

# SUPPLY CHAIN SPOTLIGHT



Throughout 2014, we are working with pairs of ginners and spinners to highlight the efforts of those who are making Better Cotton a reality. They are proof of a system that works, and which is gaining momentum. Here they tell us in their own words why others should join the movement and continue to procure more and more Better Cotton.

**Be part of something Better.**

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## OUR BCI GINNER AND SPINNER PAIR, INDIA:



### **GINNER Mr. Shailesh Patel, Agrocel Industries Limited:**

Agrocel helps farmers move up the value chain by supporting them in building strong local and global market linkages and providing market access for their output. Our ethical, socially responsible business practices provide an exemplary model of agricultural business and farm service to local farmer organisations.



### **SPINNER Mr. S P Oswal, Vardhman Textiles Limited:**

Vardhman Group is a major integrated textile producer in India. Established in 1962 the group has since expanded enormously and our portfolio now includes manufacturing and marketing of yarns, fabrics, sewing thread, garments, fibre and alloy steel.



## WHY BETTER COTTON?

**AGR:** The Agrocel Agriculture Service division focuses on activities related to the cultivation and marketing of Better Cotton and Organic/Fairtrade food and fibre. In this way we support sustainable livelihoods for small and marginal farmers. Our own ginning factory maintains very high standards of processing for Better Cotton fibre and we are the suppliers to leading spinning mills such as Vardhman.

**VARD:** We procure 5% of the total cotton consumption of the 'Organised Mill' sector in India. Since we are such a large buyer of cotton, our group philosophy has a strong inclination towards the responsible sourcing of our raw materials. We believe in the principles put forward by BCI and the focus on the social and environmental benefits to society. We are proud to be members of BCI.

## HOW DID YOU FIRST GET INVOLVED IN BETTER COTTON AND BCI?

**AGR:** We have been in the sustainable cotton business since 2001, and Agrocel has built a name for itself as a supplier of sustainable cotton. We were one of the first suppliers of Better Cotton bales in India.

**VARD:** In 2010, we were first approached by a few brands asking if we could supply Better Cotton yarn. From this beginning, we remained in close touch with the BCI team and became members shortly afterwards in 2011. We also advertise ourselves as suppliers of Better Cotton yarn and fabric in our brochures, which in turn helps us to identify new supply chain partners. Finally we take an active role at all conferences and meetings organised by BCI.

## HOW DO YOU FIND AND PURCHASE BETTER COTTON?

**AGR:** We have been part of the Better Cotton project since 2010 and now have direct links to Better Cotton farmers. Our ginning factory is located close to where the farmers are, so we either collect cotton directly from the villages or farmers deliver cotton directly to our gin. Our gin exclusively collects Better Cotton so there is no challenge of segregating Better Cotton from conventional cotton on site.

**VARD:** In our first year as BCI members (2011-12), we did find there were some constraints for Better Cotton: there remained strong demand from customers but supply still needed to increase, and therefore there was a price difference between conventional cotton and Better Cotton generating a reluctance from brands to procure it.

But in 2013-14, BCI introduced the Mass Balance option in their traceability system, extending the traceability of Better Cotton to spinners and improving bulk availability of Better Cotton for retailers. Introducing the Better Cotton Claims Unit system helped to improve supply of Better Cotton at the same time as reducing price differences, resulting in improved demand.

## WHY SHOULD OTHER COMPANIES BECOME BCI MEMBERS?

**AGR:** Being part of BCI is an opportunity to be a sustainable project partner with Better Cotton farmers, helping to create transparency in the supply chain.

**VARD:** Being responsible supply chain actors, we support sustainability. With no significant price difference between Better Cotton and conventional cotton we are now able to contribute to BCI's goals and aims. BCI is also very clear on all its policies and systems for members to use. All supply chain actors should become BCI members.

## WHAT DIFFERENCES HAVE BEEN MADE TO YOUR BUSINESS AFTER LEARNING ABOUT AND WORKING WITH THE BETTER COTTON STANDARD SYSTEM?

**AGR:** Working with the Better Cotton Standard has significantly influenced the working culture of our ginning mills, which in turn leads to better management.

**VARD:** We work with major brands and the demand for larger volumes of Better Cotton is increasing. Besides this increase in volume, we do feel that we are meeting our social responsibilities by sourcing Better Cotton, working towards BCI's primary objective to make global production better for the people who produce it, better for the environment it grows in and better for the sector's future.

## WHAT DO YOU THINK THE FUTURE LOOKS LIKE FOR BETTER COTTON?

**AGR:** We see the opportunity for more Better Cotton farmers and stakeholders in the future. We see positive results at farm level, and the opportunity for farmers to get training and implement the Better Cotton System in their fields. And we see many more brands using Better Cotton in their products to support Better Cotton projects in the field.

**VARD:** We foresee a bright future for BCI as farmers become better connected and Better Cotton is a win-win situation for all supply chain actors. Our business stake in cotton is very high, and with so many brands all associated with BCI we can confidently say that volumes will further increase in coming years.

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Mr. Shailesh Patel, Agrocel Industries Limited

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Mr. S P Oswal, Vardhman Textiles Limited