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"A case study on issues that are affecting the supply chain operation of the textile industry in Pakistan."



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Abstract

The textile industry is a major industry operating in Pakistan that is contributing a major part to the exports being made by the country. This textile industry is producing some of the finest clothes around the globe that is majorly being wanted all around the globe increasing the overall per capita of the country annually. However, Pakistan being a developing country does face several problems in every field. The textile industry is one of the industries facing the same problems due to the reduced resources present in the country as well as facing the impact of the incompatibility of the present as well as the previous governments to provide an adequate environment for the industries working in the country to produce better products. This research paper focuses on the textile industry the problems being faced by the supply chain of the textile industry and the impact of such problems on the overall outcome of the product from the industry.

Pakistan is also the sixth-largest importer of raw cotton all around the globe and the third-largest consumer of cotton products all around the globe. The textile industry is also contributing towards 46% of the total output of the country and a total of 8.5% of the GDP of the country. Pakistan is also the eighth largest exporter of textile products in Asia and provides a total of 45% of employment to the employers in the country in the year 2020. Thus this makes the overall textile industry one of the most important industries of the country.

The textile industry has faced several problems since the start of the time such as the energy crisis that caused major problems for the textile industry. The overall production of the textile industry was reduced to half and the textile industries had to permanently shut down about 10% of the overall looms and machines to meet the overall expenses of working. In the year 2012 thousands of textile employers were fired due to the lack of proper jobs for these employees in the textile industry.

Table of contents

Acknowledgment	2
Abstract	3
1. Introduction	7
1.1. Overview	7
1.2. Business Need	8
1.3. Reason and the Desired result	8
1.4. Goal and Objective	9
1.5. Success Definition of the Project	9
1.6. Timeframes, Budget estimates, constraints, and assumptions	10
2. Problem Definition and requirement analysis	11
2.1. Issues being faced	11
2.2. Requirement Analysis.....	11
3. Literature Review	12
3.1. History.....	12
3.2. Sectors of Textile Industry	14
3.3. Supply chain management	15
4. Problems being faced	16
4.1. Lack of Research and Development in Cotton Sector	16
4.2. Finance bill to burden industry further.....	17
4.3. The increasing cost of production.....	17
4.4. Internal issues pose a Larger Threat for Pakistan’s Textile Industry.....	18
4.5. Effect of inflation.....	18
4.6. Energy crisis	20
4.7. Tight monetary policy	20
4.8. Electricity crisis	21
4.9. Lack of Modernize equipment	23
4.10. Removal of subsidy on the textile sector	23
4.11. Lack of new investment	24
4.12. Raw material prices	24
4.13. Export performance of the textile sector.....	25

4.14. <i>Lack of skilled Employees</i>	26
5. Future Enhancements/Action Plan	26
5.1. <i>Introduce a research section in the textile industry</i>	27
5.2. <i>Improved Financial Bills</i>	27
5.3. <i>Keeping the cost of production constant</i>	27
5.4. <i>Reduce the Effect of inflation</i>	28
5.5. <i>Catering Energy crisis</i>	28
5.6. <i>Improve equipment and train employees</i>	28
6. Conclusion.....	29
7. References	31

Table of Figure

Figure 1: Trend of inflation in 2021 20

1. Introduction

1.1. Overview

The word textile has been driven from the Latin word texture meaning "to weave". Thus the main purpose of the textile industry is to produce a piece of cloth as a product of the manufacturing process being carried out in the industry. The textile industry is one of the most important industries working inside Pakistan and is most commonly known as the backbone of the economy of the country due to all the revenue being generated by the country and the number of jobs being offered by the textile industry itself. Another major reason for calling the textile industry the backbone of the economy of the country is the fact that the textile industry is the fourth largest cotton producer all around the globe. Pakistan is also the sixth-largest importer of raw cotton all around the globe and the third-largest consumer of cotton products all around the globe. The textile industry is also contributing towards 46% of the total output of the country and a total of 8.5% of the GDP of the country. Pakistan is also the eighth largest exporter of textile products in Asia and provides a total of 45% of employment to the employers in the country in the year 2020 (Ravi, 2015).

Textile industry started in the year 1950 in Pakistan with the inauguration of PIDC having the main aim to industrialize the main fields of the country. PIDC started working on a project that was completed in the year 1953 developing Valika Textile Mill in Karachi (textileasart, 2022). This was the first textile mill in the country and started converting raw cotton into the refined textile to be exported outside the country as well as using the same in the country to avoid the import of clothes.

This was not the end of the development of such plants. By the mid of 1960s, about 180 different functional plants were present in Pakistan. These plants were majorly present in Karachi or different cities in Punjab having different functionalities such as textile bleaching, printing, and processing of the textile. This continued to grow till 2008 when the textile industry started to face several problems 2013 (textileasart, 2022). However, these problems were actively resolved by the new government in Pakistan and the overall textile industry is working effectively in Pakistan.

1.2. Business Need

The textile industry is working as one of the most important industries producing huge contributions towards the overall exports, employment generations, and the GDP contribution by the textile industry itself. Such an important industry does require a flawless operation and for such operations, the industry does require proper supply chain management to have all the raw materials and resources present inside the textile industry. This research is required to list down all the issues being faced by the textile industry and the supply chain management of the textile industry for the government to make respective changes in the availability of the resources and to solve the problems being faced to improve the outcome of the textile industry and to increase the overall revenue being generated.

1.3. Reason and the Desired result

The reason behind the overall research being carried out is to make sure that all the problems being faced by the supply chain management of the textile industry are being highlighted along with the solution of the overall problems being faced by the textile industry. All these problems listed along with the solutions will be helping the overall textile management to better remove these problems or the government to help the

management mitigate the problems being faced to better improve the overall outcome of the textile industry. Thus the overall desired result can be defined as a list of issues along with the solutions to these problems being faced by the textile industry.

1.4. Goal and Objective

The main objective of the research paper is to improve the supply chain management process by listing down the issues being faced by the supply chain management of the textile industry in Pakistan in order to improve the revenue being generated by the sector that can ultimately improve the exports being made by the country. Along with the focus on the problems being faced, we will also be providing a solutions to the problems being faced by referencing several authentic research works and conducting surveys with the representatives of the textile industry within the deadline provided by the University.

The overall goals of the research work can be listed as

- To highlight the importance of the textile industry.
- To list down the problems being faced by the textile industry.
- To list down the solutions to the problems at hand.

1.5. Success Definition of the Project

The overall project will be a successful research paper if and only if the research paper will be able to list down all the issues being faced by the supply chain management of the textile industry along with the impact of the issues on the textile industry and the probable solutions that can remove the problem being faced by the textile industry. This research paper can be used by several entities for their benefit such as the textile management that can take help from the research paper to remove all the problems being faced. The second

one is the government that can use the research paper to help the supply chain management to remove the problems being faced. These issues are having a direct impact on the productivity of the textile industry. Removal of these issues from the textile industry can help the overall textile industry generate more revenue, more employment opportunities and increase the contribution towards the overall GDP of the country by increasing the overall exports of the country.

1.6. *Timeframes, Budget estimates, constraints, and assumptions*

The time frame allocated for the overall research work is till the end of the semester. Thus the overall research is to be conducted within the allocated time frame by the educational institute. This being a research-based project, thus there are no budget constraints. All the information is to be gathered from online resources and listed down in the project along with the possible solutions to the project that is to be listed down after extensive research is performed.

The only constraint in the research process is the inability to perform surveys by meeting the management of the textile industry in person due to the COVID restrictions. Thus the overall research is performed online by collecting all the information present on different authentic websites. The only assumption being made in the process is that all the information present on these verified websites along with the previous research papers is correct. Any flawed information from these resources might have a huge impact on the overall outcome of the research being conducted for educational purposes.

2. Problem Definition and requirement analysis

2.1. Issues being faced

The textile industry is booming in Pakistan due to two major reasons. The first one is the cheap labor available in Pakistan for all the tasks required in the textile industry and the second one is the availability of all the raw materials and the resources required for the textile generation. Pakistan is one of the countries that do have all the required components in abundance for the generation of textile and the overall raw material being present in such an abundance that the country is exporting raw cotton to the rest of the world.

However, the major problem is the fact that the country does have the potential to increase the overall generation of the textile by improving the overall working of the textile industry. Raw cotton being exported is similar to wasting all the raw material that can be converted to textile and can be exported at much higher prices. Thus the overall limitations in the supply chain management that are reducing the overall outcome of the textile industry is a major problem for the industry as well as the government itself that do require immediate action to make sure that the overall production of textile can be improved to increase the export of the refined product instead of the raw cotton being exported around the globe.

2.2. Requirement Analysis

The overall requirement is to find out the ways to improve textile export from Pakistan. This can only be done by removing the limitations in the process of making textile in the country. Most of these limitations are associated with the overall supply chain management

of the textile industry causing a major problem and limiting the overall textile generation of the country.

3. Literature Review

3.1. History

Textile industry started in the year 1950 in Pakistan with the inauguration of PIDC having the main aim to industrialize the main fields of the country. PIDC started working on a project that was completed in the year 1953 developing Valika Textile Mill in Karachi (textileasart, 2022). This was the first textile mill in the country and started converting raw cotton into the refined textile to be exported outside the country as well as using the same in the country to avoid the import of clothes.

This was not the end of the development of such plants. By the mid of 1960s, about 180 different functional plants were present in Pakistan. These plants were majorly present in Karachi or different cities in Punjab having different functionalities such as textile bleaching, printing, and processing of the textile.

This industry does face a major loss in the 1970s due to the separation of East India due to the political differences in both regions. However, despite the setback due to the separation of East India, Pakistan still had a total of 2,605,000 spindles and 30,000 looms in Pakistan to process all the raw cotton and convert this into refined textile. However, the major change faced by the textile industry was that the textile export that was previously controlled by CEC was transferred to the Pakistan government (textileasart, 2022).

The 1980s was stable for the textile industry due to the increase in the development units of the textile industry and the increase in friendly interactions with the rest of the world.

Such relations helped in the increase of the overall export of the refined textile being generated in the country.

In the 1990s, the same textile industry was drastically changed because the overall manual process being followed by the textile industry was converted to automation generation of the textile using automated machines to produce high-quality products.

The overall impact of this industrialization of the textile industry started showing in the year the 2000s. The overall export of the textile increased from \$5.2 Billion in the year 1997 to about \$10.5 billion in the year 2007 due to the industrialization and improvement in the overall quality of the product being exported. However, the overall exports could be much greater but the overall textile industry faced several limitations at the end of the 2000s. The overall industry faced a severe energy crisis in terms of the lack of electricity for the proper working of the textile industry along with the presence of no gas for three days a week reducing the overall productivity of these industries to about half. APTMA prepared a report that presented the fact that the overall export in the year 2010 could have been \$16 Billion was reduced to about \$8 Billion due to all the limitations and issues being faced by the textile industry.

The year 2012-2013 can be listed as the worst years for the textile industry. This is because the energy crisis caused major problems for the textile industry. The overall production of the textile industry was reduced to half and the textile industries had to permanently shut down about 10% of the overall looms and machines to meet the overall expenses of working. In the year 2012 thousands of textile employers were fired due to the lack of proper jobs for these employees in the textile industry. All these employees were seen to

be protesting in the year 2013 due to the lack of energy for proper working in the textile industry.

However, the overall conditions of the textile industry improved since then. The year 2014 brought several revolutions in the textile industries in terms of the governmental interaction with the textile industry and provision of energy to fulfill the basic requirement of the textile industry to work properly and increase the overall effectiveness of the textile industry.

3.2. Sectors of Textile Industry

The overall textile industry is based on several different sectors that do combine to lead to the total exports of the textile industry. The overall industry is based on different sectors and each sector does have different requirements in terms of the supply chain management to cater to. Thus the overall requirements do increase in terms of supply chain management.

The first type of sector is the spinning sector of the textile industry that majorly converts the fibers into yarn. This is the process that converts the overall fibers that might be man-made fibers such as polyester or naturally made fibers such as cotton. This also includes the production of manmade yarn that is not being made by fibers. Hence all the sectors that are producing yarns, in the end, can be classified as the spinning sectors.

The next major sector in the textile industry is the weaving sector that does convert the yarns into clothes. The major type of raw products are woolen and the machine being used to convert the overall yarn into clothes is the loom. The overall weaving sector can also be divided into three major sectors. These sectors are the integrated weaving sectors, the independent weaving sectors, and the power loom sectors.

Another major sector in the textile industry is the ginning sector. This sector is majorly linked with the Cotton industry and that does make 56% of all the exports of the fibers from Pakistan. The country does have a total of 1221 ginning plants in Pakistan to process cotton and increase the overall export of cotton around the globe (Hussain, 2022).

3.3. *Supply chain management*

Supply chain management is the overall flow of products or services being provided to the end consumer starting from the raw material that is being used for the production of the product to the end product being produced by the organization. Thus the overall supply chain management is the process that manages all the processes from the ordering of the raw material and the management of the raw material in the industry to the production of the product in the industry by the employees, to the delivery of these products to the customers as well as the overall services being provided in terms of the maintenance of the products already delivered to the customers.

This supply chain as linked with the textile industry will be responsible for the overall management of the raw material such as raw cotton, fibers, dyes required for the printing of clothes, and all the other raw material that is used by different sectors of the textile industry. The same supply chain management will also be responsible for the hiring of the appropriate employees with the required skills to make sure that these employees can process the raw material and can make the best possible product from the raw material provided. This supply chain management is also responsible for the packing of the product as well as the delivery of the product to the customer as the end product is the finalized product.

4. Problems being faced

The textile industry is facing several problems in the supply chain sector due to the lesser developed country and the incompatibility of the governments to provide the required environment to operate with all the required raw materials for the production in the textile industry. These problems are directly proportional to the overall decline in production of the textile industry as well as the reduction in the revenue being produced in the textile industry.

4.1. Lack of Research and Development in Cotton Sector

The first and the foremost important issue that is being faced by the supply chain of the textile industry in Pakistan is the lack of research and development in the cotton sector. Pakistan is one of the countries that is still working on the older process of farming cotton and using the same process that was once used at the time of independence of Pakistan in the year 1947. Thus this can be said for sure that there is a clear indication that the cotton and textile industry is facing a clear issue of the lack of research. Better procedures can increase the overall production of cotton and textile by many folds if implemented (Harland, 1996).

The same can be said about the tools and technology being used by the textile industry of Pakistan. Despite such an important and revenue-generating industry of Pakistan, the textile industry is far behind the rest of the world. This industry is using the older technology and machines as compared to the rest of the world due to the lack of financial support and lack of knowledge about the better machines that can be imported to increase the overall production of the textile industry in Pakistan.

4.2. Finance bill to burden industry further

Another major issue being faced by the supply chain management are the financial bills that are passed by the government of Pakistan. These bills are majorly being passed by the government to collect taxes from the industries present in the country and to utilize the amount collected as tax from the industry for the betterment of these industries. However, the major problem is the fact that the overall bills do collect a handsome amount of money from these industries but the services being provided to these industries in return are negligible increasing the overall problems being faced by the textile industry.

4.3. The increasing cost of production

Another major issue faced by the supply chain management of the textile industry is the constantly increasing cost of raw material being used for fabric production. This does include the overall raw material being used for the production of the fabric in the form of raw cotton, the machines that are required for the production of finalized product, the overall material required for printing, and all the maintenance costs for the machines. All these are increasing due to the increased taxes from the government as well as the increasing prices of the products in the country to stabilize the economy of the country in competition with the rest of the world. Thus the supply chain management is facing a huge problem in terms of the increased cost of production for the textile industry because these increased prices are reciprocated with the increase of the prices of the finalized product in the international market which might lead to a loss of several customers due to the presence of international vendors of clothes from different countries offering the same quality clothes at much cheaper prices. All this cycle is creating a huge problem for the supply chain management to keep with the requirements. The main aim of the supply chain is to make sure that the industry does get the best quality raw material at the least possible prices.

However, with the increased prices, the supply chain management has to compromise on one of the factors, either the price or the quality of the product.

4.4. Internal issues pose a Larger Threat for Pakistan's Textile Industry

Supply chain management is very closely related to the management of the industry because the supply chain management has to decide on all the factors starting from the collection of the raw material to the selection of the tools and technologies being used to produce the refined product and the procedures that are to be followed under the process of production. The same can be said about the delivery procedure that is decided by the supply chain management including the vendor to be selected. However, the same supply chain management does face a lot of pressure from different individuals and forces inside the industry to select a specific vendor based on personal relations. Such issues are a huge problem for the textile industry in Pakistan. Selecting a specific vendor due to personal relations or selecting a specific vendor due to bribes is quite common in Pakistan. Thus such internal pressure upon the supply chain management in Pakistan is a greater issue, as it forces them to change the overall decision that might lead to a decline in quality of the final product due to the poor quality raw material being provided by these vendors.

4.5. Effect of inflation

Inflation can be defined as the increase in the general prices of the product in the country. This increase in the overall prices means that the single unit of the currency will now be buying lesser products that were once bought by the same currency unit in the past. This is usually done by the governments to increase the value of the currency in the international market. The exact opposite of this is the deflation in which the overall prices are decreased for the products. This is not preferred as it decreases the overall value of the currency in the market. Inflation is generally a cause of the problem for the individuals living in the

country and the industries in the country. The same can be observed in terms of the inflation in prices in Pakistan in the past 3-4 years. The overall inflation of the country rose to about 12.5 percent in December 2021 as compared to the inflation rate of 11.5 percent in November 2021. This was the highest inflation rate after the February of the same year. A generic trend can be seen for the past year as shown in the figure.

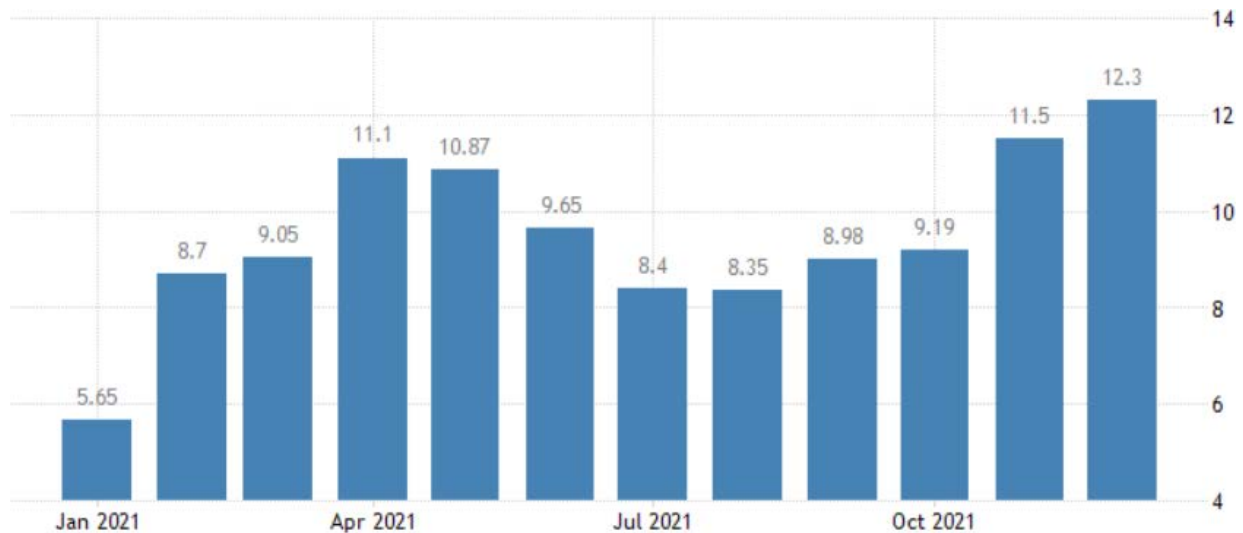


Figure 1: Trend of inflation in 2021.

(Retrieved from: <http://https://textilelearner.net/textile-industry-in-pakistan-an-overview/>)

The trend has shown that inflation has risen from 5.65 percent in January 2021 to about 12.3 percent in December 2021.

This is one of the biggest problems for the textile industry because Inflation causes an increase in prices of all the products to present in the country starting from the raw material to the fuel prices and the transportation prices for the delivery of the product. Thus an exponential increase in Inflation is causing a major problem for the textile industry in Pakistan and especially for the supply chain management because the supply chain

management has to deal with all the increasing prices of the raw material and the transportation process of the refined product being produced at the end of the process. However, the major problem is the fact that the country is not in a place to deflate the prices of the product. As such an action will lead to the degraded value of the currency.

4.6. *Energy crisis*

Another major problem linked with the Textile industry is the fact that the textile industry is majorly facing Energy Crisis. This energy crisis was the worst in the year 2012-2013. This is because the energy crisis caused major problems for the textile industry. The overall production of the textile industry was reduced to half and the textile industries had to permanently shut down about 10% of the overall looms and machines to meet the overall expenses of working. In the year 2012 thousands of textile employers were fired due to the lack of proper jobs for these employees in the textile industry. All these employees were seen to be protesting in the year 2013 due to the lack of energy for proper working in the textile industry. Thus this energy crisis is also a major problem for the textile industry because this disrupts the working of the textile industry causing loss of millions for the textile industry on monthly basis. This loss is due to two main reasons, the first one being that the industry is not able to create the refined product to be delivered to the customer, and the second is a fact that the textile industry has to pay to all the employees despite the industry being in a non-productive state. These employees have to be paid by the textile industry increasing the overall loss to be faced by the textile industry due to the energy crisis being faced by the textile industry in the past few years.

4.7. *Tight monetary policy*

Monetary policy can be defined as the policy devised and established by the monetary authorities inside an organization. The main task of the monetary policy is to make sure

that the overall interest rate payable over the short borrowing is under control. Thus the main task of the monetary policy is to make sure that the inflation and the interest rate of the country are under control. These factors are specially kept in check to make sure that the overall currency is stable in the international market. However, in certain cases, the overall monetary policies cause several problems for the individuals living inside the country or the industries established in the country. Pakistan is one of the countries having a tight monetary policy implemented in the country in which the country has placed several restrictions over the industries working inside the country. These restrictions are based on the time limit being provided to the industries to return the borrowed amount and with a huge interest rate. Such policies do benefit the country but such policies are not good for the industry itself causing a problem for the supply chain to keep the expenses under control for the production process.

4.8. Electricity crisis

Pakistan is the country that is facing a severe electricity crisis in the past. This is due to several reasons and the main reason being the fact that the country does not have an adequate number of dams to produce enough electricity and neither the country is working on any specific project to cater to the need of individuals in terms of electricity on daily basis. Currently, the country is facing a shortage of about 3000MW of electricity. The current generation capacity of the country is at 22000MW of electricity and the requirement of the country is roughly at 25000MW of electricity. This is because the overall industries such as the textile industry are not getting adequate electricity from the government leading to a shortage of electricity for the production process. These industries cannot rely only on the fuels such as petrol or other flammable fuels to run their industries on these fuels thus a breakage in electricity directly results in the stopping of the normal working of the

industry. Such an extreme downfall was observed in the year 2012 and 2013. The overall production of the textile industry was reduced to half and the textile industries had to permanently shut down about 10% of the overall looms and machines to meet the overall expenses of working. In the year 2012 thousands of textile employers were fired due to the lack of proper jobs for these employees in the textile industry. All these employees were seen to be protesting in the year 2013 due to the lack of energy for proper working in the textile industry. Thus this energy crisis is also a major problem for the textile industry because this disrupts the working of the textile industry causing loss of millions for the textile industry on monthly basis. This is a more concerning point for the supply chain management because the overall production is the same but the electricity demand is increasing day by day that is increasing the overall deficiency again in the country. Such a deficiency can disrupt the working of the textile industry for days leading to a loss of millions for the textile industry.

4.9. Lack of Modernize equipment

The same can be said about the tools and technology being used by the textile industry of Pakistan. Despite such an important and revenue-generating industry of Pakistan, the textile industry is far behind the rest of the world. This industry is using the older technology and machines as compared to the rest of the world due to the lack of financial support and lack of knowledge about the better machines that can be imported to increase the overall production of the textile industry in Pakistan. The looms being used in the textile industry, as well as the machines that are being used for dyeing and printing of the already made clothes, are quite older as compared to the machines being used all around the globe that are the latest machines and the machines that can produce much better quality in terms of the fabric being produced and the printed clothes as compared to the fabric being produced inside the textile industry in Pakistan. Thus there is a clear need to improve the overall machines being used in the textile industry to produce better quality products to compete with the other major exporting countries of Textile such as China, India, and the USA.

4.10. Removal of subsidy on the textile sector

The subsidy can be defined as an aid program started by the government to support a specific sector. This program is to financially support the growing sector or industry and to attract more investors into the country to start the same industries. This is usually done by the government to make sure that the designated sector does keep on progressing and the sector should not be facing any problem due to the lack of sponsors in terms of financial support. However, the problem with the subsidy is the fact that the country cannot keep on

supporting the industry for a long period as the interest of the country keeps on diverting to sustain all the sectors. This is a major problem for the supply chain management that the government removed the subsidy plan for the textile industry in the year 1998. This was the year when the government decide that the textile industry is stable enough and does not require financial support in the form of subsidies to continue working. Such a major source of money being removed is a concern for the supply chain management team.

4.11. Lack of new investment

Another major issue being faced by supply chain management is the lack of new investments in the industry. This is because the overall interest of the investors is diverting to new sectors such as the information technology sector nowadays that is blooming around the globe. Thus the investors are diverting the overall investments to the new sectors that are more beneficial and revenue-generating for these investors. Such a change in the overall interest of the investors is also a major problem for the supply chain management as the supply chain management have to cater to all the raw material in the available finances thus having lower finances will eventually decrease the overall quality of the raw material being bought in cheaper prices that will result in a poor quality finalized product being formed. This is a major problem for the supply chain management as trying to keep the prices of the finalized product will decrease the overall quality of the product being sold and keeping the quality of the product same will increase the prices of the final product which might scare away the customers to a new customer for the textile industry in the international market.

4.12. Raw material prices

Another major issue faced by the supply chain management of the textile industry is the constantly increasing cost of raw material being used for fabric production. This does

include the overall raw material being used for the production of the fabric in the form of raw cotton, the machines that are required for the production of finalized product, the overall material required for printing, and all the maintenance costs for the machines. All these are increasing due to the increased taxes from the government as well as the increasing prices of the products in the country to stabilize the economy of the country in competition with the rest of the world. Thus the supply chain management is facing a huge problem in terms of the increased cost of production for the textile industry because these increased prices are reciprocated with the increase of the prices of the finalized product in the international market which might lead to a loss of several customers due to the presence of international vendors of clothes from different countries offering the same quality clothes at much cheaper prices. All this cycle is creating a huge problem for the supply chain management to keep with the requirements. The main aim of the supply chain is to make sure that the industry does get the best quality raw material at the least possible prices. However, with the increased prices, the supply chain management has to compromise on one of the factors, either the price or the quality of the product.

4.13. Export performance of the textile sector

As stated another major problem that might be faced by the textile industry is the overall competition in the international market. There are several competitors for the textile industry in the international market that is providing a much better quality finalized product and at much cheaper prices. Thus having such competition in the market that is providing a better quality product and at lesser prices is a problem for the textile industry because the customer will choose the competitor that is providing a better quality product and at lower prices. This causes a problem for the supply chain management in terms of the pressure being created over the supply chain management team to increase the quality of the product

while keeping the overall prices the same for the finalized product is an impossible task to be performed by the supply chain management team.

4.14. Lack of skilled Employees.

Another major problem as seen by the supply chain management of the textile industry is the fact that the country is lacking skilled employees that are capable enough to operate the new machines and technologies being introduced in the technology industry (Kozlenkova, 2015). Pakistan is the country that does have cheap labor but this labor is mostly unskilled and does not even have the basic education in their lives. This makes it even more difficult for the supply chain management to train all such employees to work with the new technologies being introduced or the new machines being imported from different countries. Thus the two options left with the supply chain management team is to either import such machines and technologies and train the employees to operate these machines to keep up with the increasing demand of the textile around the globe or use the older technologies already implemented in the textile industry to keep on following the older procedures and there is no effort required to train the employees in this scenario. Thus the lack of skilled employees in the country is also a major problem for the textile industry in Pakistan.

5. Future Enhancements/Action Plan

This can be started from the fact that the textile industry is facing major issues while catering to all the issues and the overall textile industry is going downhill in the past few years. All this is despite the fact that the textile industry is one of the leading industries of Pakistan and should not be facing any of such issues related to the textile industry. Thus listing the fact that these issues can be very easily be resolved by placing effort to remove these issues.

5.1. Introduce a research section in the textile industry.

Government should be focusing on an establishment of the research center with the main aim to focus on the research in the textile industry in order to make sure that the overall industry should be updated about the new technologies being introduced and the ways that can be used in order to improve the overall quality of the textile being generated in the least possible prices. Thus this research center should be focusing on improving the overall working of the textile industry and helping the textile industry compete with the rest of the competitors present around the globe.

5.2. Improved Financial Bills

Government can also help the overall textile industry by improving the overall bills being passed in order to reduce the overall taxes over the textile industry and by increasing the subsidy to be provided to the textile industry. This should be support provided to the textile industry from the government in return for all the revenue being generated by the textile industry for the country as well as decreasing the overall need of import of the textile and increasing the overall employment rate of the country by providing thousands of job opportunities for the workers in the textile industry.

5.3. Keeping the cost of production constant

Another major action that can be done in order to solve the problems being faced by the textile industry is by keeping the overall cost of production constant. This can be done by making sure that the overall raw materials being bought for the production process is the best quality raw material and at the least possible prices. This can be done by considering the different options available at the time of selecting the vendor for the provision of the raw material for the textile industry.

5.4. Reduce the Effect of inflation

Inflation is a factor that cannot be controlled by the industry itself. These are the decisions that are to be made by the government itself. However, the overall textile industry can work to reduce the overall effect of inflation. This can be done by increasing the overall prices of refined products proportionally to the inflation created by the government. Thus such increased prices in the product will neither be burdening the customer nor will it be a burden on the textile industry itself.

5.5. Catering Energy crisis

The energy crisis can be catered to by making sure that there is an alternative energy resource that can be used at the time of energy shortage in the country. One such alternative energy resource can be solar power which can be used to generate and store electricity for the times when the government is not able to provide electricity. In such critical times, the overall textile industry can rely on solar energy and the fact that Pakistan is situated in a region that gets a handsome amount of sunlight on daily basis. The overall solar system is quite successful for such a country.

5.6. Improve equipment and train employees.

Another major problem as seen by the textile industry is the lack of modern equipment for the production of a better quality finalized product. This can be resolved by importing better machines and tools that can increase the production of the textile industry. Such an improvement in the overall production of the textile industry will eventually result in the increase of the revenue being generated by the textile industry and can result in the increase of overall opportunities for employment in the country.

The second issue being faced by the textile industry is the lack of trained employees in the country. This can be very easily be removed by designing training sessions for the employees. Fresh graduates can be hired and these employees can be trained in order to work in a more

diverse environment these fresh graduates do have an advantage in the sense that they are more eager to learn about the new technologies and implement these skills learned in their daily working. Thus the overall problem being faced in terms of the lack of skilled or trained employees can be removed by training new employees to perform the tasks on the new and better technologies imported from around the globe.

6. Conclusion

Thus, in the end, this can be concluded that the Textile industry is a major industry operating in Pakistan that is contributing a major part to the exports being made by the country. This textile industry is producing some of the finest clothes around the globe that is majorly being wanted all around the globe increasing the overall per capita of the country annually. However, Pakistan being a developing country does face a number of problems in every field. The textile industry is one of the industries facing the same problems due to the reduced resources present in the country as well as facing the impact of the incompatibility of the present as well as the previous governments to provide an adequate environment for the industries working in the country to produce better products. This research paper focuses on the textile industry the problems being faced by the supply chain of the textile industry and the impact of such problems on the overall outcome of the product from the industry.

Pakistan is also the sixth-largest importer of raw cotton all around the globe and the third-largest consumer of cotton products all around the globe. The textile industry is also contributing towards 46% of the total output of the country and a total of 8.5% of the GDP of the country. Pakistan is also the eighth largest exporter of textile products in Asia and provides

a total of 45% of employment to the employers in the country in the year 2020. Thus this makes the overall textile industry one of the most important industries of the country.

The textile industry has faced a number of problems since the start of the time such as the energy crisis that caused major problems for the textile industry. The overall production of the textile industry was reduced to half and the textile industries had to permanently shut down about 10% of the overall looms and machines to meet the overall expenses of working. In the year 2012 thousands of textile employers were fired due to the lack of proper jobs for these employees in the textile industry.

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