

An Overview on Factor Affecting Apparel Sector in India

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Abstract

Trending word fashion may be known to everyone but it is deeply rooted to the clothes as popularly defined as “Clothes make the man” in fashion word. Fashion is not only related to clothes but a popular style or practice, which includes footwear, accessories, makeup, body and furniture along with clothing. Fashion is a distinctive and often regular trend inside the fashion in which someone dresses. It is the winning styles in behavior and the most modern creations of fabric designers. Fashion tendencies are prompted by using numerous elements which includes environmental, political, budget friendly, social and technological. This is the most conversation subject matter today. Designers rocked the glamorous international of favor; global garb brands had been made to rethink how their manufacturing processes affected their employees, the communities they inhabited, and the surroundings. Philanthropists, environmentalists, human and animal rights activists, and aware individuals round the world started out actively protesting unethical fashion. The main issue in fashion industry related to raw material, labor issue, health and safety risk, issues of exploitation, sustainability and environmental issue.

Keywords: Fashion industry, Current issues, Clothes, Fibers, Social and environmental factor.

Introduction

Fashion trends can be used as social dialogue and can sometimes help the change the world for the better. Trends can involve showing the changing climate of a particular decade and ideas for new generation. Today fashion is big business. It plays a major role in the global economy. The industry supports hundreds of millions of jobs around the world, accounting for over a third of total employment in some of the most important producing countries.

Fashion Industry:

The style industry includes four levels: the production of uncooked materials, basically fibers and textiles however also leather and fur; the production of favour goods by using designers, producers, contractors, and others; retail sales; and numerous kinds of marketing and merchandising.

Fashion has feel every discipline of modern-day customers from all over the global. Fashion can be described as a assertion, a place, a class, a time, a faith, a subculture, and even a country. It is likewise a conservative form of expression defines someone. In gift scenario marketers have realized the huge capability to yield business in this booming section it is together with the merchandising, advertising, and retailing functions of the fashion enterprise. Fashion marketer’s analyses new traits, the fashion industry, human beings, and examine the purpose behind the beauty of the tendencies. Fashion Marketing integrates designing, marketing as well as administration and vast knowledge of the fashion

global. Fashion Marketers are the visionaries who can pick out the target purchaser and recognize the way to market the garments to those businesses. Apparel sector in India has taken a paradigm shift. With the boom and rising of urbanization has given rise to trendy clients having mind-set of spending big amount of cash to look modern-day. Retail apparel marketplace has also gone through tremendous changes and created boom opportunity for both Indian in addition to overseas manufacturers. Fashion and garb retailing in India is one in every of the largest segments of the retailing and account for almost 39% of the organized retail area. Apparel sector in India is expected to develop to \$220 billion with the aid of 2020 (Pani, A., 2013).

Objective of the Study

The objective of the present study is to consider the recent issues and challenges in the garment industry.

Methodology

This study is based on the secondary data collected through review of literature. To achieve the above objectives, the available literature on related issues have been explored with the help of journals, articles, research papers etc. The studies related to present issues and challenges in the fashion industry like social issues, the labor issues, environmental concerns, issues of raw material and exploitation have been reviewed to have deeper insight into the theme.

Findings and Discussion:

There are many issues and challenges in the garment industry of India. Even after a long period of time, we are not capable to free ourselves from these limitations that somewhere are pushing the whole Indian garment industry in backward position. One of the prime weaknesses of Indian garment industry is the small size of the factory units. Labor problems are also frequently found in the Indian garment industry such as non-attendance of laborers, labor safety measures, non-existence of trade unions etc. The use of technology is also not satisfactory in order to meet the international standards of clothes manufacturing all over the world.

The fashion industry has undergone considerable change over the years, with increasing global competition and the move towards a global supply chain impacting on lead times and supply chain management. The fashion retail client plays an crucial function on this manner thru provider choice and product decision-making, and the role is arguably converting from only operational to a miles greater strategic one. The complex nature of purchasing is demon-began, as this focuses on control of a portfolio of suppliers, relationship building, in addition to interfacing efficiently with inner sports, in particular vending. These sports are widely wide-spread but will vary according to the context wherein they take region. For own-branded style, the client might be concerned with product development decisions and trend forecasting to ensure that the season's collections healthy with client expectancies (Margeret.B., 2007).

Problems and issues in the Garment Sector

The main biggest issue in fashion industry and apparel manufacturing sector are environmental degradation, cost and storage of raw material, child labor, sustainability, low wages and labor exploitation. This paper is based upon different sources such as online books and journals, newspaper articles, books and blog. As the world is attacked with an unending supply of dirt-low-priced

clothes, ethical fashion activists in Dubai and the Middle East, Europe, Australia and New Zealand, Canada, and the United States are voicing their concerns as regards the fashion industry's sustained development of human, animal, and natural resources. (D. Borja. 2018) Designers rocked the glamorous world of fashion; worldwide apparel brands were made to reconsider how their manufacturing processes affected their employees, the communities they inhabited, and the environment. Philanthropists, environmentalists, human and animal rights activists, and conscious individuals around the world began actively protesting unethical fashion. Almost all style manufacturers, from the high fashion homes, to the short fashion giants, to the labels that dominate online purchasing in UAE, are concerned in unethical production practices. The following are the biggest moral problems in fashion, specially in the apparel production region.

Almost all fashion brands, from the haute couture houses, to the fast fashion giants, to the labels that dominate online shopping in UAE, are involved in unethical production practices. The following are the biggest ethical issues in fashion, particularly in the apparel manufacturing sector.

1. Social problems:

The Indian apparel industry is highly split and is being dominated by the unorganized sector and small and medium industries. The converting authorities rules on the nation and vital authorities degrees are posing predominant demanding situations to the textile industry. The tax shape GST (Goods and Service Tax) makes the garments highly-priced. Another important threat is elevating hobby prices and exertions wages and employees salaries. There is higher level of slow destruction inside the garment industry. Although crucial authorities is aid the foreign buyers the investment is coming within the textile industry. In India locations consisting of Bangalore, Mumbai, New Delhi and Tirupur are the hubs of fabric garment industries. These producers have capability to create the whole range of woven put on and knitwear at low value with reasonably accurate exceptional inside the quick notices. The Indian fabric enterprise has its own obstacles together with accesses to modern day era and screw ups to meet global requirements within the quite competitive export marketplace. There is fierce competition from China, Bangladesh and Sri Lanka in the low-rate garment marketplace. In the global marketplace tariff and non-tariff limitations coupled with quota is posing important mission to the Indian textile Industry. The environmental and social problems like child hard work and personal safety norms are also a number of the demanding situations for the textile enterprise in India. (Satish Kumar R, May 2018).

2. The Apparel Labor Problems:

Global sourcing or manufacturing in countries around the world has stimulated much interest and concern among the public for humanitarian rights. Consumers and critics are showing their displeasure over what is perceived as a lack of ethics, social responsibility and conscience of large fashion companies, including Nike, The Gap, and those who create their product in the third- world countries for wages as low as 25 cents an hour. (Satopay. A 2019)

With the increasing global competition, one of the main factors affecting the growth of garment industry in India is the lower productivity level. India's apparel factory productivity levels are relatively low compared to countries like Turkey, China and Bangladesh. To improve this condition, the garment sector

needs to be supported with latest technologies and processes that are more efficient as compared to the traditional ones. (Satopay. A 2019)

As we saw, there are evidently many policy initiatives that the government of India is taking along with its foreign policy and focus on “Make in India” operation that is going to enhance the Indian apparel industry’s competitiveness in the global apparel market. But we are still faced with a multitude of factors that not only hinder the sector’s growth but also affect the strategic sustainability of small players in the apparel business in the country. The need of the hour to take one challenge at a time, and work towards minimizing it to bring the glory Indian apparel sector deserves. (D. Borja. 2018)

Due to poverty and lack of knowledge, the family of these poor children works in textile and apparel industries and their sons and daughters are being treated, or to demand for their rights as workers. Child fashion workers are not only made to work in critically substandard conditions all day long, they are also unaware with their fundamental right to education. (D. Borja. 2018)

3. Issues of Exploitation

The fashion industry has received a great deal of unflattering publicity, some studies shows that the apparel workers were kept in prisonlike conditions. On 1 March 2018, at an event in Geneva, titled ‘Fashion and the Sustainable Development Goals: What Role for the UN?’ the UNECE cautioned that the fashion industry’s practice of churning out increasingly large volumes of cheap and disposable clothing is an “environmental and social emergency.” Inefficient production practices and the deliberate exploitation of informal and subcontracted workers in developing countries with capital-friendly labor laws allow big fashion companies to manufacture clothing in bulk at low prices (<https://textilevaluechain.in/2020/02/15/contemporary-issues-in-textile-industry/>)

4. GST

GST is a multi-stage tax levied on every value addition. By design, it was meant to transform the previous indirect tax system of the country from the origin-based model to a consumption-based model. But, GST has created distortions in the Textile and Apparel sector in India, impeding its competitiveness. The man-made fiber yarn is now taxed at 18%, while the fabric is taxed at 5%. The small businesses which buy yarn and manufacture fabric are directly impacted by this imbalance, affecting their sustainability. Apart from the policy limitations, system errors, delay in reimbursement of input credit, untimely implementation (while the industry was still feeling demonetization blues) and limited knowledge of GST has hugely impacted the sector in the country. Although in the long-term GST is set to affect the apparel and textile sector of India positively, the short-term impact has brought many small-scale businesses to a complete halt. (<https://textilevaluechain.in/2020/02/15/contemporary-issues-in-textile-industry/>)

5. Lack of Raw Material

Lack of raw material and increasing rates of raw material is also affecting factor in textiles and apparel industry. Shutting down of some units in China and Europe due to pollution issues has resulted in an unprecedented rise in prices of basic raw materials in international markets. The chemical dyestuff industry of Gujarat is finding it hard to bag new orders as prices of basic raw materials intermediates have increased more than double in past few months. Industry insiders claim shutting down of some units in China and Europe due to pollution issues has resulted in an unprecedented rise in prices of basic raw materials in international markets. “Gujarat is the hub of chemical dyestuff manufacturing with about 70% share in manufacture. In recent times, prices of basic raw materials of dyestuff have gone up by more than double and because of this small and medium units are not getting new orders,” said

Bhupendra Patel, president of Gujarat Dyestuffs Manufacturers Association (GDMA). Prices of materials such as acetic anhydride have shot up from Rs 65 to Rs 175 per kg, sodium bicarbonate prices have increased Rs 27 from Rs 20 a kg and caustic soda flakes have moved up to Rs 50 from Rs 38 per kg in past one month. Prices of beta naphthol, Jewell water, Hydrochloric acid, vinyl sulphonyl, gamma acid and Tobias acid moved up by 15-30% in past two months.

Gujarat has over 1,100 dyestuff manufacturers' units and of it 80% are small scale unit. The industry turnover is pegged at Rs 25,000 annually. According to the industry sources, with the price increase, most units are finding it difficult to manage the production costs. As the prices of basic raw materials soared, the production costs of dyestuff have increased by 15-20%. The industry fears that this will affect the competitiveness of India in global market and this will fall exports from the country. (Financial express, Nov 2017).

Ludhiana was importing dyes and chemicals from China, as they were tested and the shutdown of units has caused shortage in the market. Local manufacturers of dyes and chemicals seeing the shortage in the market have also increased their prices. Ashok Makkar, president of Ludhiana Dyers' Association and managing director of Punjab Dyers' Association, said the prices of dyes and chemicals have seen an increase of 30 per cent and the industry is going through a rough patch currently. (Mander.M., Apr 2019)

“Dyes and chemicals are raw material for the dyeing industry. The local market has high rates as compared to China and after the shutting down of units in China, the rates have increased further. Supply is still coming from China, but it is less and rates are high. “In the same way, local manufacturer have also increased the rates of dyes and chemicals,” Makkar said. He said the input cost has increased, but clients are not ready to give the increased rates. “We cannot shell out money from our own pocket and consumers are not ready to pay,” he said. Punjab Dyers' Association, said: “Since China is the largest supplier of chemicals and dyes, the industry in India has been hit as the production has been decreased in China. Indian dyeing industry is facing a tough time and left with no other option but to increase the prices. (Mander.M., Apr 2019)

Another industrialist said the rates of cotton dyes have seen an upward trend for the last 20-25 days. Cotton dyes have increased by 30 per cent, while acrylic dyes have seen manifold increase. “Owing to shortage, we are forced to buy raw material at an increased rate, while the local units are unable to fulfill the orders and seeing shortage in the market they are also increasing the prices. (Mander.M., Apr 2019).

6. Cost of Raw Material

Cost of raw material is also main issue in fashion industry. Prices have seen an upward increase after many units in China were shut down due to pollution norms. The pollution caused by the manufacturing process was the main reason that led to the shutdown of units. With a shortage of water in cotton-growing regions, India is staring at the lowest output of the fibre crop in nearly a decade. In its latest estimates, the Cotton Association of India has further trimmed the crop size by 5 lakh bales to 330 lakh bales of 170 kg each for season 2018-19 with a major loss in output in the key producing States of Gujarat, Telangana and Karnataka. All-India cotton output was estimated at 365 lakh bales for the year 2017-18, which, according to CAI, will be about 330 lakh bales for 2018-19, registering a decline of nearly 10 per cent. ((Economic times , Jaishree. B., Apr 2019)

During the first four months of the 2018-19 season (October 2018-January 2019), total cotton supply is

projected at 198.80 lakh bales, which consists of the arrival of 170.32 lakh bales up to January 31 2019 and imports of 5.48 lakh bales. The opening stock at the beginning of the season is estimated at 23 lakh bales. CAI has estimated cotton imports at 27 lakh bales, 12 lakh bales higher than the previous year's estimated import of 15 lakh bales. ((Economic times, Jaishree. B., Apr 2019)

Overall estimated domestic cotton consumption is likely to be 316 lakh bales, which is 4 lakh bales lower compared to what was estimated last month. CAI has estimated exports for the season 2018-19 at 50 lakh bales, which are 19 lakh bales lower than the 69 lakh bales estimated last year. (Economic times, Jaishree. B., Apr 2019).

7. Environment Issues:

In the past, textile manufacturers paid little pay attention to their impact on the environment, because the scale of production back then was not as huge as it is today. These destructive habits forged in the early days of apparel manufacture were passed on from generation to generation, however, leaving a nasty, indelible impact on the environment and our natural resources. **(Satopay. A 2019)**

When gallons of toxic pesticides are washed into bodies of water during cotton farming, effluents are discharged into nearby streams from the dyeing process, and poison gases are gushing out of the chimneys of cloth manufacturing factories by the tonne, can we expect to happen to the ozone layer if not leakage? **Satopay. A 2019)**

The fashion industry has an unmistakably hefty carbon footprint, formed as a result of excessive pollution in all areas of operations within the fashion production and retail supply chain.

Traditionally manufactured fabrics incorporate residuals of chemical compounds used in the course of their Manufacture - chemical substances that evaporate into the air we breathe or are absorbed thru our skin. Some of the chemicals are carcinogenic or can also cause harm to youngsters even before start, while others may additionally trigger allergic reactions in a few human beings. Cotton is the second one-most detrimental agricultural crop in the world; 25 percent of all Pesticides used globally are put on cotton plants. Most cotton is irrigated, and the combination of chemical application (thru pesticides and fertilizers) with irrigation is a right away conduit for toxic chemicals to circulate in groundwater global. Dye tub effluents may additionally contain heavy metals, ammonia, alkali salts, toxic solids and big amounts of pigments - many of which are toxic. About forty percentage of globally used colorants comprise organically sure chlorine, a recognized carcinogen .Natural dyes are rarely low-impact, depending at the specific dye and mordant used. Mordants (the substance used to "repair" the colour onto the material) consisting of chromium are very poisonous and high impact. The large quantities of herbal dyestuffs required for dyeing, commonly same to or double that of the fiber's personal weight, make natural dyes prepared from wild vegetation and lichens very excessive impact. **(Satopay. A 2019)**

Many feel the textile and fashion industries pose a serious threat to the environment from the chemical and finishes used in fabric production; the pollutants in detergent consumers use to launder their clothing. Many people prefer buying new cloth each year. Concern for the environment, or the green movement, is thought to be a priority for many consumers today. Green consumers are considered those

who exhibit environmental concerns through purchase behavior. Young people are often thought as being the most eco-concerned some countries recently showed their environmental awareness in an eco-fashion show modeling clothes made from recycled soda pop bottles. Along with more educated consumers, companies must develop multi-faceted marketing approaches that go beyond keywords like “green” or “eco-friendly” and entice customers towards their product superiority, comfort, and brand name. Sustainable fashion could potentially change the way people consume and the way companies create, with the correct balance of the two, an incredibly positive socially and environmentally beneficial effects. (Satopay. A 2019)

a. Water Pollution in the Fashion Industry

In most of the countries in which clothing are manufactured, untreated toxic wastewaters from apparel factories are discarded directly into the rivers.

Wastewater contains toxic substances such as lead, mercury, and arsenic, among others. These are extremely harmful for the aquatic life and the health of millions of people living by those rivers banks. The contamination also reaches the sea and eventually spreads around the globe. (<https://www.sustainyourstyle.org/en/whats-wrong-with-the-fashion-industry>)

Another major source of water contamination is the use of fertilizers for cotton production, which heavily pollutes runoff waters and evaporation waters. (<https://www.sustainyourstyle.org/en/whats-wrong-with-the-fashion-industry>)

8. Health and Safety Risks

On top of denying scores and scores of men, women, and children of their human basic rights, and of paying its workers with insufficient wages, the fashion industry poses fatal threats to the lives of its workers and employees as many these companies are known to build their Second and Third World apparel production units cheaply and shoddily.

(<https://www.sustainyourstyle.org/en/whats-wrong-with-the-fashion-industry>) Furthermore, most cotton farmers and sweatshop workers endure long-term exposure to pesticides, lead-based dyes, and poisoning from chemicals, and are found to suffer from:

- Consistent vomiting, headaches, tremors
- Lack of coordination
- Loss of consciousness
- Respiratory diseases
- Impaired memory
- Concentration disorientation
- Extreme depression and palpitation
- Seizures
- Death

Conclusion

Fashion has touched each sphere of modern customers from all over the world. In present situation entrepreneurs have realized the great conceivable to yield business in this booming segment. Fashion Marketing is utilizing recent tendencies in trend to analyze, develop, and put into effect sales strategies.

Fashion Marketers are the visionaries who can pick out the target purchaser and understand how to market the clothes to these groups.

there was shortage of raw material supply. Also, the shortage of cotton due to inferior infrastructure had led to decline in orders from foreign company. This caused reduction in the ranking in the global export market. Due to shortage of raw material supply the cost also increased, again affecting the export rate to different regions. Another mishap in Gujrat leads to mass return of laborer's causing in reduction of production. The impact of GST has hit the industry again causing in rate increase of the textile material. The environmental compliance causing adverse effect also to have led to degradation within the industry. People are being aware of the impact on the environment thus shifting towards sustainable fashion.

Overcoming these current issues is vital. Various provisions are to be implemented including shifting towards sustainable fashion. Using environment friendly textiles, dyes, organic fabrics. Presently dyes obtained from algae could be used for colors or mushroom leather. Smart stitch could be a working way for sustainability. Recycling/up cycling of garments as opposed to purchasing newly produced clothes also forms part of making sustainable fashion choices. There is a need to work on correcting the challenges in the form of outdated technology, inflexible labor laws and infrastructure bottlenecks. While India has abundant supply of labor, flexibility in labor laws and adequate skilling will give a big boost to the textiles industry. These contemporary issues if are given attention to could be tackled in years to come. While weavers and designers are gradually shifting to sustainable fashion, what aids their shift the most is demand by conscious consumers. So, the demand of customers plays the major role in the working of industry about what they need to supply should be fitting the customer demand. Thus, if the customers are aware and taking up their initiative to switch to fashion that do not harm the environment could add to a better working industry not affecting the environment compliance.

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