

The fashion industry in the indian political structure



1. 1. 1 Political Factors.

For the fashion industry the Indian political structure is stable, however India experienced political volatility for a few years due to the letdown of any party to earn a total mainstream in Parliament. This has stabilised from the time when the previous general elections; the instability did not have an impact on the Indian economy, as they have postponed certain decisions related to the economy at that time. The political instability India experienced, in practical conditions, created no risk to potential foreign direct investors (FDI), as no structured government policies has been inverted by any consecutive government up to now.

1. 1. 2 Economical Factors.

“ According to the Foundation Indian Brand Equity, India’s economy indicated a 7. 4 per cent growth in the financial year of 2009-10; this has exceeded the forecasting of 7. 2 per cent by government for the year. The manufacturing industry has also shown a massive growth of 16. 3 per cent in 2010. ” (Foundation 2010) The growth is determined by forceful recital of the manufacturing industry on the back of government and end user expenditure. The deflation of the dollar due to the currency fluctuations in the most recent global recession as had an affect on the manufacturing industry. The Indian economic allure has made it easier in compelling investors due to low cost manufacturing advantage. The only legal currency excepted in India is the Indian Rupee. The Indian economy is mainly reliant on the manufacturing, commerce, export and services industries. India faces a rapid growing population and the dispute of plummeting economic and social disparity.

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1. 1. 3 Social Factors.

The home language of India is Hindi; however there is an increase in most cities making more use of the English language. The mainstream of Indian people perceives Hinduism along with other religions such as Sikhism Christianity, Islam, and Buddhism. Making use of the English language has helped the fashion industry's relationship and dealings in India and on the international market. India is one of the small numbers of nations to have a growing segment of working inhabitants, as there is immense availability of jointly skilled and unskilled employees. Both the general public and business are tremendously hierarchically in order and several Indians find it particularly hard to work in a non-hierarchical business/social structure. Meetings can give the impression of being incredibly casual and it is likely for quite a few meetings to be accompanied by one person at the matching time and the room. It is not easy for Indians to indicate direct disagreement in business, so investors should not be surprised if they agree to everything they say. It may be seen as bribery by the potential investor, but they should be prepared to receive and give gifts, this is part of how Indians build their relationships with another person. It is important for a business to understand the culture of the country they want to do business with; it should be notable that there will always be difference in life style, culture and buying behaviours.

1. 1. 4 Technological Factors.

India's technology is not good, but they are still a developing country and are busy with technology development. The development in technology reduces the reliability of India through other countries. Technology

enlargement is administered properly by the Department of Science and Technology which is emphasising on researching and renovating the perimeter of technology based on the population needs. “ According to the national portal of India, the department has created a Technology Information Forecasting and Assessment council (TIFAC) to create technology forecasting’s, assessments and survey the market for wants and needs.” (NIC 2005) The (TIFAC) will support the most important sectors of the Indian economy such as agriculture, agro food, machinery as well as the textile industry. India is one of the key players in exporters of software and has the lowest cellular mobile tariffs.

Technology can reduce costs, improve quality and lead to innovation. These developments can benefit consumers as well as the organisations providing the products. Today in India 3G technology starts.

1. 1. 5 Environmental Factors.

Environmental conservation and protection is an issue which has gained prominence because of deteriorating environmental balance which is threatening the sustainability of life and nature. Largely, business is also held responsible for such situations as emissions from industries polluting the air, excessive chemical effluents drained out in water making it poisonous and unfit for use, usage of bio non-degradable resources affecting the bio-chain adversely and exposure of employees to hazardous radiations bring their life in danger. All these have been taken very seriously by different stakeholders in the society including the government and legislations and movements are creating pressure for an environment friendly business. These have far reaching implications for business ranging <https://assignbuster.com/the-fashion-industry-in-the-indian-political-structure/>

from the kind of business, the product being manufactured, how it is manufactured and how friendly it is for mankind and nature.

Should Industry be concern with the issue of global warming? Yes it is affected by many government laws regarding it like in china, where company with great amount of carbon emission are charge great amount of tax.

Likewise being a major player in the global IT market Infosys has introduces measure to help in the reduction of carbon emission by trying to reduce its water consumption, electricity utilization, carbon emission and partnering with other companies in troubleshooting this global dilemma..

The Indian government concerning a lot of its environmental issue as under the ministry of Environment and Forest implementing policies and programmes relating to conservation of natural resources including biodiversity, forest, wildlife, lake and rivers and ensuring the safety of animal and prevention of pollution. In addition the ministry set up Environmental Information System (ENVIS) as a plan program and network of information collection, storage and distribution to varying users which are including researchers, academicians, research scientist, etc.

ENERGY EFFICIENT PROCESS AND EQUIPMENTS:-

Companies are focusing on reducing the carbon footprints, energy utilization, water consumption etc. In India we know that many types of enviornmental problems this are basic things but more important for our enviornment. also biotic factors , abiotic factors and their interaction with one another.

pollution free industrial activity i. e is nessary condition of industrial organization.

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1. 1. 6 Legal Factors.

Based on English universal law, judicial review of legislative acts, accepts compulsory International Court of Justice (ICJ) jurisdiction with reservations, separate personal law codes apply to Muslims, Christians and Hindus (The World Factbook, 2007). The government in general respect the privileges of citizens and many country laws protecting the human rights however, enforcement still minim and convictions were rare. Many serious problems are still happening. Most of the cases are heavily related to current an issue in India, which are corruption, collusion and nepotism that remain and seems to be hard to solve. Hundreds cases of human rights violation were unpunished and social acceptance of caste discrimination remained omnipresent.

In term of labour rights the current federal minimum wage is \$5. 85 per hour stated on July 24, 2007 and \$4. 25 per hour during the first 90 following calendar days of employment for the labour force under 20 years old. While the overtime pay at least one and half times of regular salary paid after more than 40 hours work time (usgovinfo. com, 2007).

Conclusion

The PESTLE analysis here shows what is a factor in India who relates to the Business. This study is more and more beneficial for any business organization. In

the report given detail of our India political, social economical, legal, environmental and technological. This all the issue of India market stability, government politic. Political stability in India. And many other things show <https://assignbuster.com/the-fashion-industry-in-the-indian-political-structure/>

this. We say that PESTIE analysis role is in today scenario in business very important. We see here India PESTLE analysis. In India many opportunity to open a business. Some problems in India But we Know every where every things is not available.

In business PESTLE analysis role is very important.

Originally designed as a business environmental scan, the PESTLE analysis is an analysis of the external macro environment in which a business operates. These are factors which are beyond the control or influence of a business, however are important to be aware of when doing product development, business or strategy planning.

Further the geographical location of India serves it the advantage of being exactly halfway round the world from the US west coast, which is another reason why India is preferred destination of many big brands.

8. Conclusion

India is considered as one of the fastest growing country, which is counted as the second fastest developing in overall sectors of the country especially in terms of the economy. It is also the second most attractive location after China for global Foreign Direct Investment. Although it has adapted the

socialist policy where the government owns most of the business sector, India is starting to apply its 'open door' policy by privatization of government own business. This brings India many steps forward in getting Foreign Direct Investment.

In general, India's economic condition is in deficit, but many economic analysts and local & international forecast reports said that India has a positive influence on leading the world economic growth. Through its strengths in Information Technology which has positive impacts on a vast of the country's sectors which include politic, economic, social & education and technological development, supporting India industrial growth in dealing with International Trade.

The rapid growth in the political and economic strength of India could lead to the country becoming a major player on the world stage. A wealthier, more open India could lead to great opportunities for British business, whilst Indian management of such a diverse society within a democratic framework could become a beacon for developing nations round the world.

Added with the positive rapid growing economy in India, optimism of economists, references to the balance of payment, and especially with its continuous process toward liberalization and willingness to make some progress in the current account deficit, it can be concluded that an investment in India will bring many opportunities and positive outcomes in regards to international trade.