

Textile units in Punjab lose sheen

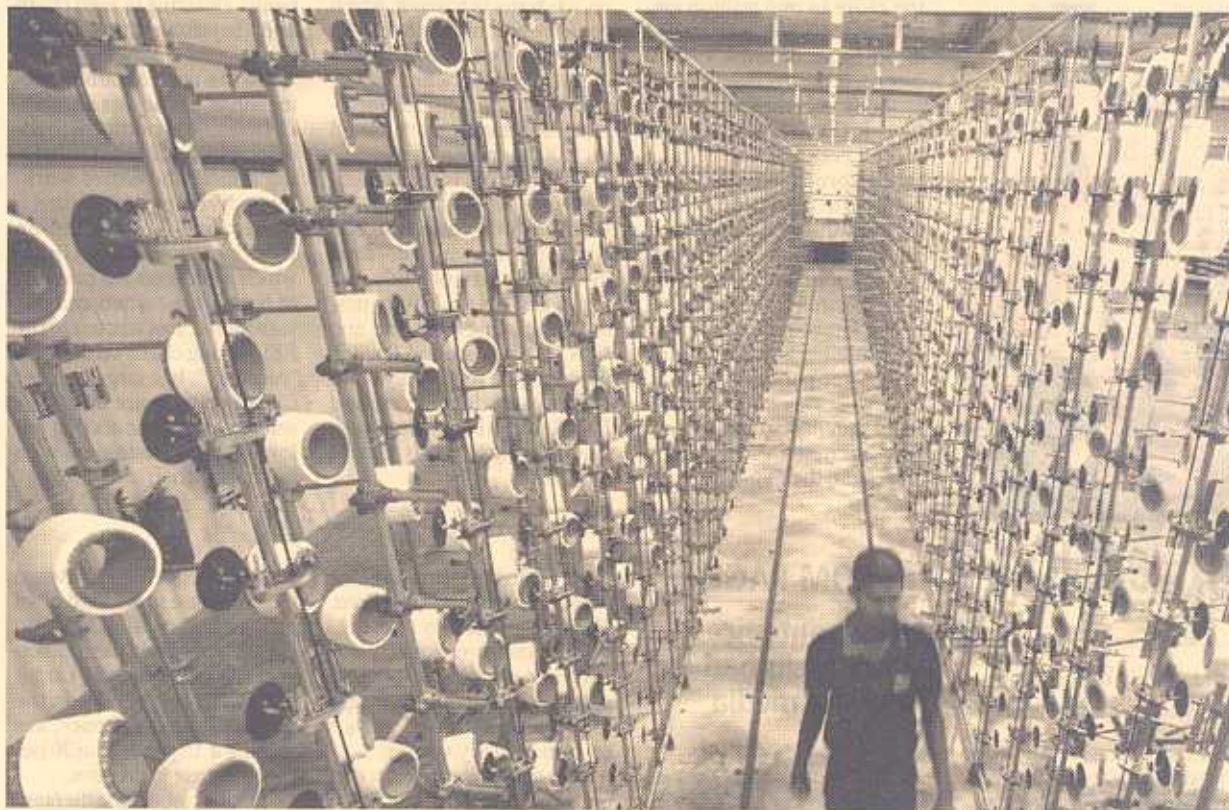
Inefficient management, technological obsolescence and an apathetic government contribute to the closure of more than 100 units

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Once regarded as Punjab's pride, the textile houses in the state have witnessed rapid decline. Lack of innovation coupled with unwillingness to keep abreast of technology has resulted in closure of many textile units. Of the 123 processing houses falling in small and medium enterprises (SME) category only around 12 are functioning. While the shawl and blanket industry has managed to retain its market, the textile processing houses have been the worst hit.

The units had to close as they were unable to face competition and failed to update themselves in latest machinery and technology. The industrialists in Surat and Ahmedabad, however, equipped themselves with the latest technology posing a serious challenge to local players. Also, the raw material for the processing houses (the fabric) comes from Pawandi and Surat making the industrialists shell out extra money towards freight, octroi and other taxes. This has led to increased production cost for these units.

The state government's step-motherly treatment of these units has also been a reason for some recent closures. The subsidy announced by the state government for setting up new units about 10 years



The paucity of funds and higher interest rates charged by banks from SMEs have also caused many units to shut down

back has not been released yet.

The paucity of funds and higher interest rates charged by banks from SMEs have also driven many units to closure. On the closure of units, Piare Lal Seth, an industrialist said: "Industrialists were themselves responsible for the lowfall and decline in trade.

They made no efforts to get their product branded. They refused to meet changes in fashion and technology head-on, which could have helped them survive."

He added that the inability of the industry to absorb trained and qualified manpower from Guru Nanak Dev University's professional

course was a big mistake. As a result, the work force migrated to Ahmedabad, Surat and Panipat leaving the industry here in the lurch.

Learning from the past mistakes, the units operational today have adopted latest technology and are even using embroidery machines from Switzerland. Further, proces-

sors like Gopi Krishna Processors, Ganpati, Super Textile Industries have got their product branded and are catering to consumers according to the trend. Experts believe that that if the SMEs adopt the latest technology involved in processing sector, there is no dearth of opportunities in this sector.