

Dear Readers,

“When the going gets tough, the tough gets going, “the saying has been very true in case of textile industry of India and Tirupur is not an exception. There have been a lot of issues on the macro level since the environment demanded too much from the cluster. Frequent rise in the yarn price, fluctuations in the Rupee value, lack of skilled labour and lot of other issues fell upon the management as unbearable burdens. But as we bring you this issue, I am happy to announce that a lot of professional and intelligent approaches have been visible in the industry to cope up with the market and tackle all the hurdles.



It is a fact that within a short period i.e., from August to December 2010, about 20% of units disappeared and around 25,000 people lost their jobs due to the uncontrolled yarn price, which rose to whopping 200%. Within a quarter, the effort taken by various associations, which captain the Cluster, to support the industry was highly appreciable. The initiatives lead by TEA, AEPC, AEMA, SIHMA, KNITcMA, DAT, TIF, TEKPA, SIIMKA etc., forced the government to take appropriate action.

Even in such a tight scenario, what appeared highly attractive and valuable in the project perspective was, ‘how various management teams effectively controlled the micro factors to keep in-check the influence of these environmental pressures’. They have set certain standards to lead the clusters by example, which will take the clusters to new heights, if followed and will be replicated in the right sense. As a part of project implementing team,, we are more than glad that we too could play a part in joining hands with the proactive management teams in taking-up the services of experts in solving micro issues and implementing new systems for achieving higher competency. The Productivity Improvement Programme, Energy Saving Audits, Training Programme in HRD, Workshop on Industrial Engineering & 5s Principles, etc., were extremely fruitful. On behalf of the project team I would like to thank the co-operation and enthusiasm shown by various stake holders of the industry in making all these activities a success.

Shabeer Ahammed
CDM, Tirupur Knitwear Cluster

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THE CASE STUDY PROGRAMME AT NIFT-TEA

The diagnostic study revealed that Tirupur Knitwear Cluster lacked BDS providers in the strategic areas for addressing the micro issues in value-chain of knitwear manufacturing. Hence, efforts have been taken to give prior importance to develop NIFT-TEA as a unique BDSP offering a one stop BDS solution centre.

The initiatives under the project with NIFT-TEA have created a sustainable mechanism to determine the frequent micro issues present at various stages in Knitwear manufacturing, with the help of technical knowledge and professional expertise of the faculty under various departments along with the students, there by gathering relevant data and presenting them in the form of case study. This not only gave the upcoming managers from NIFT-TEA a better exposure on the situations they have to face, but it also created a very dynamic databank with a number of repeatedly occurring issues in the knitwear industry and their immediate solutions.



The presentation of case studies to the Industry at NIFT TEA

Initiatives were also taken to help the firms in solving the identified issues through pilot implementation by faculties. It is important to make sure that the entire value chain is also covered. Hence, the different issues that frequently occurred in the industry were collected across six functions of the value chain and documented. A panel with faculties from concerned departments have studied the scope, seriousness and monetary loses involved in each cases and on a priority basis the most influential and vital issues were selected for pilot implementation.

This resulted in identifying the optimum solution for the issue through systematic and scientific approach. This encouraged the member firms of NIFT-TEA and its supporting associations/BMOs to utilise the services/guidance of the faculties in solving their issues in the units. These cases and their reports were made available to the industry by sharing it through NIFT TEA portal after upgrading it with required modules and fields.

EVENTS SNAPSHOT

Workshop on Industrial Engineering Techniques

The world economy has changed in significant ways during the past several decades, especially in the areas of international trade and industrial organization. Two of the most important new features of the contemporary economy are the globalization of production and trade. Therefore today's technological systems are characterized by orientation to productivity; this can be achieved through the apparel engineering using industrial engineering techniques.

Industrial Engineering Techniques are widely used in automobile and other hardcore manufacturing sectors but is not a familiar term for Garment Industry. It is because of lack of awareness and absence of proper training and guidance. It is under this scenario the project has brought in a series of programs in bridging this gap. Hence a 2 day workshop was held at TEA E- Readiness Centre on 6-7th December to make the cluster aware on the importance and benefits of utilizing these techniques and principles in garment production to improve productivity.

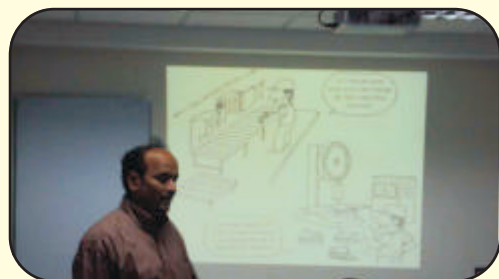
Separate sessions were conducted by faculties of ATDC for discussing various concepts like Workplace lay out engineering, time study, method study, line balancing etc. The sessions were highly interactive and the participants being highly interested and satisfied, they demanded for extended training programs to have deeper insights and experience in these concepts.



Faculties of ATDC along with R Nagarajan – Principal handling the sessions on Industrial engineering techniques

Workshop on 5S Principles and 7 QC Tools

Generally there is a wrong perception on Lean, six sigma, waste minimization and quality improvement concepts that they are most effective to the Engineering industries rather than textiles. In order to overcome such perception and to create awareness on these principles, seminars and workshops were conducted. Interested firms were identified and encouraged to implement those practices with the assistance of the BDS providers. Around 30 firms and 50 executives participated. Workshops on Lean, six sigma, waste minimization and quality improvement concepts were done by the BDS – Indian Statistical Institute. Seminar on Lean Manufacturing and Six Sigma was handled by Prof. A. Rajagopal –Head of SQC & OR Unit, ISI Coimbatore. To continue this activity with a view to create more awareness on Lean Manufacturing and Six Sigma Principles, a 2day Workshop was conducted at the TEA E-Readiness Centre on 21st and 22nd September, 2010 by Prof.A.Rajagopal and Mr. V.V. Iyer. As the outcome of this program, out of 22 firms one firm came forward for the implementation of "Pilots for Lean Manufacturing" in their organization without any project support.



R Rajagopal of ISI Coimbatore discussing practical applications of 5S principle in garment industry

"2nd Entrepreneurs' Club Meeting"

The Entrepreneurs' Club formed in the cluster under the project support has shown good results and there has been a continuous flow of small and new business aspirants keenly searching for an opportunity that will give them a cutting edge to grow in the industry. The old stalwarts also come up with their suggestions and are keen on sharing their experiences. It turned out to be a common platform for information sharing through open discussions among people.

In the first meeting it was decided to conduct a seminar on various schemes available for MSMEs in India. With this objective MSME DI Coimbatore was invited and Mr. P Sivasubramanian – Assistant Director explained different subsidy schemes and programs organised across the country for the development of MSMEs. He also brought focus towards the objectives and the processes involved in such programs.

A special interactive session with officials from SIDBI was also arranged with Assistant Managers from local SIDBI office had one to one interactions with the members on the services offered by SIDBI for the well being of the industry

Seminar on Ethical Management

A seminar on "Ethical Management" as a part of Training program on personnel management and H.R was held at NIFT TEA on 19 Nov 2010. The speaker was Mrs. Doris Gerber who has a wide range of experience in the industry across the globe in serving the business as a sourcing and production advisor, social auditor, consultant trainer etc. Mr. Gokarnesan, Principal of NIFT TEA in his welcome speech explained the importance of ethical values and told the audience about the hostility around, which is a result of lack of ethics. ACDS C.D.M. Mr. Shabeer Ahammed briefed on Apex Cluster Development Services and the B.D.S. development project funded by World Bank, DFID U.K.

Valuable suggestions, advises, examples etc. were given and finally the participants were advised to follow the rules and regulations by state/local government which will cover almost all norms of these international standard compliances. Hence the seminar was useful for the managers, entrepreneurs and other participants for inculcating ethical values and recognizing their Corporate Social Responsibility.



Seminar being conducted on ethical management

DESIGNER'S CLUB

To promote designers from the cluster and to build industrial linkages through the experts, A Club for Designers was formed on 3rd September 2010. The club consists of designers from the Industry, Alumni of NIFT TEA, designing students of NIFT TEA and various other fashion institutes from the cluster. The main objectives behind the formation of this club were:

- To promote local designers nationally and internationally and equip the designers in the cluster with the knowledge and skill to tap international market and provide opportunities.
- To create a platform for the designers to share their views, thoughts and knowledge.
- To help the designers in achieving competency with world class designers by helping them to improve their skill in fashion/colour forecast, new technologies and tools used for designing, freelancing opportunities etc.

Chairman of the institute (NIFT TEA College of Fashion Technology) as well as Principal and Head of fashion designing department took special interest on this activity and gave their consent to use the institute as a common platform for the designers. They also provided the complete list of Alumni who were available in the college.

The formation of Designer's club has been a great help for the aspiring and the upcoming designers of the industry. The club has made the students interact with the designers through various programs, meetings etc. It has encouraged the students and existing designers of the cluster to stay updated with the recent trends and enhance their skills. Designers have been placed in various firms along with the help of F.A.. This has also helped them in finding new opportunities in their career.



CDM explaining the purpose and objective of the initiative and Mr. Abu Hassan sharing his experience in Fashion Industry

ENERGY SAVING AUDITS - ENERGY SAVINGS INITIATIVES

The cost of energy as percentage of manufacturing cost varies between 12-15%. The increasing electricity demand and shortages, energy costs going high next followed with the raw material and labour costs. Adopting Energy conservation in the plant is a significant step in sustaining the business and shore up the bottom line.

In Textile process main focus is given to quality and productivity with least importance to Energy Conservation. Growing concerns of Buyers and brands over the environmental and Green House Gas Emissions, adopting the energy conservation and sustainable practices becomes integral part of the business activities. In addition to economical and environmental benefits, Energy conservation activity raises business's profile amongst contemporary players.

Textile Sector has a potential of achieving energy savings of about 15%. Findings and potential Savings in the Tirupur Textile cluster across the value chain is presented in Table I, II & III.

Table 1

Process Type	Spinning		Knitting	
	Electricity (kWh)	Compressor	Electrical	Compressor
Percentage of Energy Saving Potential	10%	9%	9%	10%

Table II

Process Type	Apparel			
	Electrical	Compressor	Thermal (Steam for Ironing)	DG Set
Percentage of Energy Saving Potential	14%	15%	18%	5%

Table III

Process Type	Textile Wet Processing		Finishing	
	Thermal (Tonnes)	Electrical (kWh)	Thermal (Tonnes)	Electrical (kWh)
Percentage of Energy Saving Potential	15%	10%	15%	11%



Energy saving measures results in
"Reduction in GHG Emissions and Making
this planet better place to live".

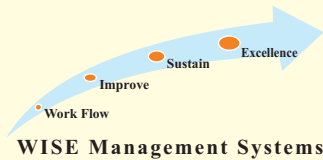


In a Compressed air systems Textile industry can save up to 20% of energy by focusing "Low Hanging Fruits"

Tremendous scope for improving Power Factor in Textile Industries. By improving PF plant can achieve up to 4-6% Energy savings with the reduction of kVA significantly.

Steam distribution system accounts for 8-12% of Fuel savings in the plant. Leaking live steam, insulation and better maintenance of Steam utilities gives significant savings and better operational performance.

PROMOTING WISE MANAGEMENT SYSTEMS TO HEAD CAPSULE - TIRUPUR



WISE Management Systems was incorporated in September 2009, in Singapore with formal commencement of business activities in India from March 2010. Acronym for WISE stands for Workflow- Improve- Sustain- Excellence.

WISE Management Systems is a partnership firm headed by Mr. Subramanian who is a Mechanical Engineer with MBA in finance and certified project management professional. WISE Management systems has grown in strength in 2010 with clients in Tirupur, Bangalore, Pondicherry, Coimbatore, Erode, Trichy etc., in India and in Singapore focusing in systems implementation (Quality -ISO 9001, Occupational Health and Safety –BS 18001), Process Improvement, Productivity Improvement, Lean Manufacturing, Project Management & Cost Management.

Since its inception, WISE Management Systems has been working in close coordination with ACDS for this project in various activities. With the quest to meet diverse expectations of growing customer base, it was proposed to bring in the experts from different facets that were having quite substantial competency skill sets and experience. Mr. Subramanian, with the support and guidance from the project brought in experts who have grown in stature within 2010 to become key members as Panel of Experts Group (PEG) who are able to give vision, strategies and programs for WISE Management Systems.

The likes of Innotec Consultants (headed by Mr. R. Azhahia Manavalan and Mr. Jawarlal- Energy Management , Assessment, Audit, Six Sigma and NLP, Kaizen Training), Shakthi Consultants (headed by Mr. Jayaraman – Process Optimization, New Products / Process Developments, Collaborating with educational Institutions, Suppliers and Service Providers), Formal Memorandum Of Understanding agreement signed with PSNA College of Engineering and Technology, Dindigul (Dr. Rajasekar – BEE Certified Electrical Auditor), Kongu Engineering College, Perundurai (Dr. Narayanan –Mechanical Engineering) to facilitate technical support, Mr. Rathinam (Effluent Treatment Plant, Project Management Expert), Mr. Ramanathan (Industrial Safety Expert), Mr. Vinoth Kumar (SAP, BAN, MIS Expert), Mr. Andrew (Prefab, Construction Industry Expert running operations in Singapore), Mr. T T Tan GEMBA Singapore (for Lean Manufacturing Systems), Strategic suppliers (for Combustion controllers, Steam Distribution Systems, Power Quality Enhancement Systems, Compressed Air Transmission and Distribution Systems etc.), Bureau of Indian Standards (BIS) (strategic service provider for certification services) etc., came into picture broadening the umbrella of services offered.

Parallel to this, initiatives were taken in the cluster under the project to create a one stop BDS Solution for serving the Industry using the platform of NIFT TEA. NIFT TEA as an academic institution needs a professional guidance in achieving this objective. It was under these circumstances that the idea of CAPSULE – Tirupur came up. It was proposed to link WISE Management System to NIFT TEA with a strategic tie up for achieving higher results ensuring better reach in the industry through its member firms.

TIRUPUR SOURCING FORUM (TSF)

With the history of over 25 years intense Apparel Manufacturing and Marketing from Tirupur, only in the recent period the major segments of this Industry became a Cluster and formed their own representative associations to streamline and safeguard their operations. Traditionally the Labour force had the only group to have a Representative Body to express their interest and rights in any Industry. But the growth of Apparel Industry at Tirupur has urged the Manufacturing and Process units to realise their importance and future to form as a Group under one fold as Associations. Right from SIHMA & TEA which represent the Manufacturing and marketing company's the other Process industries say Printing, Embroidery, Washing & Compacting, Job working, Dyeing, Value addition units are all now working as a Cluster with the guidance of their own Associations.

SOURCING AND BUYING AGENCIES: WHY IS SOURCING FORUM NECESSARY?

The phenomenal growth of Apparel fraternity has given opportunity to many Individuals and companies to flourish on Sourcing and Marketing activity for Domestic and Export Markets. Almost all the international and multinational sourcing companies have opened their offices at Tirupur. More than 500 small and medium size Sourcing companies are now operating out of Tirupur to Cater over 2000 manufacturing Units.

FEATURES AND BENEFITS OF A SOURCING FORUM

- It can basically take care of their individual interest and issues with their customers.
- It can act as a Prime Information Centre of Sourcing for the Buyers.
- It can be a Representative Body for all disputes arising out of their Buying clients.
- It can get a regular Market Research and Analysis Reports from renowned R&D Agencies which will help them to be ready for any change in the market and plan their strategy accordingly. These kinds of reports are most of the time expensive to be borne by single Firm.
- With timely information and professional approach TSF can add more value to the goods manufactured in the cluster.
- It can be represented as a body with government and other Nodal Agencies to know the developmental project finance assistance available and utilise them for common benefit along with industry promotion.

TSF is a FORUM of source and information provider and not Association of Members. More than members the concept is having great role to play and the scope are unlimited.



The Idea of TSF was brought forward to the project by Mr. G Manikandan – CEO, Apparel Global Consulting Tirupur with the guidance from Textiles Committee Tirupur

UPCOMING EVENTS

The major upcoming events of next quarter are highlighted below:

JANUARY

- Workshop on energy conservation and sharing of outcome of energy savings initiatives
- Training program on industrial engineering and Lean Manufacturing.
- 3rd Entrepreneurs' Club meeting.

FEBRUARY

- 4th Entrepreneurs' Club meeting
- Organizing National level forum and seminar on fashion designing.
- Training Program on Financial Management

MARCH

- Cluster Coordination Committee Meeting

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For Feedback / Enquiries, Contact :

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