

Industries-Declined: Reshamgar Textile Non-Performance Chapter of Pakistan

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Abstract

Reshamgar, founded in 2004, designed and digitally printed clothing in Faisalabad, Pakistan. The textile industry of Pakistan is the largest manufacturer and exporter of textile goods. The textile industry became more competitive and products became homogenous. The total export of textile goods in the United States and European markets and exports are around 63 percent and the paramount contribution to gross domestic products is 6.1 percent. The company wanted to focus on service excellence and make well-built relations with distributors to maintain printing Prices per Yard (PY). This study divulges that the textile industry is the backbone of the economy of Pakistan. This sector has been facing great challenges for the last five years and has created a major gap in the economy of Pakistan. The main challenges are high inflation, high-interest competitiveness in the market, and printing ink for printing machine import from China and research has shown the company's performance with competition despite the sales and low cost per yard. It is recommended that textile industries play a requisite role in the development of challenges and barriers that are resolved on time by adopting inventive strategies. Although several challenges are uncontrolled they can be determined by well-defined policies and procedures by government institutions and textile association bodies in Pakistan.

Keywords: Textile challenges • Shortfall production • Distribution • Shut down textile sector

Introduction

Pakistan is the fourth largest producer, of textile goods or cotton in the world. According to APTMA, it contributes 61 percent of total exports which is about 340 billion dollars, 46% of total manufacturing, 40% of the total labor force 61 percent of total GDP, and 5 percent of the market capitalization. It is do essential indication here that the geographical location of Pakistan is the favorite for international trade and it shares a northern border with China, an eastern share with India, a western border with Afghanistan and Iran, and south southwestern border with the Arabian Sea.

For the economic development of Pakistan, the Reshamgar textile company of the country played the leading role for a long time, the main objective of the company is digital printing on fabric as they run their business to B2B module. They give printing service by approval sampling to defined production in bulk. Some clients gave their designs and some ordered them to make designs for their volume. According to the trend of the market take inspiration from branded collections.

The CEO M. Ayaz grap clients from the market and according to the perceived designs for clients according to the seasonal theme fabric of volume. After the approval of sampling from clients, they run production speedily. The clients come up with better market demand because they shop in Faisalabad Bazar. According to the clients come to them and ask them if they have the different base colors of the fabric in one volume. The COO M. Ejaz looking for production and operating works like machine settings, and printing 32-head ink imported from China. To run the production first they pad the raw fabric which is imported from Afghanistan then they test the fabric. Both were worried because of the increasing price of electricity and high rate bills in high inflation time. After the COVID-19 they have faced a crisis for low inventory of fabric and printing inks. They were lacking R and D for inventory. At short notice, they did not want to lose clients they adopted low-price Printing per Yard (PY) in this intense situation. They lost their clients because of the low quality of printing clients complained of smudges on the fabric in that worse condition they took shortcuts cut but it did not work well enough. Due to high inflation high interest rate competitiveness in the market.

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At the time they had competitors which two textile mills Okara textile mills, Okara, and Lyallpur cotton mills which were located in Faisalabad [1]. They were in process over time textile sector was remarkable and started to become the fourth largest textile exporter in the world but unfortunately textile sector faced very serious challenges such as the energy crisis, fluctuating yarn prices, shortage of gas, supply law, and political instability in the country, devaluation of Pakistan currency (rupee), lack of R and D institution, increasing cost of production caused by high fuel prices due to all the above situations the procedure and exporter of Pakistan are losing their competitive asset in global markets.

The significance of this research study is to identify the prospects of challenges and difficulties faced by the textile industries of Pakistan and the shutdown phase, sector to find out some strategies of price positioning in the market and to find out some solutions that may help this sector to restart its journey towards the development process of the economy of the country. This research paper will also culminate in the proceeding status of the textile industry of Pakistan.

Justification

The purpose of conducting this research study is to find some purposive lessons and mainly the solutions to overcome the problem faced by the textile industry of Pakistan CEO stated that this non-fulfillment business gives scripture to youth for their career and academic lessons. This research is most relevant to doing further work and studying this sector in detail. All Pakistan textile mill associations' official websites also introduced some findings through self-observations and unstructured interviews with field experts were also included.

Organization of paper

There are three sections; one is an introduction, the second is a literature review and the third is a conclusion and recommendation.

Discussion question

- Going forward, do you think M. Ejaz the chief operating officer, and M. Ayaz the Chief Executive Officer (CEO) to die down the printing cost per yard was tread with competitors for not losing clients?
- How would you evaluate the stride taken by M. Ejaz to improve their distributor relation? Assess their
- Given the evaluation and suggestion to the Pakistan retail industry and its current challenges, what do you think is the biggest issue faced by the Reshamgar textile industry and its management?

Literature Review

Pakistan is the foremost exporter of textiles goods, especially cotton, and textile products manufacturer and exporter the world market currently textile industries of Pakistan lost its competition in the global market due to tough competition towards competition likewise India, Bangladesh, and China [2]. Due to the inefficient

finance of the textile industry ministry of textile industry of Pakistan failed to execute strategies and implementation of the policies (Five-year policy 2009-2014). The industry currently has immense imminent liabilities under schemes for the operational process and there are challenges to execution as well as competition timely of the basic needs of the industry.

Competition landscape of the textile industry

Textile competition is concerned they are enjoying subsidies and viability of basic needs for the industry like electricity, gas, etc. from the government. This I also because that puts textile exporters in an inconvenient position in the global markets [3]. This sector plays a decisive role for the country because of the huge completion in the market of new designs of lawn, winter volumes, and mid-season this causes competition in employment as well. According to Muzammil Sultan, President of the Faisalabad chamber of commerce and industry, "at least 200,000 workers lost their jobs" since the last year.

Reshamgar and retail experience

In 2021 M. Ejaz proposed an aggressive retail complaint drive for Reshamgar distributor relation. The direct competitors provide the benchmark for Reshamgar to aim at the store had taken customer relation management CRM complained which were new to the industries and this plethora of designs and smudges Reshamgar led to pitfall retail development a much discerned retail consumer.

Political instability and power crisis

Political unrest and power caused the biggest challenges to the textile industry. These cause delays in production schedules, and the cost of production increases due to the cost of backup generator usage. The shortage of coal at thermal power plants, which led to widespread load shedding with frequent protests, strikes, and demonstrations disruptively textile which marshal to the shutdown of factories and disruption of the supply chain. This also caused Reshamgar dereliction to lose market share and affect their profitability.

The industries of Punjab were shutting down these production in agitation the circumstances for Reshamgar, became worse for them to continue the production process. An industrial forum to prove the importance of politics in stability and power supply to industries for the growth of Pakistan has been put forward but due to social and political situation, it could not be materialized.

Increasing raw fabric prices

The yarn and raw material prices are also gigantic for the textile sector of Pakistan. Due to the Afghan border circumstances because of the territory caution and pressure by the United States. They have failed to import fabric which caused increasing rates that Reshamgar could not sustain in the market.

Lack of R and D institutions

There is very rough and tough completion in global markets, distributors want high quality at a reasonable price. To improve the quality of Pakistani textiles should consider the quality of raw materials with the help of research and development institutions. A forum like APTMA regarding institutions should do work to improve the quality of fabric. Once the quality is improved the product can easily be compacted internally.

Lack of new investment

The textile sector of Pakistan faced enormous challenges of stumpy production caused by its superseded textile equipment and machines. Due to their crisis Reshamgar lack of new investments because of the heavy amount of bills. To take over this issue the inducer needs new investment. There is not any new heavy investment in textile circumstances nobody is interested in investing in Pakistan. Reasoning to that it seems difficult for the textile industries of Pakistan to throw one hot in the ring in the international market [4].

Conclusion

A review of the literature concludes that the government should take corrective and preventive actions to solve the above-mentioned problems. The evolution of industry 4.0 in the retail market in Pakistan should be transforming the retail industries of Pakistan by enabling retailers to provide customers with more efficient and immersive experiences through technology such as Omni channel retailing, smart stores, and data analytics in textile. The traditional brick-and-mortar retail industry in Pakistan as well as improvement in operational and production efficiency and customer satisfaction. Smart stores a sensor, beacons, and RFID tags to track inventory levels, monitor customer behavior provide recommendations to improve operational efficiency, and reduce wastage for an ecofriendly atmosphere and mining waste time at check-out counters.

Practically, the research shepherd to force, some of the future study-related queries on how to integrate network factors in a better-planned manner, for achieving the overall performance. It is thought that out outcomes of this research, once implemented and improved in true letter and spirit will also help other textile industries or in future textile brands of Pakistan to enhance their performance. Keeping the prevailing pandemic era and geo strategies dynamics in mind it will help to increase exports in the textile sector of Pakistan, which eventually takes the nation in achieving its larger goals of impart substitutions, ultimately supplementing the firm's supply chain and national level performances. This research made some fabulous theoretical contributions by focusing on innovation and innovative culture as mediating and moderating variables with corporate governance

elements and organizational performance. Findings revealed the important implications for organizations to increase their operational effectiveness; the organization has to pay more attention to operational policies and code of integrity in daily operations in unpredictable situations.

Findings

The findings of competitive advantage reveal an unsatisfactory performance of the textile sector as major exports show deteriorated competitive performance. This deterioration in competitiveness is a matter of grave concern for the Government of Pakistan, as the textile is a major exportable sector. The findings of contemporary panel econometrics revealed highly sluggish economic growth and changing demand preferences of international markets are important determinants of textile sector competitiveness. It urges concerned authorities for practical policy interventions to replace aging production technology with more advanced ones to enhance domestic productivity in general and the productivity of the textile sector in particular.

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