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FOOTWEAR MANUFACTURING INDUSTRY OF THAKKAR BAPPA COLONY IN KURLA

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Abstract

This is a working paper related to on-going PhD research work titled "An Economic Study of Footwear Manufacturer of Unorganized sector of Thakkar Bappa Colony of Kurla" by the author under the guidance of Dr.Ruby Ojha

Keywords

Thakkar Bappa colony, Indian footwear, Types of footwear

Introduction to the Kurla Subrub

Kurla is a suburb of Mumbai, India. It is the headquarters of the Kurla taluka of Mumbai Suburban District. The suburb is named after the eponymous East Indian village that the suburb grew out of. It lies immediately north of Mumbai city limits and falls under Zone 5, Ward 'L' of the Municipal Corporation of Greater Mumbai.

Brief history of Thakkar Bappa Colony in Kurla

Thakkar Bappa colony originally was a refugee camp constructed by Maheshwari Meghwar, mochi and regar samaj, It was for people migrating from Pakistan at the time of the partition of India and Pakistan, mainly Kutchi language speaking migrants. The 1950s saw an influx of other communities including the Mheshwari Meghwal Samaj people and the Regar community who migrated from Rajasthan and other parts of India, whose main occupation was shoe manufacturing. 99% of the occupants of the Thakkar Bapa colony were from the Kutchi and Maheshwari Meghwar community with 1% Marwari people who had come along with them. In the late

1970s there was further migration, including people from the Jeenagar community from Rajasthan and Punjab. Their sole occupation was also the manufacturing of shoes. Initially shoes were sold to wholesale markets in parts of Mumbai but in the last 20 years some of them have opened their own shoe shops and today Thakkar Bappa Colony boasts of more than a hundred shops where you could buy handmade shoes of hundreds of different varieties and range.

Brief Description of Indian Footwear Manufacturing Industry

The Indian footwear Industry has undergone remarkable changes during the last three decades, with the large raw material reserve, access to large supply of labour and management. The manufacturing sector of the footwear industry has made rapid strides in the production. The government's trade and industrial policies, institutional support, coupled with progressive entrepreneurship growing demand for export and domestic demand have been the major factors contributing its growth.

The clinical changes in the footwear manufacture have brought about traceable and tangible mechanization in the industry. The footwear industry in India is the second largest employer in the country. As per estimated data available the production capacity of the footwear are as follows:

S.N.	PRODUCT	PRODUCTION (CAPACITY)
1	Leather Footwear	776 million pairs
2	Leather Shoe Uppers	112 million pairs
3	Non Leather Footwear	960 million pairs

Source: CLE members Directory – 2005

The bulk of production activities have shifted from rural to urban centers. Large Scale migration of footwear artisans has taken place from rural to urban areas in search of employment. The Traditional artisans mustering the support of their family members have set up numbers household Units in several urban peripheries to meet the increasing domestic demand.

Status of Footwear manufacturer in Thakkar Bappa Colony in Kurla

Kurla, Mumbai's most diverse as well as most tightly knit footwear manufacturing sector is prime example of an artisanally rooted, low-caste manufacturing with predominantly small scale household manufactures. It specialized in cheap hand made build up shoes. Kurla -Thakkar Bappa colony is charaterised by a caste based artisanal community that makes and a traders community that sales.

The footwear manufacturing industry in Kurla Thakkar Bappa colony is characterized by an abundance of highly skilled workers and concentration of necessary ancillary units. In addition it has a well-developed whole sale market both for raw materials and shoes. The rapid changes have been taken place by transformation of specialized skills, organizational, improvements on one hand and tremendous changes in demand for variety of shoes in domestic markets.

Types of Production Units in Thakkar Bappa Colony in Kurla

The production units in can be classified into four categories depending upon the types of labour used, size of the unit, Technology adopted, place of work and the market they sell their shoes.

(a) Household Unit

(b) Household Workshops

(c) Household Workers employing less than 10 workers

(d) Non-Household Workshop

THE FOOTWEAR

The purpose of the footwear

The Footwear is a product which protects the human foot against injuries, the adverse weather influences, dirtiness and which performs the utility and aesthetic function.

The basic types of footwear

The basic types of footwear are divided into two categories (groups).

I. Open Footwear

The chappals, sandals, slippers fall under this category**.**

II. Closed Footwear

The shoes, boots, semi-leg boots and leg boots which cover the entire foot are known as closed footwear.

Main parts of footwear

The footwear can be manufactured by a number of parts and components but it can be a monolithic one, but every time we can differentiate these functions into two parts:-

I. Shoe uppers (upper parts and components).

II. Shoe bottoms (bottom parts and components).

The Shoe Last

1. The Solid Black Last

Chiefly used for making of chappals and sandals.

II. The Scoop Black Last With Cut Wedge

These lasts mostly used by the handmade footwear industry.

III. Hinged Last

Shoe Length and Sizing Systems Shoe lengths are measured and designated according to the French "Paris stitch" or the English size. Only a few Eastern European countries have introduced the metric-based "Mondopoint", system to designate shoe sizes for the local market**.**

Category	Size Series(English sizes)	Size Series(Paris point)
Infants	0-6	15-23
Children	7-10	24-28
Boys & Girls	11-1	29-33
Maids & Youths	2-5	34-38
Ladies	2-8	34-42
Men	6-11	39-46

3.1. Footwear Components

During the first half of last century, shoe makers in shoe factories manufactured all the components needed for their shoes themselves. The components were then shaped on imprecise wooden lasts and applied to the shoes or manipulated as a part of the shoe during the subsequent production process. The shoes are made of the following components:-

1. Uppers
2. Insole
3. Box Toe (Toe Puff)
4. Counters (Stiffener)
5. Out Sole (Unit Sloe)
6. Heels and Top Lifts

Tools, Equipments used in footwear industry

In footwear industry of Thakkar Bappa Colony in Kurla, the artisans of the House hold units, House hold workshops use the old hand tools like awl, Rampi, hammer, pincer, wooden last, number sets, Khurpi, cutting knives, nail pullers, scissors, fitter's hammer, marble stone, revolving punch, eyelet setter, sharpening stone, embossing and stamping tools and three leg iron last. H1owever during the recent years these

informal Units have started using improved tools like Designing knife, Punching sets, Screen printing tools etc.

Process of Shoe Manufacturing

I. Product Development

II. Designing and Pattern Cutting

III. Clicking/ Components Division

IV. Upper Closing

V. Lasting, Making and Finishing

VI. Packing

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Cost of Production per Pair of Shoe

The cost of production per pair of shoe is varies according to the types of units, use of raw materials, technology and who the buyers of the shoes are. As Agra footwear industry is mainly classified in four groups the cost of shoe production and selling price are different.

1. House Hold Units

Since these units cater the needs of poorer of the poor with regards to shoe hence they have to bring down the cost of production as to be minimum. For this they purchase chief and substandard shoe materials and they assembled it bring in down retail price between Rs 70/- to 120/- per pair of shoes.

2. House Hold Workshops

This group of footwear manufactures employed between 8 – 15 workers and also work with them in the production of shoes but they somehow try to maintained the quality and specification which raises the cost of product and per pair of shoe cost varies between Rs 150/- to Rs 300/- carting the needs of poor and lower middle class people.

3. Small Workshops

This group manufactures employed work force and they act as managers. Their cost

of production is at the higher side bearing between Rs 250/- to Rs 600/- per pair which suffices the need of middle class and higher class people.

Analysis of Business Operation (Problem Identified)

• Raw materials

• Tools, equipment and machinery

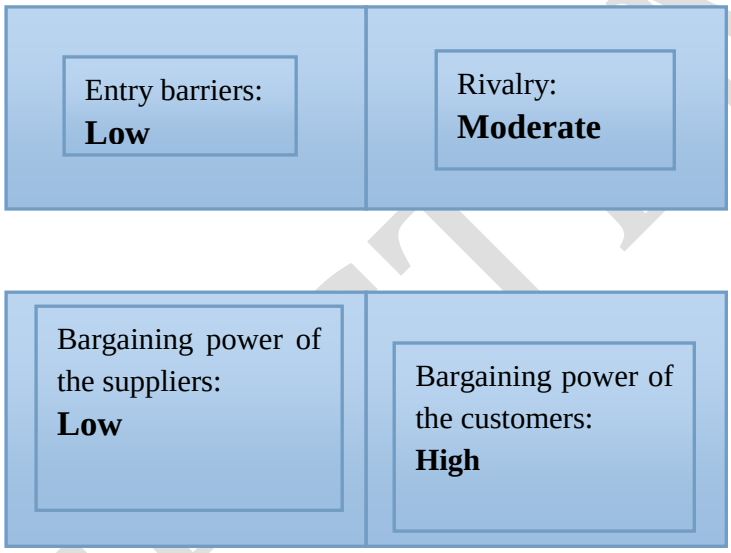
• Products and marketing

• Background of the entrepreneurs and their enterprises

• Finance and working capital

• Manpower requirement

Footwear manufacturing Industry Structure Analysis:



The above figure depicts the footwear manufacturing Industry structure Analysis of kurla thakkar bappa colony.This industry structure analysis determines firm level profitability, competition and prospect of growth.

The entry barrier in the above cluster in low because anyone can enter the industry with a minimum investment of Rs. 30000-50000/- and inputs are available plenty. There are no proprietary skills/ technology and there is hardly any product differentiation and brand identification. But for some enterprises which are supplying there parts, components to the large industries and fixed clientele abroad for the last 20-25 years. Another positive factor is economies of scale which mean more you

produce the less is per unit manufacturing cost. This is to say as you increased the production the cost of unit go reducing.

The rivalry amongst firms is moderate. Though there is rivalry in the domestic market, but it is limited in the exporting market front. There is large number of firms in the industry and the product differentiation is minimal. Rivalry among firms can be reduced by encouraging non-price competition and product differentiation; notional or real (may be with diversification). Rivalry is moderated by the fact that the exit barrier is also very low.

The bargaining power of the suppliers is low and there is large number of suppliers available in the market. There is hardly any switching cost from one supplier to another and no input differentiation. There is hardly any evidence of suppliers forward integrating. Forming hard networks for common bulk purchase can further reduce the bargaining power of the suppliers.

So far bargaining power of the customers is concerned, it was found to be on the higher side. There is hardly any product differentiation and the customers can switch from one supplier to another. The switching cost is also very low. Moreover, customers are quality and price sensitive. However, for some enterprises there is strong customer-supplier relationship and the level of trust and loyalty is very high. Some customers of the large industries do not want switch over to new supplier on the fear of getting bad quality and not "in-time" delivery. Forming consortium and brand buildings can reduce the bargaining power of the customers.

Conclusion

First and second categories that are house hold units and house hold workshops are those units where the workers get training from their parents and are developed groomed into a good shoe skilled labour. Since these units are house hold family members hence they depend solely on the skills of family members and earned their living by manufacturing the shoes and immediately selling down the market. The production done by them is substandard and serves the purpose of poor class people.

Since these units are house hold family members hence they depend solely on the skills of family members and earned their living by manufacturing the shoes and immediately selling down the market. The production done by is substandard and serves the purpose of poor class people. Therefore to develop the shoe cluster of Kurla it is suggested that all the units should be under one umbrella hence a project of developing 'Juta Nagri' that is plot should be made available to the entrepreneurs as per the requirement further all infrastructure should be provided to them. The facility of training, marketing, test house, availability of raw materials and components etc. should be there. So that they will have to waste minimum time and will have access to all the facilities under one roof.

Bio

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