CHAPTER - III

3.1 INTRODUCTION

The problems associated with RMG industry are not dismal in Madurai District. However, the special profile of Madurai District reduces to some extent the brunt of the problems encountered by the stakeholders in the RMG industry. The institutional assistance rendered in Madurai District by associations such as The Textile Committee under the Ministry of Textiles, Textile Testing and Development Centre, Tamil Nadu RMG Manufacturers Association, Madurai Integrated Textile Park, District Industries Centre (DIC), and MADITSSIA are worth considering. In this chapter, the history of RMG industry, the step by step process in garments manufacturing, the Strengths, Weaknesses, Opportunities and Threats for RMG industry in Madurai District and the functions of the associations which are rendering institutional assistance are discussed.

3.2 PROFILE OF MADURAI DISTRICT:

3.2.1 Location Status:

The present study area, namely Madurai District is one of the important districts of Tamil Nadu where there has been a significant progress in agricultural
and industrial development since the year 1960. This district is located between 9°30’ and 10°30’ on the Northern Latitude and 77°00’ and 78°30’ on the Eastern Longitude. Madurai city is situated at a distance of 498 kilometres (309 miles) south-west of Chennai, the capital of Tamil Nadu. It is situated at a distance of 161 kilometres (100 miles) from Tiruchirappalli, 367 kilometres (228 miles) from Coimbatore and 241 kilometres (150 miles) north of Kanniyakumari. It has an average elevation of 101 metres. The city of Madurai lies on the flat and fertile plain of the river Vaigai which runs in the north-south direction through the city dividing it almost into two equal halves. The Sirumalai and Nagamalai hills lie to the north and west of Madurai. The land in and around Madurai is utilized largely for agricultural activity which is fostered by the Periyar Dam.

The climate is dry and hot, with Northeast monsoon rains during October–December. Temperatures during summer reach a maximum of 40 and a minimum of 26.3°C, though temperatures over 43°C are not uncommon. Winter temperatures range between 29.6 and 18°C. The average annual rainfall is about 85 cm.

3.2.2 Geographical features:

The geographical area of the Madurai district is 3741.73 sq.km. accounting for nearly 2.9 percent of the geographical areas of Tamil Nadu State.

The capital of this district is Madurai, a city which enjoys a historical and literary reputation. The district is divided into seven taluks such as Madurai North, Madurai South, Melur, Vadipatti, Usilampatti, Tirumangalam and Peraiyur.
The city is surrounded by Tirumangalam, Tirupparankunram, Melur, Anaiyur and Avaniapuram municipalities. Madurai District is divided into 13 revenue blocks for the sake of administration. They are Madurai East, Madurai West, Melur, Alanganallur, Tirupparankundram, Tirumangalam, Kalligudi, Kottampatti, Vadipatti, Chellampatti, Usilampatti, Sedapatti and T. Kallupatti.

3.2.3 Population of the District:

The district has a total population comprising 12.5 lakhs of males and 11.5 lakhs of females making a total of 24,00,339 (as per the 1991 census) which is scattered in urban and rural areas. Out of the total population, 12,03,791 people live in villages and almost an equal number 11,96,548 live in urban areas. Table 3.1 shows the distribution of the population in the various taluks and the density of population.
### TABLE 3.1

Talukwise Distribution of Area and Population

<table>
<thead>
<tr>
<th>Taluk</th>
<th>Area (Sq.Km.)</th>
<th>Population</th>
<th>Density Per Sq.Km.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Madurai North</td>
<td>395.79</td>
<td>2,49,343</td>
<td>630</td>
</tr>
<tr>
<td>Madurai South</td>
<td>291.93</td>
<td>11,54,388</td>
<td>3,954</td>
</tr>
<tr>
<td>Vadipatti</td>
<td>491.45</td>
<td>2,05,283</td>
<td>418</td>
</tr>
<tr>
<td>Melur</td>
<td>727.18</td>
<td>2,46,828</td>
<td>339</td>
</tr>
<tr>
<td>Thirumangalam</td>
<td>565.22</td>
<td>1,84,014</td>
<td>327</td>
</tr>
<tr>
<td>Peraiyur</td>
<td>814.18</td>
<td>1,86,014</td>
<td>228</td>
</tr>
<tr>
<td>Usilampatti</td>
<td>455.98</td>
<td>1,73,493</td>
<td>380</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,741.73</strong></td>
<td><strong>24,00,339</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Census of India, 1991.*

### 3.3 PROCESS OF GARMENT MANUFACTURING³:

First sewing machine was invented in the Victorian era. Before sewing machines everything was done by hand. The seamstresses went to the home of the women who wanted to stitch the clothes. As industrial revolution started in the

³ Ramesh Bhojuani, Small, Medium and Large Scale Industries Vol. II, *SSI Hand Book*
19th century, garment industry too began to evolve but it was in its infancy and had no developed system for garment manufacturing. Seamstresses observed that they could develop standard patterns which can fit more than one woman. They developed a mathematical sizing system to accommodate most women with very few patterns. As businessmen, interested in lowering costs, they continued developing these patterns to become paper “information systems” engineered to control quantities of exact reproductions in cutting and stitching clothing in mass production systems.

The apparel industry grew from these tailors/businessmen, as they built manufacturing factories for production, which pattern engineering accommodated. Pattern engineering grew a great industry in the early and mid-20th century. Pattern making was first taught to “apprentices” who were called “designers”. Creative designers of styles didn’t exist in the early 20th century. Paris was the centre of the developments in style and creation in garments at that time and many other countries copied from there. Later designers created booklets for teaching the pattern making systems mathematically – that came to be called “pattern drafting”. One disadvantage of mass production was that designers put little effort in bringing new designs and patterns but they either copied or else made very little changes. Garment industry has developed many new and time-saving techniques, processes and machinery for the effective production today. The most important is the CAD/CAM which enables the designer, pattern maker, marker and grader to do their jobs precisely and effectively.
Garment manufacturers are primarily engaged in the design, cutting and sewing of garments from fabric. Some manufacturers are contractors or subcontractors, which generally manufacture apparel from materials owned by other firms. Larger manufacturers often contract production to many such contractors or subcontractors. Some manufacturers are vertically integrated, producing the textiles from which they make garments, or even operating retail outlets too.

In industries garments are manufactured in a sequence. It is put as under:

3.3.1 Design / Sketch⁴:

In the garment manufacturing the first step is designing the sketch for the dresses that have to be prepared. For this purpose the designer first draws several rough sketches in the sketch book. The designer lets his creativity flow on the paper and draws many sketches. Later these sketches are analyzed by a panel of designers. They finally select a few out of them. These sketches are rendered in detail separately or in the form of a single collection. The designer also draws working drawings along with the sketch. Working drawings are flat drawing of the sketch and it helps pattern maker in understanding the patterns involved in the construction.

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3.3.2 Pattern Design:

The pattern maker develops first pattern for the designs in any one standard size. This is made by pattern drafting method and the purpose of making this pattern is to create the sample garment for test fit.

3.3.3 Sample Making:

The first patterns are sent to the sewing unit for assembling them into garment. This is usually stitched on calico or muslin which is an inferior quality of fabric and it reduces cost. This sample is constructed to analyze the pattern fit and design too. After the sample garment is stitched it is reviewed by a panel of designers, pattern makers and sewing specialists. If any changes have to be made they are made at this time.\(^5\)

3.3.4 Production Pattern:

The production pattern is one which will be used for huge production of garments. The pattern maker makes the patterns on standard pattern making paper. These papers are made up of various grades. The most important component, the tissue paper pattern, is made from the lightest and thinnest paper commercially. It is called 7.5 lb (3.4 kg) basis paper, meaning that a ream of it (500 sheets) only weighs 7.5 lb (3.4 kg).

\(^5\) Ibid.
Garment patterns can be constructed by two means: manual method, Computer-Aided Design (CAD) / Computer-Aided Machine (CAM) method. Today many companies have developed CAD/CAM because of the ease of designing patterns, fluency and precision involved which cannot be guaranteed with the manual method. Investing once into the CAD/CAM unit is worth in itself. Many buyers around the world prefer manufacturers who are using CAD/CAM methods. The production patterns created in CAD/CAM can be stored easily and they can be modified at any point of time.

A garment sewing pattern is developed by calculating, taking account of the following measurements:

- Direct Sample
- Specification Sheet/ Measurement Chart
- Actual body size measurements
- Ease Allowances
- Sewing Allowance
3.3.5 Grading

The purpose of grading is to create patterns in different standard sizes. Grading a pattern is really scaling a pattern up or down in order to adjust it for multiple sizes. Pattern sizes can be large, medium and small or else there are standard patterns of size 10, 12, 14, 16 and so on. Pattern grading by manual method is a cumbersome task because the grader has to alter the pattern on each and every point from armhole, to neckline, sleeve cap and wrist and the like, while if CAD is used, it is much easier and faster6.

3.3.6 Marker Making:

The measuring department determines the fabric yardage needed for each style and size of garment. Computer software helps the technicians create the optimum fabric layout to suggest the fabric that can be used efficiently. Markers, made in accordance to the patterns are attached to the fabric with the help of adhesive stripping or staples. Markers are laid in such a way that minimum possible fabric gets wasted during cutting operation. After marking the garment, the manufacturer will get the idea of how much fabric is to be ordered in advance for the production of garments. Computer marking is done on specialized software. In computerized marking there is no need of large paper sheets for calculating the yardage and mathematical calculations are made instead to know how much fabric is required.

6. Ibid.
3.3.7 Spreading:

With the help of spreading machines, the fabric is stacked on one another in reaches or lays that may go over 100 ft (30.5 m) long and hundreds of plies (fabric pieces) thick.

3.3.8 Cutting:

The fabric is then cut with the help of cloth cutting machines suitable for the type of the cloth. These can be band cutters having similar work method like that of band saws; cutters having rotary blades; machines having reciprocal blades which saw up and down; die clickers similar to die or punch press; or computerized machines that use either blades or laser beams to cut the fabric in desired shapes.

3.3.9 Sorting/Bundling:

The sorter sorts the patterns according to size and design and makes bundles of them. On each bundle there are specifications of the style size and the marker too is attached with it.

3.3.10 Sewing/Assembling:

The sorted bundles of fabrics are ready to be stitched at this stage. Large garment manufacturers have their own sewing units. Others used to give the fabrics on contract to other contractors. Stitching in-house is preferable because one can
maintain quality control during the processing. On the other hand if contractors are hired, keeping eye on quality is difficult, unless the contractor is one who precisely controls the process.

There are sewing stations for sewing different parts of the cut pieces. In this workplace, there are many operators who perform a single operation. One operator may make only straight seams, while another may make sleeve insets. Yet another two operators can sew the waist seams, and make buttonholes. Various industrial sewing machines too have different types of stitches that they can make. These machines also have different configuration of the frame. Some machines work sequentially and feed their finished step directly into the next machine, while the gang machines have multiple machines performing the same operation supervised by a single operator. All these factors decide what parts of a garment can be sewn at that station. Finally, the sewn parts of the garment, such as sleeves or pant legs, are assembled together to give the final form to the clothing.

3.3.11 Inspection:

Open seams, wrong stitching techniques, non-matching threads, and missing stitches, improper creasing of the garment, erroneous thread tension and raw edges are some of the sewing defects which can affect the garment quality adversely. During processing the quality control section needs to check each prepared article against these defects.
3.3.12 Pressing/ Finishing:

The next operations are those of finishing and/or decorating. Molding may be done to change the finished surface of the garment by applying pressure, heat, moisture, or certain other combination. Pressing, pleating and creasing are the basic molding processes. Creasing is mostly done before other finishing processes like that of stitching a cuff. Creasing is also done before decorating the garment with something like a pocket, appliqués, embroidered emblems and the like.

Vertical and form presses are done by automated machines. They perform simple pressing operations, such as touching up wrinkles in knit shirts, around embroidery and snaps, and at difficult-to-reach places on garments.

3.3.13 Final Inspection:

For the textile and apparel industry, product quality is calculated in terms of quality and standard of fibers, yarns, fabric construction, colour fastness, designs and the final finished garments. Quality control in terms of garment manufacturing, pre-sales and post-sales service, delivery, pricing, and the like, are essential for any garment manufacturer, trader or exporter. Certain quality related problems, often seen in garment manufacturing like sewing, colour, sizing, or garment defects should never be overlooked. They may be:
3.3.13.1 Sewing defects

Open seams, wrong stitching techniques, non-matching threads, missing stitches, improper creasing of the garment, erroneous thread tension and raw edges are some of the sewing defects which can affect the garment quality adversely.

3.3.13.2 Colour defects

Variation of colour between the sample and the final garment, wrong colour combinations and mismatching dyes are not uncommon.

3.3.13.3 Sizing defects

Wrong gradation of sizes, difference in measurement of various parts of a garment like sleeves of XL size for body of L size garment can deteriorate the garments beyond repair.

3.3.13.4 Garment defects

Broken or defective buttons, snaps, stitches, different shades within the same garment, dropped stitches, exposed notches and raw edges, fabric defects, holes, faulty zippers, loose or hanging sewing threads, misaligned buttons and holes, missing buttons, needle cuts or chews, pulled or loose yarn, stains, unfinished buttonhole, short zippers, inappropriate trimmings and the like, can lead to the end of a brand name even before its establishment.
3.3.14 Packing:

The finished garments are finally sorted on the basis of design and size and packed to send for distribution to the retail outlets.

3.4 RECENT DEVELOPMENTS IN GARMENT MANUFACTURING:

Computer-Aided Design (CAD) and Computer-Aided Machine (CAM) are two technologies that have made prominent changes in the way garment manufacturing was done in previous eras. Today all large garment manufacturing companies have developed CAD/CAM system to do the process of garment manufacturing. CAD/CAM is computer software that controls the production of garments. In CAD the designer designs the garments by using suitable software like Adobe Photoshop, Adobe Illustrator, Corel Draw and the like, and in CAM the cutters, sewers, graders and markers control the process of development.

The designer creates 2-D or 3-D model of design in CAD and CAM as software numerically controls the machines that generates the production. There are several advantages of CAD/CAM over manual method of designing and production of garments. Some of them are:

- The expense and time is reduced in a considerable manner when compared to the laborious manual work of designing.

7. Ibid.
• Designing can be done from anywhere as the designers are able to control the process from remote locations as well

• The data can be easily stored, transmitted, and transported through computer files

• Digital swatches can be saved on floppy disks, zip disks, CD-ROM or hard drive thus saving space. Moreover they can be easily organized for fast and easy retrieval

• The designs can be easily customized and personalized as corrections and editing can be done at any time without significant delay or cost increase

• The designers need not produce swatches all the time as they can now see how a particular fabric or garment looks in different colours and shapes on computer screen itself

3.5 INSTITUTIONAL ASSISTANCE

In terms of targeted institutional support to the local RMG units, a few organizations do their might to enable the RMG industry in Madurai District to thrive and bloom. They are:

• The Textile Committee under the Ministry of Textiles

• Textile Testing and Development Centre
• Tamilnadu RMG Manufacturers Association

• Madurai Integrated Textile Park

• DIC

• MADITSSIA

3.5.1 Textile Committee:

Of the various organisations under the Textiles Ministry, Textiles committee is one of a very few organisations that are visibly active. Headed by a Chairman and a Member-Secretary, it has various Directors, handling different departments\(^8\).

The Textiles Committee's main objective is to ensure the quality of textiles and textile machinery both for internal consumption and export purposes. The Textiles Committee, as corollary to its main objective of ensuring the quality of textiles and textiles machinery, has been entrusted with functions such as:

• To undertake, assist and encourage, scientific, technological and economic research

• To establish standard specifications for textiles, textile machinery and the packing materials

\[^8\] Pamphlet issued by the Textile Committee, Madurai.
• To establish laboratories for the testing of textiles and textile machinery

• To provide training in the techniques of quality control

• To provide for the inspection and examination of textiles and textile machinery

• To promote export of textiles

• To collect statistics and

• To advise the Central Government on all matters relating to textiles and textile Machinery

3.5.2 Textile Testing and Development Centre (TTDC):

Madurai has been traditionally, a major textile spinning centre in the country. Madurai and its surroundings have also been witnessing significant growth in power loom weaving and RMG industry at recent times. Some of the handloom units have also diversified their product range and entered into export market. The industry associations, representing various sectors, have been requesting for separate service centres on the pattern of WSC (for handlooms), PSC (for power looms), ATDC (for apparels), etc. Considering the limitations, in terms of their viability and utility of such individual sector-oriented service centres, the Textiles Committee under the Ministry of Textiles, Government of India, has come up with
a unique initiative of establishing common TTDC in Kappalur, Madurai, to meet the requirements of all the sectors of textile and clothing industry, under one roof. This concept, which is a public-private sector model, envisages capital costs of equipment to be borne by the Government and operational responsibility to be with the local industry. Accordingly, all the local industry associations representing small spinners, power loom weavers, RMG manufacturers, handloom manufacturers and exporters have come together and authorized Madurai Spinners’ Association Trust, to represent the interests of all sectors of the industry in operation and management of the TTDC. The industry also contributed part of capital costs by way of land and building. The Textiles Committee has provided equipment necessary to run the Centre, on lease basis, to the Trust and a MoU/Lease Agreement has been executed between the Textiles Committee and the Trust, for the purpose of management of the TTDC. Apart from providing equipment, the Textiles Committee has also provided broad technical supervision/support to the TTDC. The entire operational costs of running the Centre including the costs of manpower and operations are borne by the industry (Trust), by levying user charges for various services. After meeting such operational costs, the profit, if any, would be shared equally between the Textiles Committee and the Trust.9

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9. Pamplets issued by Textile testing and Development Centre, Madurai
The facilities provided in the TTDC include a modern textile testing laboratory capable of testing cotton fibre to garment and auxiliaries, equipment for maintenance of spinning machinery, CAD/CAM Centre for design development, Juki-make apparel stitching machinery, knitting, mini-cabinet dyeing machine and power looms. With these facilities, the Centre would be able to assist the local industry in testing, technology upgradation, quality improvement, skill upgradation, design development and product diversification. In order to strengthen the capacity of the TTDC in delivering these services, agreement has been executed with institution of excellence such as NIFT, SITRA, CED and SULTEX INDIA\textsuperscript{10}.

This Public-Private Sector concept of TTDC is, thus, unique in several aspects. Firstly, the participation of the user industry is fully ensured by way of their involvement in operation and management. Secondly, this is the first such integrated venture which houses all the support services/facilities required for various sectors of the industry under one roof and also brings various stakeholders together. Thirdly, it is the first public-private partnership initiative in service centres for textile industry in the country. The institutional framework and the organizational mechanism, in establishing and managing the Centre, would lead to high level of sustainability in terms of utilization of the facilities created and thereby facilitating the local industry in improving its competitiveness. The services provided by TTDC are:

\textsuperscript{10} Ibid.
• Spinning Maintenance Services

• Training for Powerloom Weavers and Fitters

• Training in Apparel Manufacturing

• Training in Fitting

• Training in Processing

• CAD for Design Development and Training

• Testing Services

3.5.3 Tamil Nadu RMG Manufacturers Association¹¹:

This association which assists exclusively the garment manufacturers in Madurai district, was established in 1985 with the modest beginning of 40 members and has grown into a strong body with a membership of 150 members in 2005¹².

The members of the Association, from the beginning, have resolved to develop their organization focusing on:

• Multilateral growth of garment industry and exports

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¹¹. Pamphlets issued by Textile Testing and Development Centre, Madurai

¹². Souvenir (2006-2007), Tamil Nadu RMG Manufacturers Association, Madurai
• Development of infrastructural needs for Madurai

• Implementation of schemes for the benefit of the society and public

• Promotion of constructive co-operation with workers with fair division of rewards

• General upliftment of quality of life of Madurai District

• Offers conferencing and secretarial services

• Helps in locating suitable suppliers

• Helps in resolving disputes

• Good relationship among members

• Enlightenment on technical knowledge

• Acquisition of license from the Government

• Entrepreneurial Development Programs

3.5.4 Madurai Integrated Textile Park (MITP):

MITP Ltd. is a special purpose vehicle formed to start a textile park at Madurai under Scheme for Integrated Textile Park (SITP) implemented by the Ministry of Textiles, Government of India. MITP Ltd. is one of the 8 parks in Tamil
Nadu and one of the 40 parks in India, under this SITP scheme from Government of India\textsuperscript{13}.

MITP Ltd. has chosen the place at Thathampatti village, Vadipatti post, Madurai District, as the project site, which is 28 km away from the central Madurai.

The total project cost of Rs.100 crore, including cost of drawing 2 MLD of water from TWAD subsidy of Rs.34.92 crore is provided by the Ministry of Textiles, Government of India. Also financial assistance of Rs.8 crore is provided by the State Government of Tamil Nadu. In effect this is a project supported by both sources of funding the balance amount from investors’ contribution and availing of term loan from bank, exporters participating in this project. They are putting their own units of different categories, such as Garment manufacturing, home textiles, weaving, processing, zip manufacturing and others for construction of units, leaving the balance area for Greenery and other Infrastructures like internal roads, culverts, drainage, and the like.

3.5.5 District Industries Centre (DIC), MADURA\textsuperscript{14}

To solve unemployment problem and to have an equitable growth of small-scale industries in rural area, District Industries Centres were formed throughout the

\textsuperscript{13} Record of MITP Office, Vadipatti, Madurai.

\textsuperscript{14} Pamlelets issued by Textile testing and Development Centre, Madurai
country. The object of the DIC is to provide all assistance under one roof. In Madurai, the DIC was formed during 1979. The District Industries Centre is headed by one General Manager and assisted by four Functional Managers.

**Functioning of DIC in Developing SSI Industries:**

1. **Motivation Campaigns:**

   This team identifies the entrepreneurs and renders all assistance by co-ordinating efforts to commission the small-scale industrial units chosen by them. There are many agencies providing avenues for development of entrepreneurship including Government. The DIC, Madurai conducts motivation campaigns in all the Blocks with the assistance of Panchayat Presidents and also for the Final-year students of Colleges of Engineering and Arts, Polytechnics and also Industrial Training Institutes. Likewise, seminars on specific areas such as Information Technology, silk weaving, etc., are being arranged in co-ordination with the voluntary organisations. The motivation and seminars are at grass root level and creates a desire among the student population to choose self-employment opportunity instead of waiting for wage employment.

2. **Technical Library:**

   The District Industries Centre, Madurai is equipped with a Technical Information Library. The Library contains more than 1000 technical books of various
Industrial projects ranging from Rs.50,000 to Rs.60 lakhs. The journals and periodicals are also provided for the benefit of the entrepreneurs to have fair knowledge of the latest technology and market potential prevalent in the country. This Library encourages the entrepreneurs to choose industrial ventures and to equip them with sufficient knowledge to face the competition in the market.

3. Single Window Committee:

To remove the hurdles of the entrepreneurs in their chosen ventures, Government under the Chairmanship of the District Collector constitutes a Committee called ‘Single Window Committee’. The General Manager, DIC is a Member-Secretary and other departmental heads of the District are members in the Committee. The Committee meets once in a month and clears the pendency where statutory provisions are to be fulfilled. On account of this, considerable delay in getting clearance is reduced. This indirectly helps the entrepreneurs to commission the project within the targeted time schedule.

4. Entrepreneur Development Programme (EDP) for Women:

The Government of Tamilnadu encourages entrepreneurship among Women through 5 lakh women EDP in 5 years. The Government also extends incentives such as margin money, subsidy for First Generation Women entrepreneurs who are Single, Widows, Destitutes or Divorcees at 10 per cent on the project cost or Rs.50,000
whichever is less. Women entrepreneurs are entitled for preferential treatment in allotment of sheds/developed plots in the Industrial Estates\textsuperscript{15}.

5. Small Scale Industries (SSI) Registration:

Small Scale Industries Registration is one of the main functions for recognition to obtain incentives and concessions from Government. Provisional SSI having validity of 5 years are given registration by the DIC. This facility is now extended through selected Internet Browsing centers for issuing online SSI provisional registration immediately on paying Rs.50 each. This is converted into Permanent Registration after the unit commences its production. Further registration of Cottage Industries and Handicraft Industries is also done.

6. Concessions and Subsidies:

To encourage SSI and for equitable distribution and growth in the District, the Government has announced various concessions. The Government has notified Sedapatti and Kottampatti Blocks as Industrially Most Backward Blocks and Madurai (East), Alanganallur, Vadipatti, Usilampatti, Chellampatti, Kalligudi and T.Kallupatti Blocks and all Industrial Estates as Industrially Backward\textsuperscript{16}.

\textsuperscript{15} Ibid.

\textsuperscript{16} Ibid.
3.5.6 MADITSSIA\textsuperscript{17}:

MADITSSIA (Madurai District Tiny & Small Scale industries Association), which started its functioning in 1971 is one of the pioneers that initiate and satisfy the needs of the Small Scale Sector. It acts as a representative for SSI. It is a non profit organization run by an elected body. The association consists of 1500 members and about 7000 associate members. The association organizes exhibitions frequently in and around Madurai for catering the needs of the SSI.

MADITSSIA is today, a household name both in the industrial and domestic houses because of its preoccupation with industrial growth simulation. By conducting seminars, training programmes, workshops, arranging buyer seller interface through exhibitions and fairs in various sectors, and also by effective liaison among industrial associations, industrial houses and Government departments and agencies, they highlight the possibilities of growth with the latest technology and innovations in the respective fields.

MADITSSIA is well known as an organisation of industrial / commercial events, promoter of trade and industry interests and a trend setter of consumer and industrial goods, sales and marketing and spokesman for tiny and small scale industries. The endeavours of MADITSSIA confirm its belief that small is not only

\textsuperscript{17} MADITSSIA Membership Directory, April 2000, pp. 8 - 10
beautiful but also bountiful. The scope and future of micro and SSI, is indeed unlimited. MADITSSIA's mission is to serve society through industrial development.

MADITSSIA is affiliated to Organisations such as:

- Tamilnadu Small & Tiny Industries Association (TANSTIA), Chennai
- Federation of Associations of Small Industries of India (FASIA), New Delhi
- All India Manufacturers Organisations, (TNSB Chapter), Chennai
- Confederation of Indian Industry (CII), Madurai Zone.

**Aims and Objectives:**

- To promote and protect the Small Industries in Madurai District.

- To take all steps to protect and promote the general interests of the persons engaged in small industries in Madurai District.

- To consider and formulate opinions upon all matters connected with the Small Industries in Madurai District.

- To collect, classify and circulate statistics and other information related to commercial interests in general and small industries in particular.
• To promote beneficial and other measures relating to the small industries and thus obtain by all acknowledged means to redress as far as possible the grievances of the industrialists in small industries.

• To maintain a Library of books and publications and literature on small industries, so as to diffuse commercial information and knowledge amongst the members of the Association.

MADITSSIA believes in the maxim "Think Globally - Act Locally". It coordinates with like minded organisations and trade bodies around the World. One of MADITSSIA's industrial outreach activities includes creating MoUs with the Federation of Chambers of Commerce and Industry of Sri Lanka and The Ceylon Chamber of Commerce for the mutual benefit of India and Sri Lanka.

MADITSSIA is committed to and working for the local causes, which are a global phenomena by seeking support, endorsement, grants and sponsorships, suggestions, and guidance from like minded agencies and institutions for the social and economic improvement of the local people. Some of the goals are:

• AIDS Prevention

• Environmental Protection

• Eco friendly Industrialisation
• Workers Education

• Abolition of Child Labour

• Development of Women Entrepreneurs

• Development of Cluster Industries

• Promotion of Export Oriented Industries

• Research and Development

• Innovative Labour Welfare Practices

• Industry-Institution Partnerships

• Technology Transfer and Joint Ventures

• Trade Delegation Exchange

• Human Resource Development

• Futurology

3.6 SWOT FOR RMG IN MADURAI DISTRICT:

A scan of the internal and external environment is an important part in the strategic planning process. Environmental factors internal to the firm can be classified as strength and weakness and those external to the firm can be classified as
opportunities and threats. Such an analysis of the strategic environment is referred to as a SWOT Analysis. The overall assessment of RMG Manufacturing Units in Madurai district is outlined through a SWOT analysis.

3.6.1 STRENGTH

Strength is an inherent capability of an organization which it can use to gain strategic advantage over its competitors\(^\text{18}\). Company image, wide distribution network, low cost, reasonable price, brand, job work, traditional skills, talented and dedicated work force, in-house research and development are examples of strengths. A few of them are:

- Easy availability of raw materials and other inputs
- Units controlled and directed by family management
- Variety at one place
- Textile Testing and Development Centre at Kappalur, Madurai is unique in catering to the need of RMG units
- Strong presence in the domestic market
- Low cost, reasonable price and better quality

• Care under Tamilnadu RMG Manufacturers Association, Madurai

• Availability of Job work units

• Recent spurt in branded RMG

• Encouraging Kerala Markets Sales

• Availability of large market area

• Mumbai fashions in Madurai

3.6.2 WEAKNESS

Weakness is an inherent limitation or constraint of an organization which creates strategic disadvantage to it in comparison with its competitors. A few of them are:

• Power supply limited to a few hours in a day

• Cannot install thermal units or generators

• Lack of financial institutions to provide assistance

• Lack of adequate infrastructure facilities

• Underutilization of installed capacity due to inadequate labour
• Tax anamolies

• Stringent Labour laws

• No R&D Facility

• Usage of outdated and obsolete technology

• No knowledge about export procedure due to poor education

• Creating air and water pollution

• High production cost due to hike in prices

• Unbranded units struggling to sustain in the field

• Influx of imported brands hamper sale of local brands

• Challenge from Kolkata suppliers

3.6.3 OPPORTUNITIES

An Opportunity is a favourable condition in the organization’s environment which enables it to improve its competitive position in various factors. Some of them are:

• Higher demand and scope for expansion

• Access to market information and recent trends
• Usage of schemes of Government and EXIM policies

• Utilising TTDC in Kappalur Industrial Estate

• EDP by Centre for Entrepreneurship Development (CED), Madurai

• Creation of Textile Upgrade Fund (TUF)

• Tax exemption to Export Oriented Units (EOU)

• Good reception in international platforms

• Removal of quota restriction leads to greater market development

• Scope for generating new jobs in various sectors

• Textile Park in Vadipatti in Madurai district

• Further scope due to emergence of shopping malls

• Exposure visits to developed clusters, inland and foreign

• Outsourcing from leading brands

3.6.4 THREAT

Threat is an unfavourable trend in the organization’s environment which causes a risk or damage to its position. Some of the threats are:
• Entry of Global players in the local markets

• Threatening International Labour and Environmental laws

• International pricing pressures

• Adulteration in raw materials

• Range of products offered by the competitors

• Increased labour turnover

• Need and Demand of skilled labour

• Replacement of human labour by modern machinery results in more power consumption and unemployment

• Increasing demands from the labour through powerful labour unions

• Entry of big stores like Pothys, Lalitha affects the local manufacturers

• Changing business environment

• Competition from neighbouring Districts like Dindigul, Karur, Tirupur and Coimbatore