

APPAREL RESOURCES
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**CASE STUDY OF
ORGANIC
PROJECTS IN
INDIA**

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About us

Apparel Resources is as an organization with over two decades of deep interaction with the Apparel and Textile industry in the Indian subcontinent under the name and style Apparel Resources. We are an established name as a knowledge partner to not only the industry but also to the academicians and students. The organization is actively involved in Research & Development, Industrial Training and Consultancy initiatives. Apparel Resources has been involved in conducting surveys, publishing annual Top 100 rating of companies in the garment industry besides insightful research/ analysis of textile and apparel trade statistics, especially related to global trade.

Scope of White Paper

Organic cotton is a big story for India, this report looks at the position of India in the Global organic cotton market, both as raw material suppliers and garment manufacturers. Case studies of 5 major organic cotton projects have been presented and the social and environmental impact of these projects have been highlighted.

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THE ORGANIC COTTON ROUTE...

THE ETHICAL WAY TO SUSTAINABLE GROWTH FROM FARM TO FASHION

India has taken to organic cotton in a big way. Today, the country is the largest producer of organic cotton in the world with 11 major projects underway. The principles of organic cotton strike a chord with many Indian farmers who are steeped in a holistic tradition that sees the relationship between humans and their environment in a way that is unique. Indian projects are often characterized by an enormous respect for natural approaches to pest management and soil fertility, and a strong spiritual philosophy. Perhaps that is one of the reasons that garment exporters too have taken the organic route with more than 400 GOTS certified textile and garment companies in India, and constantly growing.

Currently organic cotton is less than 10 per cent of total cotton production in India but with the largest number of GOTS ((Global organic textile standard) certified facilities in the world; India is the leader in both organic cotton production and processing. At global level, organic cotton is just 0.7 per cent of worldwide production even as brands like H&M have made strategic targets to use only sustainable cotton by 2020.

The bulk of organic cotton production in India occurs in the states of Gujarat, Madhya Pradesh, Maharashtra, Orissa, and Andhra Pradesh. The largest projects for organic production are Pratibha Syntex (Vasudha), EcoFarms and Maikaal BioRe. India is rapidly increasing organic cotton fibre, textile and garment production to meet growing customer demands. India also has a mature, global textile industry with links to major international markets as well as access to a potentially enormous domestic

Experts, NGOs and retailers working tirelessly to give organic cotton a business model that is self sustaining suggest four critical action plans to bring more long-term players into the organic cotton chain.

- Linking interested companies to suitable suppliers so that a committed chain is formed.
- Strengthening partnerships and ensuring supply/sales via mutual agreements.
- Motivating large public buyers to procure organic cotton products instead of conventional ones (Government procurements). This will automatically bring mass interest.
- Communicating the expected environmental and social benefits to the buyers and retailers.

India's Positioning in Organic Cotton

The positioning of India as a frontrunner in organic cotton is getting stronger by the day and with Turkey slipping to second spot in organic cotton production, India has become the undisputed hot destination for both organic cotton and in garments made out of organic cotton. The challenge at the moment is to provide an authentic organic cotton product manufactured from a supply chain either certified from GOTS or Organic Exchange at a price that is acceptable to the dynamics of the market conditions today.

A survey of Marks & Spencer shows that 65% of consumers are interested in purchasing "green" clothing but they want simple choices provided by their regular shopping channels. Separate shops and a niche identity are not helping the movement it has to become a mass product to be 'sustainable' for everyone in the organic chain. Retailers with the top three organic cotton programmes in the world, Walmart, C&A, and Nike, projected to represent approximately 50 percent of organic cotton retail demand in 2009 and 2010, have reaffirmed their plans to move forward with expansions in their organic cotton programmes. OE projects that global retail sales of organic cotton products will reach a level of \$ 4 billion in 2009 and \$ 5.3 billion in 2010, reflecting annual average growth rates of 24% and 33% respectively.

To achieve volumes in organic cotton and avoid that organic cotton is taken just as a trend or a short-term goal, it is crucial to motivate buyers and retailers for long-term commitments and to integrate organic cotton in their CSR programmes and raw material supply strategy.

Once the retailers/potential buyers are hooked on to the programme the next crucial task is how to keep costs low and how to integrate them in a chain so that the consumer gets the final product at a price which is 'interesting'. Much debate has been going on regarding the need to revamp the cost/price structure, some of the interesting suggestions put forward by various interest groups are:

Transparency of costs: Buyers do not always understand the system costs and manufacturers of organic cotton products do not understand how to integrate these costs in the price in a transparent way so that the buyers can appreciate why the 'price'.

Economies of scale: There is a need to pool small quantities in processing or introduce small-scale machineries to bring in economies.

Short routes of transportation: Transportation is a major cost as special care is required; it is suggested to foster local processing.

Look for new global structures: A global organic producer controlling body should be developed that may act as umbrella organization with producer group memberships; some guiding principles and clear pricing structure (fix the price at a percentage above the conventional price). Many organizations advocating for new initiatives call this as the 'Better Organic Cotton initiative' with organic certification and a minimum seed cotton price.

There is also talk of working towards "organic" without certification so that the cost involved in the certification process can be reduced. Allocate a quota to the organic cotton production by country so prices are fixed.

Joining hands with Fair Trade: Begin with Fair Trade and finally converge into organic cotton to avoid selling cotton in conversion at the conventional price and to get double benefits after two years when the cotton becomes organic.

While all these issues are of prime concern that have restricted the growth of the organic cotton movement, traceability of the chain and the commitment of players in the chain to ensure traceability continue to raise question on the authenticity of the movement beyond just an 'environmentally' friendly product. Traceability implies that every retailer/consumer must be able to trace the life cycle of the product right down to the farmer level because of the certification transactions that happen at each stage which ensure that all parameters of integrity have been maintained.

Basically organic textiles are validated according to two standards

– GOTS and OE. While GOTS (Global Organic Textile Standards) emphasize the use of 95-100% organic fibre and ban all forms of harmful substances from spinning up to the finished product, OE (Organic Exchange Standards) allows blending in specific ratios. Each chain is tracked according to the parameters of the permitted limits of the chain.

Organic cotton is a concept that is here to stay and from an environment movement it is now taking the ethical turn for sustainable growth...

The traceability route in OE 100 Supply Chain : OE 100 Standard requires

- Organic cotton bought from certified organic farmer.
- Have 100% organically grown fibre, exclusive of thread and non-textile trims or accessories.
- Handle the cotton in a manner that keeps its identity until it is spun in yarn.
- Handle and label yarns, fabrics and finished goods so that the purchase and use of certified organic cotton can be verified at each step of the manufacturing process.
- Maintain records that confirm that all required steps have been taken
- Have an independent accredited third party certify compliance with the OE 100 standard for every party involved in producing the product.

Case Study 1

“Though we have piloted these projects in just two villages, one in Adilabad in Telangana and the other in Kalahandi district in Odisha, the intent is to scale it up to all villages where cotton is being sourced. This gives an opportunity for the buyers to source their cotton from areas where they can see and show desired results as committed to their customers,”

- Chetna Organic

Chetna Organic

Continuously working to address issues of cotton farmers -supply chain mapping to measure impact of CSR projects

Chetna Organic initiated in 2004 as a composite supply chain intervention program in Organic/NPM and Fair-trade cotton with 234 farmers, to address issues of distressed cotton farmers from the rain-fed regions of North Telangana, Maharashtra (Vidarbha) and South Western Odisha, is today a huge project that reaches out to more than 40,000 small and marginal farmers around the country. With a very proactive approach, Chetna Organic has over the years launched many programs to uplift the community.

Among the most recent initiatives, Chetna Organic has launched the 3DPnL pilot programme which studies the impact of ‘organic and fair-trade’ cotton across various stakeholders in the textile supply chain and in the process attributes profit or loss scores on various components under social, economic and environment parameters. The aim is to develop a mechanism where impact of CSR interventions throughout the cotton supply chain can be measured accurately.

The 3DPnL project has also helped to build the ‘Chetna Coalition’ (ChetCo) – where a group of garment manufacturers, brands and retailers from across the world who source their organic cotton from Chetna farmers, have pooled their resources to support this programme. Currently there are 12 brands associated with the ChetCo, including Fairtrade International (Germany), Kering Group, H&M, Solidaridad (NL), Gstar, Inditex, to name a few. With this mapping tool, donors and corporates (mainly brands/retailers in the chain) behind the CSR initiatives can now regulate the quantum of their fund flow to activities that are responding well to their interventions in their chosen focus areas of development.

Chetna Organic reaches out to more than 40,000 small and marginal farmers and farm-workers directly in 3 states, 15 districts, 670 villages through 1816 farmers SHGs (Self-help groups) and 12 cooperatives via 15 different programmes.

Other social initiatives to Organic Farmer

Through its various interventions, Chetna Organic reaches out to more than 40,000 small and marginal farmers and farm-workers directly in 3 states, 15 districts, 670 villages through 1816 farmers SHGs (Self-help groups) and 12 cooperatives via 15 different programmes with interventions in Organic and Sustainable Agriculture, Market and Value Chain Development, Natural Resources Management, Livelihood Options, Food Security and Seed Sovereignty, Gender Empowerment and Child Welfare.

Apart from 3DPnL pilot programme, Chetna Organic has various projects running simultaneously such as the Chetna Organic and Fairtrade Cotton Intervention programme (OCIP), which offers handholding support to the organic farmers right from non-GMO seed procurement (or production) to organic certification to facilitating global marketing of their cotton. The Peace-by-Peace Cotton programme supported by Felissimo Corporation, Japan overlooks capacity building and technical assistance to farmers in transition to being organic.

It also provides educational support to children of organic farmers, whereby existing Government schools in rural areas are supported with infrastructure, while giving scholarships to students taking up agriculture-related courses. An important component of this programme is the Music Agriculture, Art and Dance (MAAD) program where students and teachers of Government schools are being trained in local art, music, dance and culture and to cultivate organic vegetables in their schools that not only helps children to learn basic farming, but also complements the Govt.-sponsored mid-day meal.

One of the most important achievements of Chetna Organic interventions has been to ensure food security for small and marginal farmers in ecologically distressed regions like Telangana, Vidarbha and KBK region in Odisha.

Empowering farmers...

Another area of achievement for Chetna Organic has been building capacities of farmers in organic farming techniques. Through sustained trainings over the last 10 years, the farmers have internalized practices like seed conservation, seed treatment, soil fertility management, intercropping, multiple cropping, zero pesticides and zero chemical fertilizers, etc. Also, it works towards gender equality that is evident from the COFA (Chetna Organic Farmers Association) and COAPCL (Chetna Organic Agriculture Producers Co. Ltd.) board meetings, where all board members have unanimously agreed to the resolution that nine Chetna member cooperatives will have at least 50 per cent women members on their board within the next one year.

Through its various interventions, Chetna Organic has intervened and worked with villages in interior Odisha, Telangana and Vidarbha, which are known for its poverty and are dry areas, transforming the lives of farmers through organic cultivation.

Other projects of Chetna Organic:

- Integrated Watershed Development Programme (IWDP) and Indo-German Watershed Development Programme (IGWDP) – (Adilabad, Telangana) – A natural resources management project focusing on improving soil and moisture conservation, groundwater recharging and livelihood options through watershed development activities.
- The Mahila Kisan Sashaktikaran Pariyojana in Muniguda, Odisha (National Rural Livelihoods Mission – NRLM project with Govt. & SDTT support) – A program designed for empowerment of women in agriculture through institution building, promotion of organic and/or non-pesticide management (NPM), sustainable enterprises for enhancing family income and drudgery reduction activities for women.

- Odisha Tribal Empowerment Program (OTELP + with Govt. & DFID support) (Koraput, Odisha) – A convergence program aimed at facilitating delivery of Government schemes for tribal communities in Koraput.
- Convergence of Agricultural Initiatives in Maharashtra (CAIM with Govt. & IFAD support in Akola and Yavatmal clusters) – A convergence program to consolidate and facilitate delivery of Government schemes to the poor in rural Maharashtra.
- Seed Guardians Project in Kalahandi district, Odisha (supported by Textile Exchange and Inditex) – A seed conservation programme designed to identify and build capacities of rural women to multiply and conserve desi seed varieties through promotion of seed banks.
- Green Cotton Project in Kalahandi district, Odisha (Supported by FIBL Switzerland and UAS Dharwad) – A scientific cotton research project to identify and multiply cotton varieties suitable to local agro-climatic conditions.
- Food and Nutrition Security Programme in Muniguda Block of Rayagada district, Odisha (supported by SDTT) – A programme to ensure food security of small and marginal farmers through promotion of backyard vegetables, millets and other drought resistant crops.
- Value Chain Development in Organic Pigeon Pea and Organic Turmeric with Women Tribal Farmers in Muniguda, Rayagada district of Odisha (SDTT supported).
- Jackpot Community Development Programme: A CSR project for the Danish brand 'Jackpot' where organic farming communities have been financially supported to build common assets like warehouses, water purifying plants, vocational training centres, etc.
- RRA (Soils supported by Ford Foundation): An advocacy project with eight countrywide NGO partners, the activity here is to pilot soil related interventions in rainfed regions and recommend changes to national level agricultural policies in rainfed regions.

Case
Study 2

Now we are talking about drip irrigation, looking at health and sanitation, drinking water, covering all aspects and creating these modern clusters. Our target is to establish a holistic, self sustaining farm community by 2015,”

-Shreyaskar Chaudhary, MD, Pratibha Syntex.

PRATIBHA SYNTEX

Organic Cotton route to social upliftment

Living the vision of sustainability, Indore- based Pratibha Syntex has committed to convert the present product line into a 100% sustainable line by 2015 while also reducing the carbon footprint by 50% and waste by 33%. The company is already the proud holder of one of the biggest cotton initiatives in the world through the project Vasudha that engages with 30,000 farmers over an area of 130,000 acres to produce organic, Fairtrade, BCI and conventional cotton. As of 30 per cent of the fibres that Pratibha uses are sustainable, the commitment is converting completely to sustainable manufacturing in the next 18 months - not organic per say, but sustainable. The vertically integrated company from farm to fashion will be promoting its sustainable philosophy and products at the event.

In the journey to be sustainable, there have been many milestones, the first being going vertical. Initially it was only spinning, organic farming was initiated in 1999. In 2001 knitted fabric production and in 2002 garments were added to the operations. Even today, farms are where a major thrust is being made by Pratibha that includes not only organic farming, which is considered the hallmark of the company, but also farmer training, basic seed production and social, economic, environmental development (SEED) of the region. “So now we are talking about drip irrigation, looking at health and sanitation, drinking water, covering all aspects and creating these modern clusters. Our target is to establish a holistic, self sustaining farm community by 2015,” informs ShreyaskarChaudhary, MD, Pratibha Syntex . Though these initiatives are as of now funded by Pratibha, efforts are on to engage customers and the government also as stakeholders.

Because there have been a lot of challenges on the traceability and integrity in organic cotton, Pratibha has started producing their own seeds. Also for greater technical support and model farm development including the reliable quality of seeds for this an NGO (agency) that has been associated at the grass root organic farming level, has been engaged. The company have been working on fair-trade cotton for the past 6 years and have managed to build

The project Vasudha engages with 30,000 farmers over an area of 130,000 acres to produce organic, Fairtrade, BCI and conventional cotton.

a school at the farm level, which the farming community manages. We also have a warehouse owned by the farming cooperative and if they don't want to sell they can stop- store it there. It's now a self sustainable model.

Sustainable initiative from Pratibha

- Pratibha has got its carbon, water and waste footprint assured by an independent third party KPMG. So far, reduction of 11% in carbon footprint and 35% in water withdrawal has been observed.
- Heat from cooling towers is recovered as hot water and this heat is utilized for evaporation of final reject effluent. This practice saves power and water consumption at cooling tower of the captive power plant.
- Cold pad batch dyeing as well as continuous dyeing and bleaching methods used at Pratibha conserve water and energy both.
- Rainwater harvesting set up helps in ground water discharge.
- GOTS approved dye stuff reduce the effluent load from generation at source by 70%. Zero discharge facility leading to total recycle and utilization of waste water.
- Brine Purification and concentration systems installed for recovery of pure salt in crystalline form as NaCl which can be used back in dyeing.
- Garment factories designed for Lean methods of production with cutting to packing.
- Reduction in inventory levels by 50% from earlier standings which has reduced style changeover time significantly.
- Pratibha's Gyanpeeth Training Centre provides skill training to women and youth below poverty line for better employment opportunities within Pratibha and outside.

- School set up in village Karhi, Madhya Pradesh provides education access to 800 students annually
- Community development projects Seed 2 SEED aim to create sustainable model villages by providing sanitation, drip irrigation, street lighting, rural employment facilities.
- With memberships in Sustainable Apparel Coalition, ASTM International and other industry associations, Pratibha is at the forefront in developing and implementing sustainability indexes and standards.
- Regular CSR activities include health camps, blood donations, etc.
- Contributions to Friends of Tribal Society is promoting education, food security and other social benefits among the underprivileged tribals.

Case Study 3

“Armstrong is continuously motivated to work towards sustainable textile when we see the positive impact it brings on the environment, people and society for both the present and future generations. Though the simple concepts of ‘society’, ‘natural processes’ and ‘reuse’ have been present in India since ages, but it is only now that we are slowly realising its importance. We are creating awareness on sustainability issues amongst peer companies and our customers, whom we are meeting,”

**- P. Vivekanand, MD,
Armstrong Knitting
Mills**

Armstrong Knitting Mills going strong on its sustainability commitments, expands reach

Committed to sustainability, Tirupur-based Armstrong Knitting Mills has made a mark through its various initiatives whether it's working along with Nudie Jeans to initiate steps to pay living wages to its workers or collaborating with Chetna Organics on the 3DPnl pilot programme. The company known amongst the most ethical manufacturers in India is continuously strengthening its sustainability commitments by initiating various programmes.

Sustainability has become a way of life and business at Armstrong Knitting Mills and the management team leading the vision is spearheaded by the Chairman, E. Palanisamy and executed by the Managing Director. Catering to the international market for four decades now, the company's product category ranges from menswear, womenswear, infant and kidswear and home textiles, mostly in organic cotton.

The company is engaged in various social activities such as:

Mobile Hospital: The Free Mobile Medical Hospital provides free medical check-ups, medicines and treatment for workers once in every week. The mobile hospital identifies various areas to help the workers of the industry.

Eye Camps: The eye camps are conducted once a year in and around villages of Tirupur. Till date, 1000 people residing in 50 villages have benefitted from this service.

School for kids: In collaboration with Migros, the company has a school for children belonging to financially backward families. The school provides education, transport, books and uniforms free of cost.

AIDS awareness programme: The company initiated the programme amongst the workers who are beneficiaries of free medical check-ups.

Yoga Classes: The company offers yoga classes to its workforce aiming to improve the quality of health and fitness.

Initiatives from Armstrong

3DPnL pilot programme

Amongst its most recent initiatives, Armstrong Knitting Mills has collaborated with Chetna Organic on the 3DPnL pilot programme which studies the impact of 'organic and fair-trade' cotton across various stakeholders in the textile supply chain and in the process attributes profit or loss scores on various components under social, economic and environment. The aim is to develop a mechanism where impact of CSR interventions throughout the cotton supply chain can be measured accurately. The 3DPnL means profitability in terms of environment and society, by not using chemicals and fertilizers from the initial stages of agriculture. Instead using low impact dyestuff and chemicals in the production process and also by paying fair price for raw materials and fair wages in the manufacturing process throughout the supply chain. Thereby creating a fashionable product which people like and would also want to buy, making the business sustainable through profit.

Living wages

Apart from 3DPnL, the company is amongst the first to initiate steps to pay living wages by working with Nudie Jeans. Though nothing is defined or concluded in the programme regarding fixed living wages, which still remains at a premature phase, but, it's a positive step towards a sustainable industry and fair wages. With an entire range of in-house facilities from raw cotton to finished garment such as spinning, knitting/ weaving, dyeing and finishing, printing, embroidery, etc. the company does pre-final and final inspection of its end-products as per international quality standards.

On a global level, many of the sustainable initiatives and programmes are buyer-driven, but Armstrong with an annual turnover of US \$ 25 million, the company is surely investing in making the society and environment sustainable. is among the few passionate companies that on its own are working towards making its company sustainable apart from participating in buyer sponsored programmes. "For us sustainability is the direction for the future. But at the same time it must benefit the people, planet and the organisation," concludes Vivekanand.

Case Study 4

Gives 10% Equity to Small Holder Organic Cotton Growing Farmers Via Chetna Organic Farmers Association.

Rajlakshmi Cotton Mills Ltd Sets an Example for CSR by Initiating a Corporate-Farmer Partnership for Ethical Business

In a bid to show its commitment to ethical trade practices and spurred by its conviction of benefiting all parties involved in business, the company, established in 1934, has given 10% of its equity to smallholder cotton-growing farmers in the country. This has been done via a producers company being promoted by the Chetna Organic Farmers Association (COFA) with the support of Partners-in-Change (P-I-C), a Delhi-based NGO specialising in and working on CSR issues and Solidaridad, a Netherland-based development agency with a long standing experience of working on producer-centric issues and facilitating the set-up of various producer organisations across Latin America, Africa and Asia.

Supporting Farmers

- RCML divests 10% stake to Chetna Organic Farmers Association
- Board members of Chetna participate in RCML's annual board meeting
- Provision for up to 14 farmer members to be present
- RCML gives COFA US \$ 10,000 per year for supporting asset creation and other forms of income generation opportunities
- RCML also gives COFA Rs 250 per quintal of cotton procured as Fair Trade Premium
- RCML to set up ginning mill in Andhra Pradesh in Chetna's field areas in the tribal belt of Adilabad
- Chetna Farmers have invested €100,000 in RCML through premia and support grants
- Shares provided to Chetna's Producer Company as one entity.

Case Study 5

“We are completely committed to the concept and an internal control system handled by a special team has been put in place to monitor each stage in the process so that no contamination happens, neither at the fields nor after the cotton picking stage,”

- Sumanth Ramamurthi, MD, Super Spinning Mills Ltd.

Tirupur Emerges as major organic cotton product hub

While most organic farms are located in the Maharashtra, Madhya Pradesh, Gujarat and Andhra Pradesh belt, it is the towns of Coimbatore and Tirupur in Tamil Nadu that boast of the maximum number of integrated players on organic cotton. This apparel manufacturing belt has come up very strongly in support of organic cotton manufacturing and a good number of factories are GOTS certified. Among the mills, Super Spinning Mills and Armstrong Knitting Mills are major suppliers of organic cotton yarn to the export manufacturing industry while SCM garments and Cotton Blossom are spinning for their captive needs. NCC though a new players in fast growing its share and has recently penetrated the mass market with an order through public procurement with the French Government for uniforms.

SUPER SPINNING MILLS

TO INCREASE ORGANIC COTTON CAPACITY BY 50% IN THE NEXT ONE YEAR

With 25% of the Rs. 350 crore businesses in Organic Cotton (OC), Super Spinning Mills is deep into the movement since the last six years. The association with OC is over the complete supply chain from contract farming to garmenting for fashion brands like Lindex. With direct participation in over 1984 hectares of farm land, the company produces around 31.64 tonnes of organic yarn per day.

The efforts to ensure contamination-free cotton picking has led to the innovation of what the company calls ‘clean cotton picking method’ wherein each picker is given a specially designed organic kit containing an OC apron with pockets, a knitted cap to tuck in the hair and an organic woven collect bag to store the cotton. The raw OC produced at Super Spinning Mill is certified for both NOP (National Organic Programme) and NPOP (National Programme for Organic Production) standards, which are applicable to the US and India/EU, respectively.

As the production of OC increases in the country the margins along

“There is nothing in the look or feel or smell that can differentiate normal cotton from organic cotton, so it is easy to mix and sell... but the trust comes from the GOTS certification when buying the cotton,”

**- P. B. Nair, CEO,
SCM Garments**

the chain have also come down, and from a healthy 20-30% on the final product it has settled down to around 7%. Even at the cotton stage where the premiums a few years ago used to be 60% are now as low as 15% and in some cases even lower. Though the rate of BT Cotton and Organic Cotton can never be the same as OC is an integrated chain with interests in sustainable issues that command a premium from buyers the narrowing gap means that it becomes less interesting for players in the chain and quality may be affected.

Working with a fashion forward companies like Lindex and Jackpot in organic, Super Spinning Mills is high on innovation. Under the permissible standards 5% of non-organic trims are permissible for 100% organic, 10% synthetic fibres and 20% of regenerated fibres are allowed to be blended and the latest to be added to the range of colours is optical white. Under certification, use of 70% organic cotton in merchandise qualifies as an organic product.

In the next one year the company is looking to increase the production capacity of OC yarn by 50% as the demand is growing strongly for the product. Not only organic cotton, the company is also into organic fair trade which ensures that the cotton is not only environment-friendly but also ethically produced.

SCM GARMENTS

WORKING IN ORGANIC COTTON IS A LONG-TERM GOAL FOR SUSTAINABLE GROWTH

Working in the segment since 2005, the company is considered among one of the pioneers of the concept in Tirupur. Today, 40% of its \$ 75 million annual turnover is accounted for by organic cotton of which spinning, printing, dyeing, knitting and garmenting form the integrated in-house chain with all OC being spun used in-house.

With captive operations, the company is in a position to provide lead times of 90 days in organic cotton products, which is shorter than the usual 120 days though still longer than the 45 days being offered for products in regular cotton. The company adds that if the buyers plan programmes in advance they can give even shorter lead times by storing organic cotton in bulk during the season.

No doubt, faster lead times and OE standards have helped to bring in

Tirupur has taken to organic in a big way and of the reported over 735 processing units around 15% are GOTS certified which makes it attractive for the buyer to look at Tirupur as a hunting ground in organic cotton.

more fashion. The company has introduced finer counts and mélange options, which earlier were unthinkable in organic. And today, SCM is working with diverse buyers like Decathlon and Columbia Sportswear (sportswear), Lindex, C&A, Kiabi (women's wear), Group Casino and Hanes (undergarments and nightwear).

The only real hindrance to the growth of the business, feels the company, is the fact that it requires a lot of commitment from the management. It also requires an extra staff strength and manpower of about 15-20% than a normal operation. Even the certification for the factories are for a period of just one year and can be renewed only after complete scrutiny of working procedures including documentations and actual implementations followed are done.

Nair admits that though the company no longer enjoys the prices that it used to get earlier, the volumes have compensated for the loss. "With one of our major buyers planning to increase sourcing of organic from India the share of organic from our turnover is also going to increase in the near future," reasons Nair. In fact, the way the growth is happening with organic seeing 50% growth year on year, the company expects to become a 100% organic cotton company not to far into the future.

COTTON BLOSSOM

BACKWARD INTEGRATING INTO ORGANIC COTTON FARMING

A relatively new player to the organic cotton movement, having entered around three years ago Cotton Blossom, has embraced the concept in its totality and just recently they have adopted four villages to do organic cotton farming in over 500 acres of land near Madurai. The vision is to increase the farm area to around 5000 acres in three years' time. As of today the farms have been prepared for cultivation and though it will take three years before the investment will bear fruits, the company is very upbeat at the future not only for the company but for the family of the villagers who have come together for the project.

A firm believer in doing the process right from the very beginning, the company is already logged on to the organic exchange 'STRING' online traceability programme and a person is specially trained to keep the information updated and ensure that all certifications are

“The beauty of being associated with organic cotton is that while you cannot really see the difference on a T-shirt, but it gives everyone associated from the consumer downwards that they have contributed to the earth,” says John. Adds his sister and Director, Cotton Blossom, Philomena, “A completely new dimension has been added to the business and along with earning profits we are now closer to nature, which is very fulfilling.

- Milton Ambrose John, MD, Cotton Blossom.

coming in on time and uploaded on the String. With 35% of their Rs. 135 crore business in organic cotton, the segment is a major thrust area and like many of the other companies that have tasted the success of the line going 100% organic is a vision.

To support the organic spinning, the company has recently invested in a very modern dye-house, which is one of the best in Tirupur with zero discharge effluent plant. Only GOTS certified dye-stuffs are being used and stringent cleaning records are being maintained between washes to ensure that no impurities remain.

The company feels that the premium that organic cotton enjoys is not only for the effort that farmers put in to grow the cotton in a special way, losing productivity for three years, but also because of the way it has to be stored and transported.

A buyer-driven movement, organic cotton now needs a bit of support from the Government to flourish further feels the company.

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