Furnishing Fabrics Scenario

Any question to assess the current market scenario for furnishing fabrics in the Indian market leads to such mixed reactions by the industry players that it sometimes becomes impossible to judge the real situation. While almost everybody complains about slow demand, poor offtake and cut throat competition making it difficult to survive in the business; each one of the same players admit that their business has grown by at least 10-15% during the same period of one year.

Isn't it a clear contradiction! Is the industry simply painting a bleak picture to ward off competition? Probably so. Home Fashion spoke to some leading players to find out if everybody is on the list of pessimists. We found that leaders with innovations are not only positive about the outlook, but are even excited about the future and growth prospects. They have been working on their new collections and are excited about the prospects of the new season starting this August. Here are some of the views expressed by them on the industry scenario in India and their own outlook. Home Fashion also takes a visual look at the innovations these leading brands are launching.
I think the Indian market is very exciting still. There are lot of opportunities. Some industry players are complaining because they are scared of competition. The established manufacturers and retailers who have been dominating the market for nearly two decades, do not want to allow competition to become wider and stronger. Hence the discouraging talks. I don't think that any one of them are not doing well. People are doing well."

“Like in real estate you have a tenant, a good tenant and a bad tenant. A good tenant pays well in time. A bad tenant doesn't pay in time, but he pays. In the home furnishing industry, probably the number of bad tenants is increasing. So market looks gloomy. But one thing is certain. Supply should not exceed consumption for the competition to remain healthy. India is importing fabrics from Turkey and China. This could be hurting the local industry. The top five companies have still grown but their margins have been hit. But this also forced them to innovate more to stay ahead of competition.

They say necessity is mother of invention, I would say competition is also the necessity. Competition too is the mother of invention. If you don't compete, you don't grow. As we see in Dicitex, we have to improve on our previous performance. We believe in ensuring profit for our distributors and retailers because only if they make money out of the company, they will make our brand stronger.

Last 6 months were a dull period for K.C. Fabrics. Customers were less and simultaneously the orders were also less. However, the April and May months were good and we hope to see a rising demand from hereon. Furnishing is a seasonal business. With Diwali and Christmas season coming, demand in the market is expected to remain strong from July to January.

Market was weak last year mainly because of the economic situation. The period did not witness much purchases and construction of new homes. More than renovation it's the construction of new homes that contributes to the sale of furnishing fabrics in India. Good quality curtains easily last for about 5 years. Besides, people spend more on furnishing new homes rather than the old ones.

We launched 2 new products in the market last year- Readymade curtains, embroidered bed sheets and achieved 10 % growth over the previous year. In 2016, we expect 15% growth in value terms. As of now, the company is not doing any imports and all the sourcing is done within the country.