

Corporate Social Responsibility in Indian Textile Industry with special reference to Textile Industries of Tiruppur District, Tamil Nadu

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Abstract

The corporate social responsibility (CSR) concept describes that the organisations should work in the best interest of all the parties associated. CSR awareness among organisations is rising and organisations are fairly accepting this concept. Therefore, the textile industry is not an exception. Textile industry firms are also realising their responsibility towards the environment and society. The success of the business depends on the trust built in the people through its market offerings and through its social responsibility activities. Social responsibility is one of the principles to benefit the society. By examining the moral beliefs business people used to have guidelines to act by deciding the principles, manner and system. In India prior to independence social responsibility is made by the public sectors and NGOs. Now a day's almost all the organizations showing interest on various social activities. This paper examines the productivity growth of textile industry in Tiruppur, Tamil Nadu, India's contribution towards ethics and social responsibility with the parameters of consumer protection, labour, human rights, environmental aspects, welfare of the employees, supporting the deprived, developing the local communities, economic aspects and so on.

Key words: Business, Corporate Social Responsibility, Textile Industry.

Introduction

The concept of corporate social responsibility (CSR) is underpinned by the idea that corporations can no longer act as isolated economic entities operating in detachment from broader society. Traditional views about competitiveness, survival and profitability are being swept away. CSR is a company's commitment to operate in an economically, socially and environmentally sustainable manner whilst balancing the interests of diverse stakeholders. Corporate Social responsibility activity gives stress in empowering the women and youth, developing physical amenities, developing greenery, uplifting the deprived, protecting the environment and so on. If we look at the growth of Textile industry in India we can identify unusual development in consumption and in manufacturing but the social performance were not up to the extent. The expenditure made towards these factors is so nominal against their revenues. Because of the revolutionary change in the media everyone is well acquainted with the all the information including business news and their activities. Hence every organization is trying to make use the corporate social responsibility to get image.

Textile Industry in India

Having clothes is one of the basic needs of all humans so it has its significance from the emergence of civilizations. The history of textiles is dates back from Stone Age. This is has crossed so many stages just like human civilization. The twirled fibres are first made into yarn and in sequence it is netted, looped and woven which was progressed in the Middle East at some point of Stone Age. From the ancient period to the present this industry passed through so many advances in its production and in its varieties. In Egypt the process of spinning linen and weaving was initiated in 3400 B.C. When we look at the cotton's history in India it was traced in 3000 B.C. itself. In 2640 B.C. the sericulture and spin silk methods get on in China. In 400 AD the manufacturing of silk culture was came into existence. In 6th and 7th centuries of B.C. the flux and wool was invented by the dwellers of Swiss lake. With the affect of industrial revolution multifarious machines and processing of natural fibres invented in between the 18th and 19th century. The methodologies of production are varying from the ethnicity, traditions, customs and communal implications. The Indus valley civilization initiated textile industry in India. This people used to spin own their own which is popularly known as khadi. The Hindu Holy Scriptures speaks about the wide range of cloths materials in ancient India. In the present market India stood second in the cotton yarn and textile production. Out of the total cotton trade it contributes more than 25 per cent. In the world, after China it stood second in the spindle age. It grew in its exports in 2005 to 17 billion dollars with positive government policies. Now it is exporting garments to most of the countries.

Textile Industry in Tiruppur

Tiruppur is well known for manufacturing white banians to Indian market from 1070s. The availability of quality groundwater, cotton yarn and skilled labour are the few reasons for the development of industries. Out of the total production of cotton knitwear Tiruppur produces 90 per cent hence from so many years very popular for producing T-Shirts and exporting to many parts the globe. The government policies brought revolutionary changes during 1980s and 1990s resulting which now more 2000 companies producing huge range of products for all age groups. The economic planning and policies are supporting the textile industries due to economic growth, employment, foreign exchange etc, but the environmentalists stating that stating that it is happening at the cost of ecological damage. The manufacturing process is creating utmost damage to rivers, forming lands, health of ecosystem, ground water and to the health of the staff and to the people living in and around. It is found that most of the developed countries are importing textiles from Tiruppur as unspecified chemicals are forbidden to use in the western countries.

Textile Manufacturing Process

The textile manufacturing process is quite complicated. This process starts with cultivating and harvesting and prepared for preparatory processes and followed by spinning and weaving. Then the finished product will be available to offer to the customer. Right from its first stage of manufacturing to the last stage every process includes so many harmful factors both to the society and environment. The modern hybrids using in the current mills require irrigation and it spreads pests and vermin and 5% of cotton-bearing land in India is using 55% of all pesticides which will have negative effect on people and environment. The next step is preparatory processes which include opening, cleaning, ginning, blending and carding. This process produces massive amount of dust which causes serious health problems like respiratory problems, asthma, wheezing, etc. to those working and those who are living in and around. The following two steps are spinning and weaving which again includes folding, twisting, gassing and knitting. The consumption of energy in form of water and electricity is relatively high in these processes. The last process includes de-sizing, scouring, bleaching, mercerising, singeing, raising, calendaring, shrinking, dyeing and finally printing. But it is very harmful to the natural environment as it uses variety of chemicals and the waste released into air and water without proper and complete treatment causes huge pollution out of which few are given below:

Water Pollution and Water Scarcity

The fabric process requires huge water usage hence the manufacturers are mostly depending on ground water and almost all the water used will be ejected as waste water. The discharge of untreated water into rivers is causing drastic pollution to water and causing danger to the aquatic organism. In most of the parts of India it is reported that due to release of waste water with various dyes into open land polluting the ground water. The unclassified chemicals use is dangerous to plants, animals and human beings too. In Tiruppur the ground water is too salty and resulting in smashing up the agriculture crops and various skin diseases. The Tamil Nadu water pollution control board report revealed that the ground water in various industrial areas are reported as polluted some of the areas are parts of Tiruppur, Ambur, Karur, Vaniyambadi and Pernampet. When compared with other industrial areas water consumption will be more in the textile industrial areas. If we look at Tiruppur water consumption is 94 million litres per day and out of which industrial alone used to consume 92 million litres per day. The water supply made by the municipality is not sufficient hence they are depending on the private suppliers. Almost all the textile manufacturing industries are spending huge amount of money to get fresh water as their own wells consist coloured water hence getting fresh water in the coming future will be a big problem. The water in this region is neither useful for industries nor irrigation or for household usage.

Child Labour

The children below the age of 14 are more in India and their proportion is one third out of the population. But it is pity that about 35 per cent of them are working in unclean and dangerous jobs for their livelihood in Tiruppur District. There is an act which prohibits employing the children but still if we look at the textile industries in Tiruppur more than 40,000 children are working under dangerous conditions which affect their mental, physical and moral states.

Chemicals used in Textile Industries

In the textile industries bleaching and dyeing are very difficult processes among the all other processes where huge mixture of chemicals are used to make the products exceedingly attractive and to bring more shades to compete in the global market. In this process manufacturers uses dyes like, basic dye, sulfur dye, reactive dye, naphthol dye, vat dye and so on which are very harmful to the environment. Hence it is necessary to change the regulations to protect people and environment. It is found that most of the Tiruppur industries are using dangerous, unhealthy and damaging chemicals.

Need for Study

Even though there are lots of acts and laws concerning the ethics and social responsibility of companies, majority of the manufacturers are not caring for the society and for the environment too. The manufacturers' main motto is always to increase sales in the domestic market and to increase exports. In the global market of Tiruppur district known for T-shirts manufacturing but it is true that it is all at the cost of drastic damage to the ecology. Till the date so many studies are done on the ethical issues of Textile industries of Tiruppur but there is no expected response from the manufacturers. It is my contribution to save the society and environment.

Objectives of the Study

The study examines the issues relating to the determinants of ethics, social responsibility and its impact on consumer behaviour in Textile Industries. It also concentrates on different global and domestic issues of Textile industry. The study is designed with the following objectives.

1. To study the concept of Corporate Social Responsibility.
2. To analyze to what extent Indian Textile Industries have developed policies on corporate Social Responsibility.
3. To identify good practices and potential bottlenecks in the implementation of Corporate Social Responsibility.
4. To offer suggestion to implement the CSR in a better way.

Methodology of the Study

This research is embodied with primary and secondary data. As far as secondary data is concerned they were sought from various books, journals, magazines, newspapers, periodicals, unpublished sources, Internet etc. The study also embodied a sizeable primary data, which was collected by way of canvassing a questionnaire amongst selected sample of respondents through personal interviews. The data was collected from various Textile Industries of Tiruppur District, Tamil Nadu, India. The sample size is 500 and the selection criterion is based upon the data availability and convenience to access.

Hypothesis

1. All the textile industries are not ethical and socially responsible.
2. Textile industries are unethical though there are so many laws, regulations, boards etc.
3. Textile industries in Tiruppur are causing severe harm to the environment and to all living creature.

Analysis Social Responsibility Activities

Hundred per cent respondents opined that the industries have no priority to neither think of nor to care for issues related to river water pollution, ground water pollution and about issues related to water scarcity or agriculture or aqua life. In the downstream majority of rural were become hopeless who used to depend on fishing. Now the water in and around of Tiruppur is neither useful for industries, agricultural or for household use. The water colour has been changed and it became so salty and even industries are buying fresh water from the rural areas for the manufacturing processes. All this happened because of the huge usage of water by the manufacturing process of textiles. Because of which the agricultural sector also became hopeless. Besides all these we can find that there is no voice from the people as this industrial sector is the main source of their employment and livelihood. Regarding the fuel and other material they are high priority in the point of reducing waste and reducing cost but they are not concern about how much those materials and fuels harm to the environment. Till the entrance of European customers there is no code of conduct to the industries. After the demand of customers regarding the working conditions and code of conduct to improve the quality manufacturers used to maintain it with the third party audit. Majority of the manufacturers knows how the process is negatively affecting the land and communities still they don't have priority towards it in their corporate social responsibility activities even though it exists it is very minimal. In this industry it is complex to regulate the working hours and 12 hours working hours per day is existing in many units and it is preferred working hours for majority of the migrants. 71 per cent felt that the industries don't have priority in prohibiting child labour and 24 per cent felt that in few units there is low priority in reducing child labour and even today it is found that the textile manufacturing units have child labour. Migrants from other states of the country and the women workers say that there is discrimination. 100 per cent of the respondents revealed that there is no freedom to have an association and group representation. It is found that minimum wage for the workers have been practiced. In most the big industries there is canteen and also they are provided quarter facility too. 85 per cent of the respondents revealed that the industries are not at all coming with social welfare activities like empowering women, youth, free education etc. and 64 percent felt that the companies are not indulged in social practices like developing infrastructure by constructing schools, hospitals, drainage system, roads etc.

Findings

1. From the analysis made it can be inferred that the customers in general feel that the textile industries and the industrialists of Tiruppur, lag in their ethics and responsibility.
2. 100 per cent of the respondents opined that the manufacturing units are not at all caring river water pollution, ground water pollution, water scarcity, land, aqua life, human life and environment as a whole. They are more concern about the customers, exports and profits.
3. If the regulating bodies of water and pollution control worked effectively from the beginning the fate of the Tiruppur will not be like this, the situation is so critical that in the coming future getting fresh water will be a great problem.
4. Majority of the respondents revealed that the organizations are working as per the labour laws, rules and regulations only on the paper, but in reality today still child labour are existing, unable

to control the working hours, there is no freedom to form as an association and there no proper working conditions for health and safety.

5. Out of the total respondents 85 per cent respondents opined that the textile industries in Tiruppur are not socially responsible and they are not doing social welfare activities. And 65 per cent respondents felt that it is not developing any infrastructure for local communities.
6. One of the important findings is that, majority of the respondents were not even aware of so many aspects regarding how the textile industry is affecting the lives and environment.

Suggestions

1. Even though Panchayat raj established the water treatment plant they are not working up to the mark. Hence industries of Tiruppur to establish water treatment plants to make their used water fresh and to use the same water for its processes.
2. One of its process cause drastic air pollution hence it should be made to plant plants as per the proportion to its production capacity.
3. It is the duty of the textile industries pay per the loss they caused to the water resources by establishing water purifying plants in and around the Tiruppur at water polluted areas.
4. ISO 14000, certification should be made compulsory to all the industries working in and around Tiruppur. Eco friendly products should be encouraged and supported by the Government.
5. The regulatory boards of water and pollution and other laws relating to industries should be made strict.
6. All the companies have to develop a code of conduct on its own for production processes and waste maintenance, for employees, for local communities and for environment to save the human life, aqua life, environment and so. So that it can face the global competition by meeting the international standards to.

Conclusion

The most significant stakeholder which determines the CSR of textile units was 'employee CSR' and 'environment CSR'. CSR of the textile units have been effective due to the positive influence of their activities towards employee and environment. CSR relating to all stakeholders, namely, customer, employee, environment, community and corporate governance was different among the textile units. High ranking CSR factors were 'avoiding product-related controversy' (for customer CSR), 'employee dispute' (for employee CSR), 'reclaiming of wasteland' (for environment CSR), 'company encouragement to employees' (for community CSR) and 'avoiding fines and penalties and managers conviction' (for corporate governance) have been executed by the textile units. Firms are responsible for their ethical conduct of their operations and impact on stakeholders now and in the future. Undertaking CSR activities will go a long way in enhancing the textile industry.

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