

Brass Sector of Jamnagar- SME listing can be a game changer

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“Jamnagar”, sheer reference of this place and what comes in your thoughts is images of golden sparks of brass parts. Jamnagar Brass Industry- a global brass hub, has its beginning in around mid 1940’s. SME cluster of around 5,000 small and medium enterprises makes what Jamnagar is called today- THE BRASS CITY OF INDIA.

As a Brass metal parts cluster, Jamnagar is famous worldwide for its wide variety and quality of products. Started with few insignificant brass button making units in the cottage sector in the early 40’s, it has now reached to a product range of as many as 5000 items.

It is around 70 years old industry now. This base for Brass articles, parts and components, wooden Furniture. But this industry has also faced recession in 1990’s, due to new entries of countries like China, Italy, Korea in international market, but has again revived in 2000’s. There are about 3500 brass related units alone in Jamnagar.

While we look into factors of downfall of brass industry, some of the issues that are observed are lack of modernisation, quality, visibility and branding by these brass manufacturing SMEs. Major issue that concerns them is funding.

When we talk about international market, listed companies generally catch more attention than non-listed companies. Technology tie ups are also preferred with a listed company. It has been observed that, more than quality, branding and marketing are the bigger reason why other countries, specifically Chinese companies are a threat to the Indian SMEs.

Listing provides an SME not only funding, but also visibility and branding that is required. There are examples of SMEs getting international tie-ups after listing. Sprayking Agro Equipment Limited has become first brass manufacturer SME from Jamnagar to file draft prospectus on SME exchange and many more are in pipeline. SME listing may prove out to be game changer for SMEs of brass industry of Jamnagar.

What is observed is, Gujarat has shown a dominant participation in SME listing, with this much of exposure to SME listing benefits and knowing process, a lot more can be expected. The further increase in production and progress in brass industry can be anticipated if they get listed on SME exchanges. SME as it is known that SME listing and progress in Gujarat goes hand in hand.

It is said that 80% of manufacturing units of Brass industry come under SME, and listing can pull the brass industry out of the situation and bring again up to the mark. SME listing seems to be the trend for textile industry right now. Development of brass sector can also give boost to make in India concept. More and more SMEs are expected to come out for listing, as SME listing gives them exactly what they require right now, i.e. Funding, Visibility and Branding.