

Dyeing Stain on Knit City's Future



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India is one of the leading countries in the world textile market. From an unorganized sector in the 1980s, it has transformed into an organized top player. Thanks to the liberalization of Indian economy in 1991. And Tirupur had become an International player from its obscurity with the help of the Entrepreneurs who understood the dynamics of the market and adapted. The textile units in this town had dealt with numerous obstacles and bounced back strong. But this time, it's an overpowering problem. The chemical processing units in the town had been shut down for the last three months due to the mooting of environmental degradation in the Noyyel River. It has been festering for more than a decade now. One question that has to be answered about Tirupur before throwing light on the environmental issue faced is how this small town became an international phenomenon.

Genesis of a Billion Dollar town

The first Knitwear unit was started in the town in the year 1925. In fact the growth in the first forty years was very slow, and started to grow in the late 60s and by 1980, it started exporting Knit products. The first ever export was to Italy. The Italian garment exporter Verona came to Tirupur in 1978 to buy T-Shirts and amazed at the underlying potential of this great town's production capabilities, he started sourcing his requirement from here. The rest is history.

The exports were at Rs 10 crore in the year 1984, soared to a whopping Rs 11,000 crore in 2006-07. Today the hosiery town accounts for nearly 38 per cent of the country's total apparel exports of \$10.5 billion. Nike, Cutter & Buck, Tommy Hilfiger, Adidas, GAP, FILA, Arrow are some of the big names which source from this knitwear production cluster. Another significant feather in the cap for this developing international hub is declaring it as a separate district in February 2009. According to the new notification, Avinashi, Palladam, Dharapuram, Kangayam, Udumalpet will come under the new district of Tirupur.

Garment manufacturing in Tirupur is not vertically integrated under one roof. It is diversified and decentralized sector which enables faster production to a certain extent. The processes involved are Knitting, Dyeing or bleaching, Compacting, Printing, Embroidery, Tailoring, Labeling and Packing and dyeing and bleaching are the two very important stages of this process. After the exports started in the year 1980, there has been a continuous increase in the number of dyeing units in Tirupur, the regarding data is shown in the table below.

Year	No. of Dyeing Units
1986	99
1989	450
1992	518
2001	800
2010	729

The increase in the number of dyeing units happen to a curse in disguise, though it helped Tirupur move up to strong position in the International Knitwear Exports. For dyeing about 160 different types of chemicals are used. Approximately 1 kg of hosiery fabric would consume 200 litre of water and in that 175 litre effluent is produced.

The legal battle of the Dyeing Units

The growing number of dyeing and bleaching units in around the Tirupur town, nearer to the Noyyel River caused a lot of pollution to the river, the nearby Orathupalayam reservoir and other connecting canals. No steps were taken to prevent the dumping of the effluent or no steps were taken to reverse the damage caused. According to the TNPCB, 8.8-crore litre of effluents, after primary treatment in effluent treatment plants are being let out into the Noyyel every day. A TNPCB source claims that the Board stipulates the total dissolved solids (TDS) in the water discharged into the river should not be more than 2,100 parts per million (ppm). It is well known - even the dyeing industry admits it - that the TDS levels in and around Tirupur are way above this norm. But the TDS level in the water in the Orathupalayam dam area is above 9,000 ppm; in summer, when water evaporation is higher, the level of TDS is even higher. This value was way too high for water that was discharged into the Noyyel or any other river. The chronology of events starting in the 1980s till date is as follows.

1. 1989 - The first ever Government Order regarding environmental issues came on March 30, 1989 (G.O. No. 213) which prohibits any kind of polluting industries to be located less than one kilometer from the rivers. *But The Tamil Nadu Pollution Control Board failed to keep up this order. Industries continued to run unhindered.*
2. 1996 – Karur Taluk Noyyel Canal Agriculturists Association filed another suit of Public Interest Litigation against the Tirupur Dyers.
3. 1998 – Madras High Court ordered the Dyers to implement the pollution control measures and to pay the damages etc. The High Court directed the Tamil Nadu Pollution Control Board to implement the pollution control and environmental laws and also granted liberty to decide the amount for which dyeing units were liable to reimburse for the loss caused by pollution. The dyeing and bleaching units were directed to contribute

an amount to meet the expenses of cleaning of the Orathupalayam dam. Three month period was given to implement the order.

4. 2002 – Madras High Court ordered for formation of Loss of Ecology Authority to assess the damage caused by the pollution due to effluents from the dyeing units. This Authority submitted its report in the year 2004, which ordered the polluters to pay or the damage caused and for the cleaning process.
5. 2005 – Madras High Court ordered the formation of two bodies, and some key points to be noted are as follows.
 - a. To inspect the knitwear cluster and verify the volume of the polluted water discharged into the river every day and suggest methods to clean up the reservoir and the Noyyel river basin
 - b. To inspect and quantify the polluted water stored at the Orathupalayam dam with details as to the present condition of the sluices.
 - c. To explore and suggest ways and means to clean the stored water and then release the treated water in the river, by adopting any technical industrial process, its estimated cost and the likely time, the process might take its feasibility.
 - d. To suggest ways and means for preventing the discharge of polluted trade effluents either directly or indirectly into the Noyyel river by the cluster of industrial units in and around Tirupur during the process of cleaning the dam area and later.
6. 2009 – The Supreme Court ordered these units to stop their effluent discharge or Zero Level Discharge (ZLD). Despite court order, the dumping of effluents continued which has transformed the Noyyel River into a sewage canal.
7. 2011
 - a. January 28 – The Madras High Court ordered closure of all the dyeing units in the Tirupur town that doesn't follow ZLD. It also asked the State government to disconnect power supplies to these dyeing units and seeded the beginning of three months of downward path for the Tirupur Export Industry. The court also directed the state pollution control board to initiate criminal prosecution of units which fail to rectify defects leading to pollution.
 - b. February 12 – The High court allowed the Dyeing units to use Diesel Generator sets to keep the RO membrane running. This came as a response to the challenge filed against the contempt petition that came in the month of January.

The outcomes of the closedown

For a very long time, it was thought that laws in India were just in papers and not implemented. But the issue with dyeing units in Tirupur had changed the notion. Though the court order is welcomed, the blanket ban on the dyeing units in something way over the limits.

Mr. A. Sakthivel, President of Tirupur Exporters Association had said in an interview with newsmen, "I cannot comment on the court order. But this would bring Tirupur to a standstill and would cause a loss of around Rs 50 crore per day to the industry. We have just come out of the yarn problem and now this has cropped up. Around 50,000 workers would be affected; exports would also take a beating because of this move." He also said in an interview in the month of February, "We have come across zero discharge as a new technology. No place in this world follows this technology. We are trying to achieve zero discharge. We have spent nearly Rs 1200 crore for this project." Apart from the 50,000 workers who work in these dyeing units, nearly 10 lakh people will be affected indirectly who are all linked to these dyeing units. In Technology terms, we say "*the chain break at the weakest links*" and now dyeing units have become the weakest link for Tirupur' garment manufacturers and exporters.

"There is no Tirupur without dyeing factories," said N Murali, Tirupur Exporters and Manufacturers Association vice-president and Rajshree Exports managing director. He said it is not possible to comply with zero-level discharge as even the ground water and well water contains some salt. There are around 5,000 units in Tirupur engaged in various activities related to knitwear exports employing more than four lakh workers. The city is host to a number of knitwear export firms. This is a crucial time for the export industry. Industry is already hit by the raising prices of cotton and cotton yarn, which rose by 100% and 70% respectively leading to higher production costs and now this. Though the Central and the State government are trying to bring the industry back on track, by sanctioning a loan of Rs 350 crore, it is not sufficient. The industry says that the actual cost of setting up common effluent treatment plants to treat the discharge from the dyeing units exceeds Rs 800 crore. Loans of Rs 600 crore were taken to set up the treatment plants. On the one hand, only Rs 150 crore out of the government grant actually reached them and on the other, the closure of the units means the loans taken may not get repaid. K Krishnan, General Secretary of Tirupur Dyes & Chemicals Association claims that, "It is not an easy joke. Our accounts are in the NPA position. Once the NPA is announced, it means we will not get technology upgradation fund (TUF) subsidy on interest basis."

With Dyeing units in Tirupur closed, the exporters are moving to the small timers in the Erode, Perundurai area. Some go to Punjab, Gujarat or even Colombo for processing their goods. They are demanding 100 per cent payment in advance and the quality is not guaranteed. The dyeing mills are not ready to give assured delivery time and exporters are unable to confirm the final

delivery dates to the overseas buyers. In most of the cases, buyers cut back the order quantity or asked the exporters to airlift the goods at their cost which only adds to the losses of exporters.

Moreover the industry is competing with other big players like Bangladesh, Turkey, Sri Lanka, China, Egypt and other certain smaller countries. The big exporters were pulling up their contacts in other parts of the country to organize their dyeing and the worst affected lots are small and medium sized companies. Most of units are already on their way down the drain due to the loan they are getting from private financiers due to strict bank policies in the last two years. A solution has to be found out soon or else other favored players will grab the bite. India is already not in that list due to the duty advantage they get from countries like Bangladesh.

But still the problem of degradation should be addressed soon. There are many accounts of the farmers and other villagers residing on the banks of the Noyyel River basin. One such thought-provoking account is this. "I had a huge farm in the banks of the river. Now that's totally gone as the river is fit for nothing. Neither is it fit for drinking nor for animals. Over 600 people have died because of cancer in the area because of the pollution," said Kandasamy, petitioner. It's high time we think about bringing a strong fail proof solution to end the problem of environmental degradation. It also shows the irresponsibility of the Textile Industries. I know clearly that there would be a lot of objections to this, but still that's the truth.

Steps taken to solve the issue

Initially when the problem surfaced again in the year 2005, with knowledge inputs from Anna University and IIT, Chennai, RO system and Multiple evaporators were installed at more than Rs 1200 crore. 80% cleaned through RO and 15% through multiple evaporators, the remaining 5% is the trouble here. Moreover the evaporators started failing lately and hence ZLD can't be achieved. In 2011, there was a fresh suggestion from NIFT-TEA, to use Eco-Green evaporator used in Germany, instead of the failed mechanical evaporators to treat the RO rejects.

The only permanent solution to the problem could be Marine Discharge but that too should be done with proper regulations put forth by the Pollutions Control Department. The Tirupur Exporters Association (TEA) has sought government help to set up a marine discharge project with an overall estimated investment of Rs 1,000 crore to solve the dye effluent problem clouding the textile industry. Once the marine discharge project is implemented, the whole textile belt of Tirupur, Perundurai, Erode, Pallipalayam and Karur will get benefit out of it, he added. Mr. A. Sakthivel pointed out the Union ministry of science and technology has agreed to extend support up to Rs 5 crore to carry out environment impact and social assessment study for the project through the National Institute of Oceanography. Mr. A. Sakthivel said financial situation of the industry is bad due to closure of dyeing units and increase in inputs costs. Banks have to come forward

and extend supporting measures like foreign currency denominated loan at 2% over Libor to knitwear export sector, extension of 2% interest subvention facility to knitwear garment sector across the board and availability of pre shipment and post shipment export credit in rupee at base rate to help the industry come out of the situation. He also said no accounts should be made NPA. A suitable restructuring of bad loans should be done to bring back the units into normal course of activity.

Before Dyeing units become dying units with Zero production and sky-rocketing debts, it's up to the Government for financial and other needed support to bring back the export industry in the International market.

Image Courtesy: flashnewstoday.com