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Sustainable Development in Textile Dyeing and Printing - A Study at Jodhpur

S Mathur & Dr. Vandana Bhandari, National Institute of Fashion Technology, India

The textile industry has both cultural and economic importance for the developing countries. Its economic importance is linked to its high employment potential, low capital investment, high added-value and export potential. India is the second largest exporter of dyestuffs. This industry also brings with it a range of problems, as it is one of the most polluting industries. The strenuous production of textile and its consumption has contributed to increasing pollution, water shortages, fossil fuel and raw material depletion, and climate change. How the firms manage their supply chains significantly influences their performance of environmental sustainability.

Sustainable development has become a global aspect and a major concern for textile industry. As described by the Brundtland Commission's Report, *Our Common Future*, sustainable development is "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs". Cepolina (2012) suggested that organizations can increase profits by following the sustainable manufacturing model. Yet some of the research states otherwise, like Florida and Davison (2001), that business benefits are important motivations for adopting innovative environmental practices.

Analyzing the financial and environmental performances of the firms will help in exploring the relation between sustainable environmental practices of firms and their business benefits, or, financial performance.

This study is conducted on the Micro, Small and Medium Enterprises (MSMEs) of the dyeing and printing industries in the region of Jodhpur, Rajasthan, and provides critical understanding of the relation between financial and environmental performance. Data on Environmental Performance and Financial Performance of firms was collected from 30 MSME units, and quantitative analysis was performed using multiple linear regressions. The result shows that Environmental Performance of a firm impacts its Financial Performance measures, like Gross margin (GM), Operating Margin (OM), Return On Capital Employed (ROCE).

This study provides critical understanding of the relation between Financial and Environmental performance of MSME units, and hence could be an important input for the policy making and incentivizing the MSMEs in appropriate ways to get commitment for sustainable environmental practices.