabrics) is lower with powerlooms by about 25 to 30% mainly due to low wages cost. However with regard to polyester blends, the grey fabric would be costlier to produce in powerlooms by about 5%. This strange phenomenon of lower cost of fabrics in cotton sorts but higher cost blended varieties arises because due to very high cost of blended yarn. The benefits due to lower conversion costs being more than off set by the increased yarn cost. If the mills themselves convert the yarn to fabrics in the powerloom sector, the yarn cost will be about the same for all the sectors and consequently the fabrics produced in powerlooms are always cheaper.

Mr. B.B. Joshi in his book entitled 'The Planning of British Cotton Textile Industry After War' has given summarises and abstracts from various reports and publications, coupled with his study of each section of the British textile industry and its rehabilitation after war. It can be understood from his book that recommendations made by various committees after exhaustive survey of the conditions existing in the industry and remedy suggested for removing bottlenecks. Mr. B.B. Joshi in his book creates ideas in the mind of reader regarding what requires to be done in India in order to establish our textile industry on sound basis. The book gives an indication
as to how problems are tackled in United Kingdom, so that everyone in the industry would get an idea regarding methods of tackling problems. Mr. B.B. Joshi’s book serves as an eye-opener to our mill owners and others with regard to shortcomings in methods of management. The facts and figures in Mr. B.B. Joshi’s book are old, as these were collected in 1945 to 1946.

Mr. B.B. Joshi comments on marketing practices by illustrating the function of The Wholesale Textile Association. 'The Wholesale Textile Association' was formed in 1911. The organization was for distribution of textile goods in U.K. In the beginning membership was confined to London wholesalers but later on it was opened to all firms of Great Britain and Ireland. It soon became a national organization, the only one of its kind representing wholesale textile distribution. The Association became an incorporated body under the companies act with special license from the Board and of Trade to omit the world "Limited" on January 11th 1926. The branches of the Association were located in London, Manchester, Glasgow, Birmingham, Leicester, leads, Nottingham and Belfast. The functions of Wholesale Textile Association is described below -

The most important function of wholesaler is that of "Selection". The production must depend upon consumption and the demand for manufactured products therefore is in the nature of the power required to start up the trade machine. The continuity of its revolutions depends upon the continuity of the demand without demand therefore, there can be no production and even if there is a demand there should be some machinery to ensure as far as possible that demands shall flow evenly. Production cannot be pursued economically if there is a heavy demand over short period, which would involve produces working at a high pressure for short periods followed by periods of idleness. The machinery of commerce must not be subjects to rough wage with periods of idleness and functions of wholesale trade is to act as that part of the trade machine that gears up demands with production so as to ensure that it will continue to make the normal number of revolutions to which it is best suitable.

The function of a wholesaler is to place orders well in advance of delivery dates given to retailers so that goods will be in stock when the season for them opens. This method assists the manufacturers to run their machineries smoothly.
The wholesaler, who acts as a saving organization for the manufacturer firstly, receives goods in bulk from the manufacturer. Secondly, through the medium of travelers and by displays in warehouse they are shown to retailers from one end of Britain to the other. As well as retailers overseas, and thirdly, he breaks bulks and distributes goods to retail trade in small quantities.

The channel of distribution through a wholesaler is beneficial for the manufacturer and retailer.

Mr. S.P. Vidyarthi, Hindon River Mills, Dasna and P.K. Hari, Textile Department, I.I.T., Delhi in their research paper 'Techno-Economic Adaptability of the Innovations in Weaving' comment on Techno-Economics of Shuttleless Weaving. The weaving cost per metre on shuttleless loom is less than on conventional loom. Inspite of higher power and maintenance cost, this is mainly due to higher productivity of shuttleless looms, which suppress the major contribution of fixed expenses and operative wages towards the cost of weaving.

6. WAYS AND MEANS OF COST REDUCTION IN PRODUCTION:

Mr. S.P. Vidyarthi, Hindon River Mills, Dasna and P.K. Hari, Textile Department, I.I.T., Delhi brings to notice that adaptation of latest weaving technology helps in reducing the cost of production by way of:

(a) Reducing the labour employment per unit production.
(b) Reducing inventory cost of in process material.
(c) Reducing cost of building, air-conditioning per unit production.
(d) By estimating of pirn winding, increasing in production helps in absorbing fixed expenses.

The performance of shuttleless looms mostly depends upon the quality of yarn and its preparation. It is, therefore, essential that modernization of preparatory machines as well as spinning machines must also go hand in hand for achieving satisfactory weaving results. The adaptations of innovations in fabric manufacturing requires huge capital investment and in order to recover the capital and interest one has to manufacture high priced fabrics, which needs change in production programme, market survey and creation of market for the new product.

The book 'Marketing Management Planning, Implementation and Control' contains several insightful case studies / mini cases / illustrations drawn from marketing situations faced by Indian as well as global firms.
'Marketing Management Planning, Implementation and Control' focuses on marketing process, Indian Marketing Environment, Developing Marketing Strategies. The authors of this book Mr. V.S. Ramaswamy and S. Namakumari deciphers regarding analyzing consumers and selecting markets with special reference to buyer behaviour, product management and distribution management. Mr. V.S. Ramaswamy and S. Namakumari have made an attempt to explain the pricing and promotion concept.

Authors in their writing of 'Marketing Mix' explains the concept of marketing mix. ‘The marketing mix is the sole vehicle for creating and delivering customer value’. Since marketing is essentially an interaction between the marketing mix and the environmental variables and, since the latter are not controllable, marketing becomes synonymous with assembling and managing the marketing mix. It is by assembling and operating its marketing mix that a firm executes its marketing strategy. Assembling the marketing-mix involves of number of decisions relating to each of the marketing-mix elements, product, price, channel and promotion. Decisions are also required on the linkages among the elements and all these decisions form an integral part of the marketing strategy.

Authors in their writing of 'Managing the Product' defines the concepts of product mix and product line. These are two expressions denoting the range of variety of products of a firm. Product Mix which is the larger entry denotes the complete set of all products offered for sale by company. The product mix is composed of several product lines.

Mr. L.D.'Souza in his writing of research paper entitled 'Management of Modernization' emphasizes on need of modernization. The author feels that modernization is necessary for improving the productivity and quality, reducing the cost and increasing international competitiveness.

The author further raises very valued question how much to spend on modernization. The modernization should be considered having thought of expected level of profitability working capital requirement, repayment of past looms.

While modernizing or renovating conventional looms in the weaving shed, one has to keep in mind the product-mix as also the flexibility of the looms. If the machines are more than 15 years old but condition of the side frames, cramps and bottom shafts are good, the mills can go for warp stop motion mechanism, to control
fabric quality and battery feeler for automatic change there by increasing productivity by nearly 10% and also labour saving. The temple cutter and eye cutter can also be simultaneously fitted. For weaving expenses fabrics' mills may go in for a positive let-off with modified backrest. Considering that the cost of conversion is high and the sum of all parts is not equal to the whole. Mills can replace old looms with new one. If they are weaving expensive suitting with modernization, the mills should change their product-mix otherwise the benefits of modernization may be negative.

It can be understood from Mr. L.D.'Souza's research paper that modernization is not to be thought of today and forgotten tomorrow. It is a continuous process.

Mr. Allen Ormerod in his book 'Textile Project Management' deciphers his methods, allows us to share his experience and explains in detail how and why one makes decisions. Mr. Allen Ormerod takes us in great detail through all the stages of a project from the requirements of clients and their providers of money to the pre-feasibility study and the feasibility study, the work which is required before a project is authorized, through all the planning and supervision which is needed to install some new equipment in an existing mill or to build an equip a new factory, the selection of management, the commissioning and starting of procedures, the training of the labour force to the ultimate handing-over of the factory to its production and commercial management.

Mr. Allen Ormerod comments in his book 'Textile Project Management' on assessment of the market opportunities, the sources of raw material, the best methods of manufacturer, the requirements for managing and operating project, the availability and quality of management and the sources of finance.

As the textile industry is moving from labour intensive industry to one of the most capital-intensive industry, the careful assessment of all factors involved a new projects become of ever increasing importance.

Mr. Allen Ormerod emphasizes a comprehensive market study, which is invariably included in the feasibility study, and this work precedes the technological and engineering studies, which constitute the basics of the study.

There is no merit in building and organizing the most technically efficient textile mills ever constructed if it produces a product for which there is no market, or and insufficient market to maintain it at the scale of activity essential to produce at costs acceptable to the markets. The most subjective aspect of marketing study is
the prediction of the probable future economic, Social and Political Environment within which the factory will operate during its projected lifetime.

Mr. I.C. Shah, Chief Executive, Shri Arbuda Mills, Ahmedabad in his research paper entitled 'Management Views on Modernization' deals with the package of modernization, which is essentially a made to measure programme for each unit, depending on its backlog, its need and its product-mix. A long term scheme of modernization needs primarily consider.

Markets to be cater - domestic or exports, requirement and availability of raw materials, standard of quality, product-mix, choice of technology degree of automation, energy utilization, trends in national policies, existing and proposed cultures of organization, availability and requirement of human skills, financial and technical viability, resources, out of these various aspects and many others, that may have to be consider for a strategic planning on modernization.

It can be understood from the writing of Mr. I.C. Shah, Chief Executive, Shri Arbuda Mills, Ahmedabad that modernization need not be taken in its narrow meaning of getting equipments of production, but should be broadly applied to our work practices, marketing systems, personal attitudes, and management styles.

Mr. V.D. Dudeja in his book 'The Management of Textile Industry' considers the five M, Materials, Machines, Methods, Money and Men for specialization in the manipulation of the factors of production to maximize the results from the resources available. Regarding the management of textile operations of various sizes and complexities, it has become clear that a balanced co-ordinate and objective approach to manufacturing problems is rarely achieved.

The author in his writing on 'Sales Management' covers information regarding marketing activities "The term 'Marketing' embraces every activity involved in the movement of goods and services from the production point to the consumption point".

The functions of market research may be grouped as analysis of economic trade, and analysis of competitions. Mr. V.D. Dudeja brings to notice that the effective sales system depends mainly on type of dealers -

(1) Wholesalers to buy the cloth from the mills and at their own profit on it according to market conditions and then sell to the semi-wholesalers or retailers.
(2) 'Aratia' - These are commission agents to purchase the cloth for the wholesalers and take fixed commission on the purchase made. The wholesalers also have brokers to contact the semi wholesalers and retailers.

7. **CONCLUSION:**

The authors have highlighted that timely and sincere efforts means success. Modernisation, Marketing and Reduction in production cost are the key factors to survive in today's competitive World. The Review of Literature is very much useful to understand structural changes in Indian textile industry with reference to marketing.

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