

Sub-sector Study on Textile Dyeing and Printing in Bangladesh

The art of textile coloring is very old and was originally based on naturally occurring inputs the derivatives of some of which are still in use. As of now, some 6,000 varieties of dyes are manufactured out of products. Textile is the second largest employment generating sector in Bangladesh after Agriculture and consists of four sub-sectors including Textile Dyeing and printing. The textile sector supported by favorable market conditions is steadily expanding. Main concentrations of textile dyeing and printing are seen around Dhaka, Narayanganj, Narsindhi, Comilla, Savar, Gazipur, Tangail, Pabna, Shazadpur, Serajgonj, Kumarkhali, Kustia, Jessor and Rajshahi etc.

Approach and Methodology

The JOBS Program, seeking to create private sector employment, has identified eight sub-sectors including textile dyeing and printing for baseline survey and study. The approach followed included: a) identifying the problems suffered and opportunities enjoyed; b) determining the causes of problems; c) establish solutions; and d) implementing measures to solve the problems.

Textile Dyeing and Printing Scenario

To be finished product dyed and printed fabrics must go through a further process namely; finishing. Again, dyeing refers to two types of materials e.g. dyeing of yarn and dyeing of fabrics, While yarn is dyed in commercial scale in hundreds of hand weaving pockets, cloth is both dyed and printed in dozens of locales in cottage scale, as SMEs and as large enterprises.

Current Cloth printing practices include:

- Block Printing, the oldest form of cloth patterning extensively pursued in cottage and SE scales;
- Batik Printing and Tie-dyeing carried out mainly in cottage scale;
- Hand Screen Printing which is manual but has great advantage over block printing is seen as falling under SMEs;
- Roller / Rotary and Flatbed are both semi-automatic and pursued both as medium and large-scale industries.

Of the 43 units surveyed 7 are SMEs and belong to block and batik hand screen groups, 37 are medium ones and 1 is pretty large and does not come within preview of SMEs. There are some 2 dozen of very large dyeing, printing and finishing units in the country including some composite enterprise performing all textile operations e.g. spinning, weaving, dyeing, printing, and finishing. There may be around 350 medium scale units and 70 percent of the units surveyed belong to this group.

Focus Group Discussions (FGD) on Textile Dyeing and Printing sub-sector brought into light the existing state of things facing the sub-sector- in particular the problems facing and opportunities enjoyed. The problems are mounting and include; unabated inflow smuggled prints, high rates of tariffs and taxes, inadequate water supply, frequent power failure, discriminating tariff rates of gas and electricity, cumbersome formalities to get water /gas connection and boiler permission, shortage of working capital, non-cooperative attitudes of Banks, violent law and order situation, banks sanctioning loans without ascertaining technical /financial feasibility of a project, etc. Opportunities enjoyed were identified as being expanding market, mutual cooperation and exchange of information and technical help among the enterprises in the particular locality, the existing multifaceted subcontracting practices, etc. The FGD also discussed issues as policy framework, difficulty being faced in getting land, lack of infrastructural facilities in industrial estates, etc.

State of the Art

The national consumption of cloth is estimated to the tune 1,400 million of which around 910 million meters are locally produced and the balance 490 million meters are smuggled in to the country and most of this quantity is printed fabrics. Only about 6-7 percent of the consumption of RMG sector is met out of locally produced fabrics – mostly in the form of knit fabrics.

Dyed and printed fabrics are used in the form of sari, Kurta, Shelwar- Kameez, Stole, Scarf, Shirtings, Lungi, Napkin, Wrappers, Cushion Covers, Bedspreads, Curtains, Upholstery and other household lines. Brands of local products are numerous and Dhaka based ones include Jhumka, Pakiza, Zoni, Chandni, Zia, Pride, Standard, Prestige, etc.

For the purpose of mapping, the sub sector is grouped into three broad categories e.g. (a) yarn dyeing (b) block printing and (c) screen-printing. The market for dyed and printed textiles may be grouped as being; (a) over 5 million hand weavers plus small handloom / power looms factories procuring dyed yarn; (b) thousands of whole sellers /retailers throughout the country; (c) makers of beddings, upholstery, and household lines /upholstery ; (d) local



readymade apparel makers; (e) institutional buyers; and (f) RMGs. It is estimated that about 70% of the local consumption of cloth is dyed / printed.

The producers are the commercial yarn dyers; block batik and tie-dye printers and the manual / semi-automatic screen printers. The number of producers and their production capacities have substantially increased over the years; particularly at SMEs level.

The whole sellers / retailers' characteristics depend upon the particular products they deal with. For instance, those dealing with dyed yarn or batik / tie-dye products are local shopkeepers, while those dealing with screen prints are city based large traders and practically control the market and production activities. Majority of the get their – fabrics printed on subcontracting basis.

Inputs suppliers of the sub sector mainly refer to the dyestuffs importers and whole sellers /retailers. Main concentrations of inputs suppliers are seen in and around Narayanganj, Dhaka, Narsingdi, Pabna, Serajonj, Kustia, Comilla, Jessore, and hundreds of other growth centers around hand loom pockets. There is apparently no problem in the availability but the prices are steadily going up.

Ultimate consumers of dyed and printed fabrics are the millions of households. However, such fabrics pass through intermediaries such as dressmakers, drapery / linen makers, etc., who are technically consumers in relation to the producers. Export based garment manufacturers have of late started using some locally printed fabrics. Besides, there is a large of group institutional buyers. One important finding is that the choice of the ultimate consumers is fast tilting in favor printed fabrics.

Survey Findings: - Field survey was conducted in 11 major locations and covered 79 respondents including 43 producers, 13 wholesalers /retailers, 11 inputs suppliers and 12 consumers in addition to intense informal discussions with institutions, officials and knowledgeable individuals.

In terms of investment 24 units were found to have invested between TK 1 lakh and 20 lakh, 13 units between TK. 20 lakh and 100 lakh and the rest 6 units above 100 lakh. The per unit investment did not exceed TK. 5 million in 70 percent enterprises. Except a solitary rural unit all the units are located in urban or semi- urban areas.

The employment size in 35 units varies between 6 and 50 and in the rest unit's employment sizes above 50 persons. The sub sector is highly labour intensive where it is possible to create an employment in a small printing unit at a modest investment cost of only Tk. 7,200. The average per unit employment size is to 40 and average per employment cost is TK. 186, 490.

Ownership is dominated by proprietorship with 29 units owned by individuals, 7 partnerships and 7 units being private limited companies. Only 6 units were established before 1974 as against 32 units having been established after 1985. The sub sector is seen to have in the threshold of expansion.



Entrepreneurs are relatively young, all of them are educated and 3 of them are female. They have initiatives and most of them promoted their enterprises overcoming odds and through their own endeavors and mistakes. The entrepreneurs in a particular locality maintain close cooperation among themselves discussing problems, production, and technical and marketing issues and trying to mutually resolve such issues. But there is no mechanism of exchanging information on important trade, production and marketing matters. The existing trade association (BTDPPIA) lacks experience and initiative to introduce such a mechanism. Major problems they faced during the setting up of the enterprises include financial difficulty, problem of getting land and power / gas connections, lack of working capital, lack of skilled workers, marketing problem (smuggling), uncertain policy decisions, hostile law and order situation, etc. Solutions to these problems suggested are; systematic credit facility, institutional support, skill training, technology development and peaceful law and order situation.

The entrepreneurs are mostly the first generation industry owners with 35 of them setting up or acquiring their own enterprises and 8 getting the ownership by way of inheritance. Most of them selected the particular line thinking that the pursuit was profitable and 60 percent of them enhanced their investment after they have set up their enterprises.

Subcontracting is a dominant practice in and significant characteristic of the industry in different forms particularly when majority of the units do not have all equipment and they get the wanting process done in other units in order have the printed fabrics fully finished. Moreover, the wholesalers mostly procure their merchandise under regular subcontracting arrangements.

About two-third of the units cannot use their full capacity due to the shortage of skilled workers. Moreover, the technology used, is mostly traditional requiring its upgrading to compete with imported fabrics which are better in terms of quality and design. Majority of the entrepreneurs is willing to go for improving their technological level if required financial support was available. Supported by expanding demand 80 percent entrepreneurs have their plan to increase investments mostly out of own resources and some of them would simultaneously ask for borrowing support.

Effluent discharge from textile dyeing and printing units is a severe health and environment hazard asking for either centralize arrangement for disposal of such effluent where the units are concentrated in an industrial area or where they are located in isolated places every such unit can have a specially designed two-chamber tanks for such disposal.

Recommendations: - By the 2000, textile sector will have additional investments in 156 spinning mills, 371 weaving mills and 371 dyeing, printing and finishing units. For this purpose apart from revamping the policy framework and institutional base, a tailored credit line will have to be introduced. For the kind of JOBS Program, it will ask for intervention through an experienced institutional mechanism.

