

WOMEN ENTREPRENEUR DEVELOPMENT IN INDIAN TEXTILE INDUSTRY

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ABSTRACT

This study deals with “Women Entrepreneurs Development in Indian Textile Industry”. Entrepreneurial development is one the significant factor for sustainable socio-economic development. Especially, development of women is inviting special significance because many small and medium firms are well operated through women and though it is less recognized. Contemporarily less research has been conducted in rural and semi urban areas that give specific focus on women entrepreneurs’ motivational factors. This is used to the women entrepreneurs for identifying the scope and opportunities in the textile industry, the Indian government has providing Subsidies for women entrepreneurs and special provisions for category of entrepreneurs belonging to schedule caste, schedule tribe and women. This study is also explaining the various schemes for the development and promotion of women entrepreneurs in India. It is also focusing on how the government creating awareness among women entrepreneurs and encouraging them to invest in textiles and technical textile sector. Though our country is always shows very good growth in terms of apparel exports, on comparison with other countries reveals that India lost opportunity in the past in growth trends of its textile and clothing industry. It needs to address internal challenges. It is definitely sure that the textile industry will get going because of its preparedness.

KEYWORDS: Entrepreneurship, Subsidies, Apparel Exports, Micro and Small Enterprises, Technical Textiles.

1. INTRODUCTION

The textile sector in India is one of the world’s largest; it has more installed spindles to make spun yarn than any other country except China and has the most looms in place to weave fabric. However, these production capacity measures are somewhat misleading because much of India’s

spinning and weaving equipment is technologically outdated. The Indian textile industry comprises three interrelated but competing sectors—the organized mill sector and the “decentralized” handloom and power loom sectors. The organized mill sector consists of 285 medium- to large-sized firms that are vertically integrated “composite mills” that do spinning, weaving, and finishing operations and 2,500 spinning mills. More than 900 of the spinning mills are registered as small scale industry (SSI) units, which are eligible for special GOI benefits, provided that investment in plant and equipment does not exceed an amount equivalent to not more than \$230,000 per unit. The decentralized handloom and power loom sectors comprise thousands of small fabric-weaving units and processing (dyeing and finishing) units. The number of decentralized units grew as a result of government policy implemented following India’s independence in 1947 to encourage the creation of large-scale employment opportunities.

2. ENTREPRENEURIAL DEVELOPMENT

Women entrepreneurial development is one of the important area majority countries has been focus upon as a part of over all Human Resource Development. It is well ascertained by policy makers across the countries that strategic development of an economy required equal participation and equal opportunities to all sect and genders. Entrepreneurial development is one the significant factor for sustainable socio-economic development. Especially, development of women is inviting special significance because many small and medium firms are well operated through women and though it is less recognized. In order to ensure better support from various levels, it is necessary to understand, what are the motivational factors which influence women to become entrepreneurs? Contemporarily less research has been conducted in rural and semi urban areas that give specific focus on women entrepreneurs’ motivational factors. Hence it is necessary to explore what are the factors which influences the motivation of women and to what extend it influence their entrepreneurial aspirations? How rural women looks on entrepreneurial opportunities and what are their concerns to enter into such ventures? This particular research tries to understand the motivational factors of women which influence on entrepreneurial factors, and how it facilitate the educators and educational institutions to develop infrastructure, design programs and course ware, ensure training and development activities that in tune with the requirement of entrepreneurial education in rural and semi urban areas where small and medium scale industries are more located.

3. SCOPE FOR WOMEN ENTREPRENEURS IN INDIAN TEXTILE INDUSTRY

The Indian textile industry is as old as the world textile industry. In fact the first known cotton cultivation seems to be from India followed by UK. Bombay or Mumbai as its known today is synonymous with the textile industry in India and also has the soubriquet "Manchester of the East". However more and more textile industry has been push to other states of India particularly Gujarat and Madras which are increasingly gaining the attention of the world textile buyers. Mumbai due to its high urbanization is becoming more of realty market. However I want to add a fact to the above statements is that Mumbai is the commercial capital of India. Lot of niche markets is opening up in India. One place I recall was quite interesting was the Tirupur Textile Industry based in Madras. The place has become synonymous with the exports of India Knit wear. The industry based here is truly thriving with all the modern equipments and technologies.

It is estimated that around 35 countries of the world visit Tirupur every month. Now look at this they deliver samples of custom-made knit wear in about 12 hours and up to half a million pieces within a few days. All for the dedication and hard work of workers as well as exporters whose ultimate goal is to meet the international buyer's requirement sometimes quite unreasonable. Today Tirupur can boast itself being in the elite list of towns with the largest foreign exchanges in India. Super quality brands like Wal-Mart's, JC Penney, Marks and Spencers have shown a keen interest in the Tirupur textile industry consisting of around 7,000 garment units providing employment to more than a billion people. The world is looking up to the Indian textile industry to deliver its goods using technologies used and developed elsewhere be it the USA or Japan or Hong Kong. India has an untapped potential to become in the top three lists of producers as well as exporters. The Indian technical textile industry, which can offer a vast scope for small and medium enterprises (SMEs) in the country, needs government support to achieve its full growth potential, viewed industry stalwarts. "World over technical textile industry is scattered amongst SMEs but it is not in India. Indian SMEs have scope in these areas. Normally, this sector needs some government incentives as well," said Prashant Agarwal, Sr. Vice-President, Technopak Advisors Pvt Ltd told SME Times at a conference on Technical Textile Summit in New Delhi recently. He added that SMEs in India needs to concentrate in research and new product development to excel in the technical textile area "The technical textile is an industry where you need to concentrate in research and new product development. Technical textile can be successful amongst SMEs, if they concentrate on these subjects. So, it is not that anybody from SME sector can enter into this area," he said. Agarwal further added, "In technical textile industry, the government need to give some incentives. The center of excellence that we are working on where you help people for developing products. We need to create an environment for research so that you can come out with new products. These are the enablers for the government. Moreover, the government can come out with special incentives and ensure that people also invest in technical textile industry." Comparing India versus China's growth rate in the technical textile, he pointed out, "Indian market share is driven by two factors-- first, export competitiveness and second the domestic consumption. Today if you see the textile industry is USD 42 billion in the domestic market and USD 22 billion in the export market." "Driving the consumption mainly from the domestic market, India will drive the consumption in a good way. I am not saying, 'India can match up with China' but, yes it can come close to the figure of China which they are expecting to have in future." Meanwhile, speaking at the event, M.S. Verma, Vice-President--Technical Textiles, Reliance Industries Ltd said, "India has scope for increasing production in technical textiles in the country. However, indigenous production of technical textiles is limited and scattered mainly to Small and Medium Enterprises (SMEs)." He said, "The world market for the technical textile is at 21 mntonnes (US\$120 bn) during 2007-08, and is expected to increase up to 26 mntonnes (US 139 bn) by 2012 with CARG of 4-5 percent depending on the application." It was also pointed out by him that as the world market share is expected to take a fillip, India at present shares a growth at 4-6 percent in the global technical textile whereas US shares at around 25 percent, Europe share 22 percent, and China shares at 13 percent. According to the government data, though India is the second largest textile economy in the world after China, its contribution in the global technical textile industry is merely 6.85 percent. In China, technical textiles accounts for 20 percent of the total textile activity. However, in India, the technical textile is less than 10 percent of textile activity. The data also shows that the domestic market size of technical textiles in the country is expected to grow at the

rate of 11 percent per annum and will reach Rs. 66,414 crore by 2012, which is about Rs. 37,115 crore at the moment. In this context, Agarwal urged the government and said, "The urban sector is already getting government support but to the rural sector the government should give a big push." "For instance, the agri-sector for technical textiles, the government needs to give a big push. The per-capita is low in agri business in India...the government needs to provide fund to the technical textile products and give some subsidies, which can be of advantage," he said. "In rural areas, the Agro -tech and geo-tech has enormous scope for growth in India," Agarwal added. In India, the areas where the technical textile industry has potential for growth are agrotech, buildtech, geotech, homotech, medtech, mobiltech, oekotech, packtech, protech, and Indutech.

4. SPECIAL PROVISIONS FOR CATEGORY OF ENTREPRENEURS BELONGING TO SCHEDULE CASTE, SCHEDULE TRIBE AND WOMEN

- Interest subsidy to SC/ST and Women Entrepreneurs would be provided at the rate of 5% for a period of 5 years without any maximum limit and irrespective of the category of the district.
- Small Scale Industries set up by SC/ST and Women Entrepreneurs in advanced districts would be given investment subsidy at the rate of 15% of Fixed Capital Investment to a maximum of Rs. 5 lacs.
- Maximum limit of Investment subsidy on fixed capital investment for Small Scale industries set up by SC/ST and Women Entrepreneurs would be Rs.6 lacs, Rs. 12 lacs and Rs. 17.50 lacs in backward 'A', 'B', and 'C' category of districts respectively.

5. SUBSIDIES FOR WOMEN ENTREPRENEURS IN INDIAN TEXTILE INDUSTRY

"The Ministry of Textiles has released Rs 9,000 crore to the textile industry under the Textile Upgradation Fund Scheme (TUFS). I hope more women entrepreneurs would avail of facilities under TUFS and other schemes like Scheme for Integrated Textile Park (SITP)," said Mrs Shashi Singh, joint textile commissioner, Ministry of Textiles, Government of India, while inaugurating the workshop for women entrepreneurs organised by FICCI with the support of the Office of the Textile Commissioner, Ministry of Textiles, Govt of India, in Mumbai. The Ministry of Textiles, Government of India, Maharashtra Government and SIDBI invited women to avail of several supportive schemes to start their business and help existing entrepreneurs to expand their business. Mr Manoj Patodia, executive committee member, FICCI-WRC and managing director, Prime Textiles Ltd, focused on the Textile Sector, which is the higher employment generator and largest exporter, and identified special opportunities for women entrepreneurs in Technical Textiles. Ms Ujwala Singhania, executive director, Raymonds Ltd, said, "If you empower a man, you empower only one person but if you empower a woman you empower the whole family." Extending the analogy, Mr Manak Singh, executive director, TiE, Mumbai, said, "By empowering a woman we will be empowering a whole society and the nation." He noted that women entrepreneurs need not go too far to market their products as they have a very huge domestic market, which could be fully tapped. Mrs Anita Kulkarni, assistant general manager, SIDBI presented the various financing schemes of SIDBI which could be availed by the women

entrepreneurs. The Technical Sessions discussed all aspects of doing business in Home Textiles, Medical Textiles and Embroidery Business.

6. CREATING AWARENESS AMONG WOMEN ENTREPRENEURS AND ENCOURAGING THEM TO INVEST IN TEXTILES AND TECHNICAL TEXTILE SECTOR

- To extend the benefits of Technology Upgradation Fund Scheme to all segments of the Society.
- To sensitize the potential upcoming women entrepreneurs from the textile industry and other allied sector.
- To bridge the gap and promote the partnership and collaboration between the government and the industry.
- To create awareness on various schemes and support provided by the government and other financial institutions.
- Promoting the adoption of new technologies by women.
- To create a platform and opportunities for the women to explore new avenues in the textile industry.
- To support/assist potential women entrepreneurs.
- To increase employment opportunities for other men & women in the textile industry.

7. SCHEMES FOR THE DEVELOPMENT AND PROMOTION OF WOMEN ENTREPRENEURS

According to the Third All India Census of Small Scale Industries conducted in 2001-02 and subsequent estimates made, only 10.11% of the Micro and Small Enterprises in India are owned by women while 9.46% of the MSE enterprises are managed by women. Currently (2006-07) their estimated number is 12.99 lakh women managed enterprise and 12.15 lakh women managed enterprise. In order to encourage more and more women enterprises in the MSE sector, several schemes have been formulated by this Ministry and some more are in the process of being finalized, targeted only at the development of women enterprises in India.

8. CONCLUSION

Though our country is always showing very good growth in terms of apparel exports, on comparison with other countries reveals that India lost opportunity in the past in growth trends of its textile and clothing industry. It needs to address internal challenges. It is definitely sure that the textile industry will get going because of its preparedness.

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