

Report on
Sustainable Procurement in Supply Chain Management for
Adzi Trims Ltd

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A report submitted to the BRAC Institute of Governance and Development in partial fulfillment of the requirements for the degree of Masters in Procurement & Supply Management (MPSM)

BRAC Institute of Governance and Development (BIGD)
BRAC University
9th October 2024

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Declaration

It is hereby declared that-

1. This report is an authentic piece of work completed during my Master's degree program at BRAC University.
2. The content of this report doesn't include any material published before or written by any third party, without where proper citation and referencing have been applied to acknowledge the original source accurately.
3. The report does not include any content that has been approved or is currently under consideration for another academic degree or diploma at any university or educational institution.
4. I have appropriately acknowledged all significant sources of assistance and support throughout the completion of this report.

I affirm the honesty and integrity of this work and take responsibility for its originality and adherence to academic standards.

Student's Full Name &Signature:

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22382040

Supervisor's Full Name & Signature:

Mohammad Sirajul Islam
Sr. Academic Coordinator
BIGD, BRAC University

Letter of Transmittal

Mohammad Sirajul Islam
Sr. Academic Coordinator
BIGD, BRAC University

Subject: Submission of the Report on “Sustainable Procurement in Supply Chain Management for Adzi Trims Ltd”

Dear Sir,

This is my pleasure to display my report on **“Sustainable Procurement in Supply Chain Management for Adzi Trims Ltd”**, which I was appointed by your direction.

I have made every effort to complete the report with the required information and proposed recommendations in a concise and thorough manner to the best of my ability.

Sincerely yours,

.....

Rathindra Nath Mridha

ID: 22382040

BRAC Institute of Governance & Development

BRAC University

9th October 2024

Non-Disclosure Agreement

This non-disclosure agreement made and entered into by and between Md. Shahriar, Managing Director- Adzi Trims Ltd. with BRAC University, located at Kha-208, 1 Bir Uttam Rafiqul Islam Ave, Merul Badda, Dhaka 1212, Bangladesh. The purpose of this agreement is to prevent the unauthorized disclosure of any confidential information, as outlined below.

The involved parties mutually agree to establish a confidential relationship concerning the disclosure of specific proprietary and confidential information.

1. The term 'Confidential information' encompasses all evidence or material possessing current or potential commercial value or utility in the business activities in which the disclosing party is engaged.
2. The party receiving the confidential information is obligated to uphold and preserve the confidentiality of the provided evidence strictly. Access to confidential information shall be carefully limited to students, employees, other organizations, contractors, and third parties.
3. The receiving party is prohibited from using, for its own advantage, publishing, copying, or otherwise disclosing to others any confidential information without the prior written or any other mode of approval of the disclosing party.
4. Upon a written request from the disclosing party, the receiving party is obliged to return any and all records, notes, and other written, printed, or tangible confidential materials. In essence, this agreement aims to safeguard confidential information, fostering a relationship of trust and ensuring the responsible handling of proprietary data between Md. Shahriar and BRAC University

Signature of workplace supervisor

Md. Shahriar
Managing Director
Adzi Trims Ltd.

Signature of Student

Rathindra Nath Mridha
22382040
BIGD, BRAC University

Acknowledgement

I would like to express my sincere gratitude to Almighty GOD for granting me the resiliency and guidance to successfully done this report within the specified timeframe.

I extend my heartfelt appreciation to my academic supervisor, Md. Sirajul Islam, for his unwavering support, insightful suggestions, and constructive comments. His guidance has been an invaluable source of inspiration, significantly enhancing the quality of the final report.

I would also like to acknowledge and thank Mr. Md. Shahriar, Managing Director of Adzi Trims Ltd., for his generous assistance and guidance in preparing this report. His expertise and willingness to share knowledge have been instrumental in shaping the content.

Furthermore, I am grateful to the colleagues of Adzi Trims Ltd. for providing me with the opportunity to collaborate with them. Thank you for offering valuable information and insights that were essential for the completion of this report. Your cooperation has been pivotal in enriching the content and ensuring its relevance and accuracy.

Executive Summary

Adzi Trims Ltd. is a modern state of the art ‘one stop solution’ apparel trims and accessories manufacturer which started its primary journey in the year of 2014 with a view to provide backward linkage support to country’s bustling export-oriented garment industries. This paper aims to express that the step they have taken or following to make the product sustainable and the effective sustainable procurement for Adzi Trims Ltd, to ensure that all of the products and services they buy are delivered in a way which achieves value for money on a whole life basis in terms of generating benefits to society and the economy, whilst minimizing damage to the environment.

Chapter-1 offers a concise introduction to the industry, outlines the objectives of the report, describe the methodology and presents other relevant data.

Chapter-2 Presenting the company’s supply chain and its management process with describing general concepts related to supply chain management for the importance of sustainable procurement and the ways or follow to make the product sustainable with the objective of making the environment green that will contribute to assure the company’s social and environmental goals.

Chapter-3 The Study covers the sustainable procurement of supply chain management at Adzi Trims Ltd focusing on overall objectives and findings of sustainable procurement and supply chain management practices .it discusses the importance, benefit, berries and critical success factors of sustainable procurement along with its implementation at Adzi Trims Ltd. this study aims to analyze the company’s current situation and compare it with theoretical framework and will highlight the significance of sustainable procurement in supply chain management.

Chapter-4 Conclusion, Recommendation and References of Sustainable Procurement and Procurement Practices is to realize that the current procurement process of Adzi Trims Ltd is following and this will give an insight into the areas where sustainable procurement can take places.

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Chapter 1: Introduction, Practicum Objectives and Methodology

1.1 Introduction

The purpose of the practicum is to examine the practices and impact of sustainable procurement in the supply chain management with particular focus on Adzi Trims Ltd. This practicum helps to determine the relationship between procurement and its impact on the environment. It will also assess the relationship between the procurement function and the financial performance of Adzi Trims Ltd. For the purpose of this practicum procurement can be simply defined as the process of acquiring goods, works, and services. The practicum report is primarily based on my practical work and the views from my discussions with employees from various functions within Adzi Trims Ltd who are in one way or another connected to the procurement process. Examples of such employees may include purchasing officers, finance staff, and production managers.

Adzi Trims Ltd is a garments trims and accessories manufacturer under the umbrella of indet group. It is a modern state of the art 'one stop solution' apparel trims and accessories manufacturer with a view to provide backward linkage support to country's bustling export-oriented garment industries. It is a vertically integrated company. Adzi Trims has started with a firm determination to manufacture international standard quality apparel accessories products. this facility is equipped with all modern, latest & state of the art machineries & technologies and backed up with a team of trained, passionate and professional human resources. The vision of this company is to become one of the largest and most sought-after apparel trims & accessories manufacturer in Bangladesh with a reputation of high-quality products and best class services and the mission of this company is to become a reliable apparel trims & accessories manufacturer in Bangladesh with 'one stop solution' by giving best class services, customer focused partnership with continuous improvement, innovation and market driven strategies.

1.2 Growing demand for sustainability and response of Adzi Trims ltd.

There are growing demands being raised for sustainability from various groups including buyers, end users, government and international bodies.

Environmental Concerns: There is a growing awareness of the environmental impact of this type of garments trims & accessories industry. Buyers are seeking to reduce their carbon footprint, water usage, and waste production, and are looking for products that are made from eco-friendly materials and processes.

Consumer Demand: End consumers are becoming more conscious about sustainability and are preferring brands like H&M, M&S, Zara, Mango, Springfield, that prioritize environmental and social responsibility. Buyers need to meet these consumer expectations to remain competitive.

Regulatory Pressures: Governments and international bodies are implementing stricter regulations and standards regarding sustainability. Buyers must comply with these regulations, which influences their sourcing decisions.

Brand Image and Reputation: Companies want to build and maintain a positive brand image by demonstrating their commitment to sustainability. This can enhance their reputation and loyalty among consumers.

Adzi Trims Ltd has taken several steps to implement sustainability on products of its factory

Use of Sustainable Materials: eco-friendly materials such as organic cotton, recycled polyester, biodegradable polyethylene, textile exchange standard ink & chemical.

Energy Efficiency: Utilizing renewable energy sources, such as solar or wind power, to reduce carbon emissions with ensuring different environmental issues like GHG, ODS, Stack Air Emission, Temperature and Humidity, Light Level, Noise Level, Ambient & Indoor air quality.

Water Management: Water-saving techniques and recycling systems by ETP/WTP.

Waste Reduction: Adopting zero-waste production methods, Recycle and upcycle waste materials and Reduce packaging waste by using biodegradable or recyclable materials.

Chemical Management: Assuring GOTS and Oeko-Tex approved eco-friendly ink & chemical.

Certifications and Standards: Obtained certifications such as Global Organic Textile Standard (GOTS), Global Recycled Standard (GRS), Forest Stewardship Council (FSC), OEKO-TEX, UNE EN 15343-2008, ISO 9001, ISO 14001, ISO 45001, BSCI, SEDEX, OK Compost by TUV Austria, Green Leaf by Intertek, Better Cotton Initiative (BCI) and Fair Trade. These certifications provide assurance to buyers about the sustainability of products.

Training and Awareness: we educate and train our employees about the importance of sustainability and how they can contribute. A few of training like GRS & GOTS awareness training, FSC Awareness Training, Environmental Management training, Chemical Handling Training, Evacuation Drill Training, Factory COC Training, Fire Training, First Aid Training, Machine Safety & SOP Training, Occupational Health & Safety Training, PPE Training, Social Training and we Foster a culture of sustainability within the organization.

So, by implementing these practices, the factory can meet the growing demand for sustainable products with transparency and continuous improvement, comply with regulations, and contribute to a more sustainable future while potentially improving its bottom line through efficiency and innovation.

1.3 Academic learning on Sustainable Procurement

Relating the theoretical concepts of sustainable procurement to this garments accessories manufacturing industry involves understanding how these principles can be applied in practical ways to enhance sustainability, efficiency, and competitiveness. Here's how these academic concepts of MPSM have been linked with work station and I have learnt how to understand and implement appropriate sustainable specification; to explore sourcing and whole life contract management for products and services and to evaluate how sustainable procurement impacts on business performance and here a short description is given below.

Good for Business:

Cost Savings: Energy-efficient processes and waste reduction is lead to significant cost savings in this company.

Brand Image: Sustainability enhances reputation, attracting eco-conscious consumers and partners.

Compliance: Adhering to regulations avoids legal penalties and enhances market access

Global Emerging Trends:

Corporate Social Responsibility (CSR): Engaging in sustainable practices as part of a broader commitment to social responsibility.

Innovation: Developing new materials and processes that reduce environmental impact.

Environmental Factors and External Factors:

Triple Bottom Line: Balancing economic, environmental, and social performance.

External Factors:

Political: Government policies on sustainability.

Economic: Market demand for sustainable products.

Social: Consumer preference for ethical products.

Technological: Advances in sustainable manufacturing technologies.

Legislative: Compliance with environmental laws.

Environmental: Reducing carbon footprint and resource consumption.

Internal Factors:

Internal Strategies: Aligning sustainability with business goals.

Policies: Implementing comprehensive sustainability policies.

Corporate Governance: Ensuring ethical practices and transparency.

Stakeholder Attitudes: Promoting a culture of sustainability.

People Development: Training employees on sustainable practices.

Supplier Treatment: Fair and ethical treatment of suppliers.

Green Initiatives: Initiating projects to reduce environmental impact.

Drivers for Sustainable Procurement:

Regulatory Compliance: Adhering to legal requirements.

Market Demand: Responding to consumer preferences.

Cost Efficiency: Long-term savings through sustainable practices.

Risk Management: Reducing risks associated with environmental impact.

Brand Reputation: Building a positive brand image.

Sustainable Procurement Aligned to Organizational Strategy:

Linking Operations to Strategy: Integrating sustainability into core business operations.

Impact on Procurement Function: Shifting focus towards sustainable sourcing and vendor evaluation.

Organizational Structure: Establishing dedicated sustainability roles.

Resistance Management: Addressing internal resistance through education and incentives.

Impact on Other Functions: Collaborating across departments to achieve sustainability goals.

Common Targets: Setting unified sustainability objectives.

Benefits and Trade-offs: Balancing short-term costs with long-term gains.

Sustainable Procurement Potential Trade-offs:

Achieving Objectives: Balancing sustainability goals with business objectives.

Trade-offs: Weighing short-term costs against long-term benefits.

Product-Service Standardization: Considering the pros and cons of standardizing products and services for sustainability.

By applying these concepts, the garments trims & accessories manufacturing industry is being enhanced its sustainability performance, reduce costs, improve brand reputation, and ensure compliance with regulatory standards. This holistic approach not only benefits the environment but also strengthens the business's market position and long-term viability.

1.4 Objectives of the Practicum

This practicum focuses on product sustainability at Adzi Trims Ltd which includes the following aspects like

- Eco-Friendly Raw Materials
- Social, Environmental, Economic benefits of sustainable procurement
- Assuring product quality system
- Cost effectiveness
- Factory overall compliance

Eco-Friendly Raw Material: Using eco-friendly raw materials involves selecting materials that have minimal impact on the environment, such as recycled, Organic, Biodegradable & compostable or sustainably sourced inputs. This choice supports the reduction of pollution and conserves natural resources.

Social, Environmental and Economic benefit of sustainable procurement: It will contribute to the company's wider social and environmental goals and those of society at large. Sustainable procurement practices can improve social welfare by promoting fair labor practices, reduce environmental impact through resource conservation, and lead to economic benefits like cost savings and enhanced brand reputation. It also fosters long-term supplier relationships and risk management.

Assuring product quality system: Assuring a product quality system involves implementing processes and standards to consistently deliver products that meet or exceed customer

expectations. This includes rigorous testing, quality control measures, and continuous improvement practices. Also to ensure the quality of the product is controlled & conforming by covering the rules and regulations of International Standardization for Organization (ISO).

Cost effectiveness: Cost effectiveness in business operations means achieving desired outcomes with minimal resource expenditure. It involves optimizing processes, reducing waste, and leveraging economies of scale to deliver value at a lower cost.

Factory overall compliance: Factory overall compliance ensures that this manufacturing facility adheres to all relevant laws, regulations, and industry standards. This includes aspects like safety protocols, labor laws, environmental regulations, and ethical standards, promoting a responsible and sustainable business environment.

1.5 Methodology of the Practicum

The practicum has been conducted through utilizing theoretical tool and techniques, companies' internal data and documents, discussion with relevant department concerns and personal professional experiences in the company.

Chapter-2: Supply chain and its management in Adzi Trims Ltd

2.1 General concepts related to supply chain management

Supply chain management (SCM) is the active management of supply chain activities to maximize customer value and achieve a sustainable competitive advantage. It represents a conscious effort by the supply chain firms to develop and run supply chains in the most effective and efficient ways possible. SCM activities in Adzi Trims Ltd mainly involve the flow of various different items. These movements from suppliers to the manufacturers and from the manufacturers to the final customers are generally known as forward and reverse logistics. To manage the movement of these items, the company provides the purchase order to the suppliers. Then, the suppliers ship the items in good truckload and then 3PL is involved to carry the freight type to Adzi Trims Ltd. The final goal is to improve the selling potential of the product to the point of generating a profit.

The aim of effective supply chain management is to secure a sustainable competitive advantage and to maximize value for customers within the often-conflicting constraints of a supply chain. It is the management of flow within and between organizations - consisting of both the movement and storage of goods and the exchange of information. Its objective is to meet the final customer requirements - in terms of what they want, when they want and in the quantities that they want - through optimized resource allocation. The development of performance measures is an essential component in achieving this system view and in setting the right objectives

2.2 Supply Chain Management in Adzi Trims Ltd

Firstly, to improve the service level - supply chain management would enable us to improve the customer service level by delivering the right products at the right time and place and at the right cost. By having a good service level, it can enhance customer trust and, in turn, may increase the customer value towards this company.

Secondly, to reduce the inventory cost. By using supply chain management, it can improve inventory planning and reduce the cost of stock out or overstock inventory. This is important as if the inventory cost is high, it may affect the overall cost of the products. The roles of supply chain management in an industry or organization are very crucial. These objectives would be the

fundamental of the implementation of supply chain management in garments accessories and packaging manufacturing as to increase the overall competitive advantage, maximize the customer value, and minimize the cost.

The supply chain is a network of facilities and distribution options that performs the function of procurement of materials, transformation of these materials into intermediate and finished products, and the distribution of these finished products to customers. In short, we can say SCM is the process of moving goods from the raw material stage, through the factory, and to the customer. To have an effective SCM system, it is necessary to be able to accomplish this in the quickest time, with the lowest cost and with the highest added value.

Chapter-3: Overall objective and findings of Sustainable procurement and Supply Chain Management Practices in Adzi Trims Ltd

3.1 Sustainability practices at Adzi Trims Ltd

As mentioned in chapter one, this practicum focuses on product sustainability with the special attention to the aspects such as eco-friendly raw materials uses; social, environmental, economic benefits of sustainable procurement; assuring product quality system, cost effectiveness, and factory overall compliance.

Eco-Friendly Raw Material uses: This particular company is a garment trims & accessories manufacturing organization that specializes in the area of Weaving, Printing, Yarn Dyeing like manufacturing woven label, Printed fabric label, Screen printed label, Heat transfer label, Offset printed tag, Paper packaging, Adhesive labels & tag, Digital printed tag, Thermal barcode label, RFID/EAS labels & tag, Rubber/Silicone Patch, PU and Leather Patch, Seal cord/Plastic clips/Loops, Twill Tape/Lace/Elastic, Jacquard Elastic, Poly Bag, PVC/TPU/EVA Bag, Biodegradable Poly, buttons and zippers etc and it brings an outstanding innovation in their product by using eco-friendly raw materials like recycled polyester materials, bio-degradable & compostable materials, Organic fiber & cotton ,hazard free ink & chemical approved by textile exchange and authorized by Soil Association, Forese Stewardship Council authorized paper board and continuous improvement by ensuring organic content into product & material . a few of example as like as

Biodegradable Poly: A product that can be broken down by bacteria and organisms.

Degradable: A product that can be broken down either biologically or chemically.

100% biodegradable & Compostable: A product can be broken down into natural elements without harming the environment.

Recycled: The products have been made by collecting material from a certain wastage bin.

BDP: BDP is an organic additive that is added to plastic.

D2W: D2W is an additive, making normal plastics biodegradable.



Compostable bags are made of natural plant starch, and do not produce any toxic material. Compostable bags break down readily in a composting system through microbial activity to form compost.

- Biodegradable and compostable.
- Contains no polythene used to make regular plastic bags.
- Conforms to European Union (EU) composability standard EN 13432.
- Disintegrates into carbon dioxide, water and biomass within 10-12 weeks in industrial composting conditions.
- Leaves no harmful residue behind in compost.



BDP (Biodegradable Bags):

BDP™ is an organic polymer that is added into the manufacturing process of plastic, rubber, foam... even fabric. Products made with BDP™ maintain all the same properties as regular plastic. The shelf life, appearance, recyclability, clarity, and strength all remain. Once the product is discarded into landfill, the microbes utilize the plastic as a food and energy source, accelerating the biodegradation process. What used to take thousands of years, now takes only a few years as microbes consume the entire product. The only thing that remains are the same byproducts as decaying organic matter; humus, CO₂ and CH₄ that can be captured to produce clean energy

- Cheaper than starch-based compostable packaging.
- Stronger than starch-based compostable packaging.
- Similar properties to regular polythene packaging prior to the onset of degradation.
- No adverse toxicological effects or by-products
- Recyclable (pre- and post-consumer) and reusable until noticeable breakdown
- Degrades in a landfill environment, ultimately taking up less landfill space



-Biodegradable plastics products are Broken Down by Bacteria that occur Naturally

Recycle Poly bag: The recycling is the process of taking materials have been used already and converting them into reusable material. Only certain products can be recycled as such paper, plastic, glass, and metal, Though the process of recycling is different for each material

- Conserving natural resources
- Protecting ecosystems and wildlife
- Reduces demand for raw materials
- Saves energy
- Reduce carbon footprint
- Decrease the amount of waste that goes to landfill
- Helps to reduce land and water pollution
- Reduces Oil Consumption



D2W (OXO-BIODEGRADABLE): Ordinary plastic can be re-used and recycled, however if it gets into the environment it can last for many decades. Symphony Environmental Technologies PLC has found the solution to this problem by developing d2w™ additive, which is added with conventional plastic during the production process - making it “oxo-biodegradable” or “oxo-bio” for short.

Furthermore, D2W is an additive that, when added to petroleum-based plastic, renders them degradable. D2W degradable plastic can still be reused and recycled, but will also degrade and disappear completely in a short timeframe, leaving no harmful residues behind.

- Biodegradable (according to ASTM D6954)
- Looks and feels like ordinary plastic
- d2w can be recycled with conventional polymer
- Suitable for food contact according to FDA & EU food contact regulations
- Biodegrade in the open environment



Testing Method: ASTM D6954



Social, Environmental and Economic benefit of sustainable procurement: This will allow a company to reduce the harmful effects of its procurement activity on the environment and the

communities in which it operates. It will contribute to the company's wider social and environmental goals and those of society at large. It is expected that corporate customers, investors, consumers and wider civil society will in future make increasing demands for evidence of sustainable behavior by companies. Fulfilled procurement practice is also one way in which this can be demonstrated. By encouraging innovation in goods and services purchasing companies can contribute to wider market transitions towards more sustainable production and consumption. Measures to guarantee equal access and opportunities for the disadvantaged can bring direct benefits to communities and individuals, for these are areas where procurement decisions have real and quite immediate social impacts. Sustainable procurement involves the selection and purchase of goods and services on the basis of their use of resources and overall impact on society, with a view to minimizing damage to the environment and society and maximizing resource efficiency. It is not just about buying more environmentally friendly products, nor is it concerned simply with 'green' issues. Rather, sustainable procurement builds on traditional procurement practice by taking into account the broader social, economic and environmental impacts of purchasing decisions. Most significant among these are measures to ensure that the poor and disadvantaged have equal access to the opportunities offered by procurement activity, and that adverse consequences for the environment and human health are minimized. Economic considerations are also important, and there is often potential for cost savings in purchasing more sustainable goods and services.

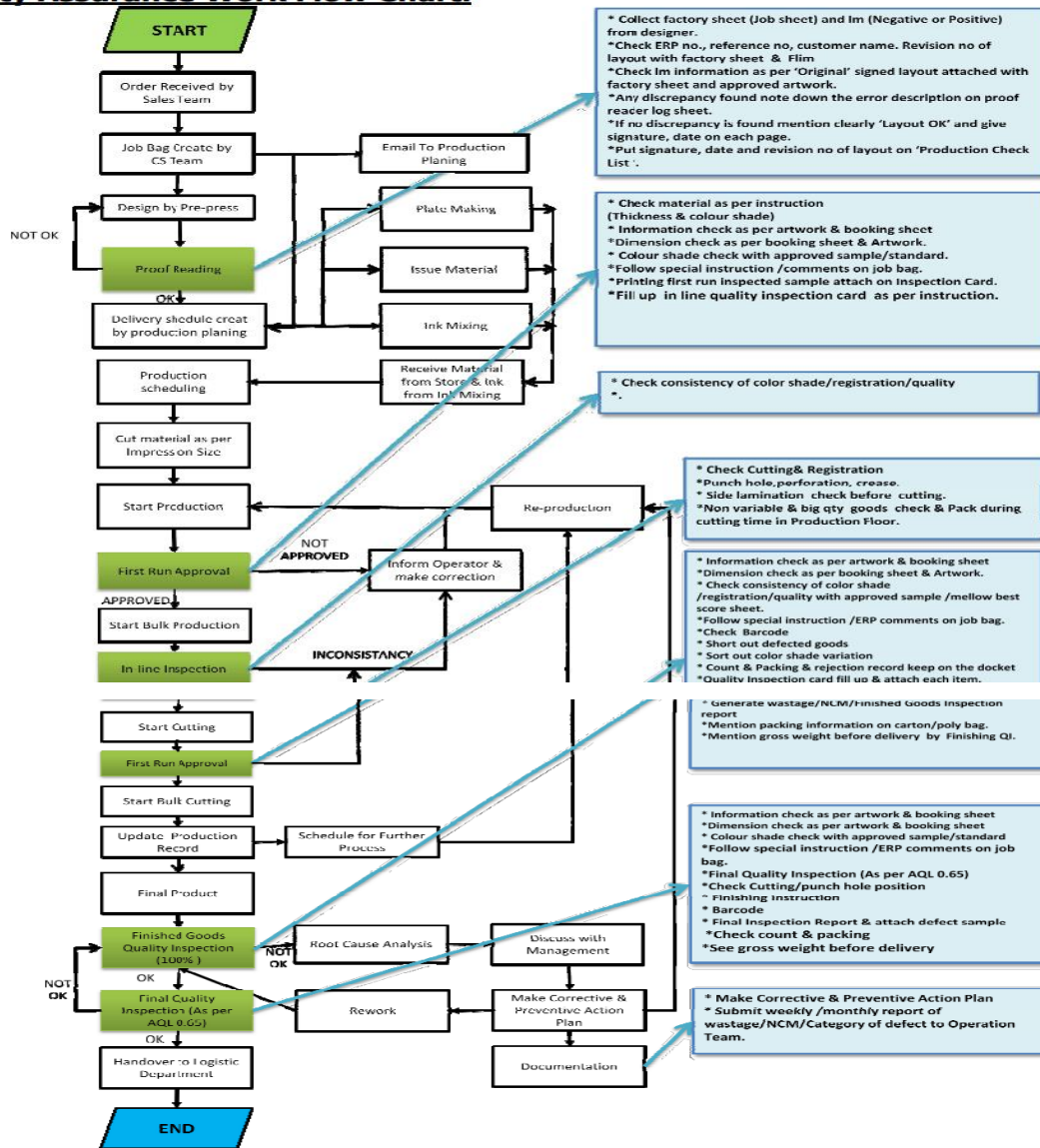
Adzi Trims Ltd is working together with suppliers to implement cleaner production measure at our factories which is focused on doing the assessments on water, energy, dye and chemical usages. Based on the assessment receive we support our suppliers to produce with less water, energy and chemical with using new technologies .so in this way inputs are minimized, and waste and emission are reduced while maintaining or increasing production.

Assuring product quality system: To ensure the quality of our product is controlled & conforming by covering different quality activities with following the rules of International Standardization for Organization. This procedure is applicable to all functions of the company to monitor the quality system & take appropriate corrective actions as a tool of continuous improvement. Quality has been controlled in every process of production & corrective action has taken usually for recurring non-conforming situation and/or non-conformity with high impact on quality, damage, and etc. Incoming inspection results follow an identification tagging system to determine required actions when an item is tagged as accepted, conditionally accepted, or rejected.

Raw material received with RSL Certificate/MSDS and Finished goods received with applicable test report or test confirmation also checked if it's followed the regulation of ISO 9001 quality standard.

AQL is designed as the maximum average defective items in a lot. It is expressed in a percentage number of average defective items can simply be identified by following a formula. Also the quality of product has assured by Total Quality Management (TQM) system that's a continual process of defecting & reducing errors in manufacturing, streamlining supply chain management, improving the customer experience and ensuring that employees are up to speed with training by the key principle of customer focus, Quality chain, Quality culture, total involvement, Quality through people, team-based management, get it right first time, Quality Management System (QMS), Continuous Improvement/Kaizen, sharing best practice also the "Six Sigma" technique has followed as per buyer requirement ,it's a set of technique & tools for quality control and process improvement based on data driven and statistical analysis and its achieved when long term defect levels are below 3.4 defects per million opportunities (DPMO) and this Six Sigma technique has applied by following the phases of DMAIC like Define the system, Measure key aspect, Analyze the data, Improve or Optimize the current process and Control the future state process and this whole process is done by following the regulation of UNE EN ISO 9001 standard.

Quality Assurance Work Flow Chart.



Cost effectiveness: The organic yarn is more expensive per kilogram, the reduction in defects during production leads to lower rework costs and potentially higher customer satisfaction due to improved quality. As a result, while the profit margin is slightly lower with sustainable yarn in this example, the difference is not significant, and the environmental benefits may outweigh this difference. It primarily seems that the conventional yarn cost is profitable but it's not meet the customer satisfaction. Sometimes the finished product need to conduct different chemical and physical test by third party like SGS/BV/TUV/ INTERTEK and expected result not comes as

requirement and its progress by demerge or compensation that makes the business loss instead of profit .

Organic Cotton Yarn Cost : \$7.0 /KG

Conventional Cotton Yarn Cost : \$6.5/KG

Both are used to produce a T-Shirt

Organic cotton produces 20% fewer defects during production compared to conventional cotton yarn.

Each of the T-Shirt requires 1 KG of Yarn

Selling cost per T-Shirt is : \$ 17

Material	T-Shirt cost/pcs	Cost of making/ 100 pcs	Selling Cost	Profit	Buyer required Test Result
Organic Cotton	\$7.00	\$7X100= \$700	\$17X100=\$1700	\$1700-\$700=\$1000	Minimum profit but require test has Passed
Conventional cotton	\$6.50	\$6.5X100=\$650	\$17X100=\$1700	\$1700-\$650=\$1050	Maximum profit but require test has Failed

Test Name	Standard	Tolerance	Organic Cotton	Conventional Cotton
Lamellar Mass	ISO 536:2020	35-45 g/m2	38.7	33.62
Average Micron	ISO 534:2011	0.03-0.05 mm	0.036	0.021
Brust Resistance	ISO 2758:2014	≥ 25 kPa	24.3	25.8
Brust Resistance to knots	ISO 2758:2014	≥100 kPa	150	87
Resistance to opening	ISO 2758:2014	≥ 5N	5.5	3.14
Air permeability	ISO 9237:1995	< 1 mm/s	1.8	0.7
Opacity (light transmittance)	NF-G 07-162:1988	45-55%	47.37	42.5
Abrasion Resistance	UNE 57095: 2003	Number of Cycle: > 100. Weight Loss < 70 mg/1000 rev	516.7 43.9	488 74

Factory overall compliance: At present it is an area with much policy development but relatively little good practice on the ground. Adzi Trims Ltd has an excellent opportunity to build on the work of others in their sector and take a lead in implementing more sustainable purchasing practices. Nowadays Adzi Trims Ltd is also practicing different policies/law like Occupational Health & Safety policy, Child Labor Policy, Fair Remuneration policy, working Hours policy, Discrimination Policy, Anti-Harassment & Abuse Free Policy, Ethical Business Behavior policy, Quality policy, Wastage Management Disposal Policy, Environmental Policy, Chemical management policy, Grievance Policy & Disciplinary Action Plan policy, Organization for Economic Co-Operation and Development (OECD) Policy, Anti Bribery _ Corruption Policy, Maternity Leave benefit policy, Code of Conduct, Freedom of Association policy etc and we implement a lot of social and technical certification to make sure the work place fully compliance by assuring the product successfully sustainable .

Certifications such as Global Organic Textile Standard (GOTS), Global Recycled Standard (GRS), Forest Stewardship Council (FSC), OEKO-TEX 100, UNE EN 15343-2008, ISO 9001, ISO 14001, ISO 45001, BSCI, SEDEX, OK Compost by TUV Austria, Green Leaf by Intertek, Better Cotton Initiative (BCI), Board Of Investment, Fire License, Member Certificate of BGAPMEA, IRC, ERC, Environment License, Factory License, Generator Certificate given by Bangladesh Energy regulatory Commission of Bangladesh Government, Group Insurance. In the work place different type of training activities has implemented to make the awareness of worker and management and overall, Adzi Trims Ltd is committed to make a green economy with assuring social and environmental benefit.



3.2 Special findings of this practicum

Different tools and technique has been applied to prepare this report. The present procurement system of Adzi Trims Limited has been structured towards sustainable procurement to create ongoing economic, environmental, and social needs in order to preserve demand and corporate principles. performance measure of stakeholder, understanding procurement and sourcing, different supply chain structure, Negotiation and contracts in supply chain management ,Supplier relationships, understanding process and procedure for successful working with stakeholder, integrity and anti-corruption of procurement professionals, supply chain flow planning and network planning, Management in procurement and supply, Risk management and supply chain vulnerability, Improving supply chain performance, Leading and Influencing in Purchasing Functions, Strategic Supply chain management, supply chain operational management, Storage & Distribution, Sustainable Procurement and this all concepts has used to make this report as a literature review and that's helps to do the task easier .

Findings of the study would aid in better understanding how different materials are being procured within the supply chain of a firm so that significant policy strategies can be developed to reduce associated risks and uncertainties. From the data analysis and interviews with relevant department concern it's found the details information regarding the manufacturing process of product and effort of sustainability.

From the data analysis and interviews with relevant department concern it's found that the details information regarding the manufacturing process of product and effort of sustainability for the operation process of Weaving Label, Printed Fabric Label, Heat Transfer Label, Offset Printed Tag, Thermal Barcode Label, RFID/EAS Alarm Label and Tags, Rubber/Silicon/PU/Leather Patch, Seal Cord/Plastic Clip/Loop, Twill Tape, Jacquard Elastic.

Importance of Sustainable Procurement in Supply Chain Management at Adzi Trims Ltd

Sustainable procurement in Adzi Trims Ltd is crucial for minimizing environmental impact and promoting social responsibility. It helps businesses build a resilient supply chain, reduce risks, and enhance their reputation by aligning with ethical and sustainable practices.

Benefit of Sustainable Procurement in Supply Chain Management at Adzi Trims Ltd

The benefits of sustainable procurement in Adzi Trims Ltd include cost savings through efficiency improvements, enhanced brand loyalty, and reduced regulatory risks. It also promotes innovation and strengthens supplier relationships, contributing to long-term business sustainability.

Challenges to implement Sustainable Procurement Practices

Challenges in implementing sustainable procurement in Adzi Trims Ltd include high initial costs, limited availability of sustainable products, and resistance to change from suppliers and internal stakeholders. Additionally, there may be a lack of standardized metrics and information to assess sustainability accurately.

Key Principles of Sustainable Procurement in Supply Chain Management

Key principles include prioritizing eco-friendly and ethically sourced materials, transparency in supplier practices, and commitment to fair labor standards. It also involves a focus on lifecycle cost analysis, stakeholder engagement, and continuous improvement in sustainability performance in Adzi Trims Ltd.

Supplier selection and evaluation

Supplier selection and evaluation involve assessing potential suppliers based on criteria such as quality, cost, delivery reliability, and sustainability practices in Adzi Trims Ltd. This process ensures that suppliers align with the company's values and standards, fostering long-term partnerships and minimizing risks

Ethical Sourcing Practices

Ethical sourcing practices in Adzi Trims Ltd ensure that products are obtained in a responsible manner, considering factors like fair wages, safe working conditions, and environmental impact. These practices help prevent exploitation and promote sustainability throughout the supply chain.

Performance Indicator and Continuous Improvement strategy in Supply Chain Management at Adzi Trims Ltd

At Adzi Trims Ltd, performance indicators may include metrics like on-time delivery, defect rates, and sustainability scores. A continuous improvement strategy involves regularly reviewing these metrics, identifying areas for improvement, and implementing changes to enhance efficiency, quality, and sustainability.

Chapter-4: Conclusion and Recommendations

Sustainable supply chain management (SSCM) is a systemic approach to manage volume flows as well as relevant information flows within and across companies to improve environmental and social effects. This research focuses on critically analyzing the concepts of sustainable supply chain management, and key findings concluded that Adzi Trims Ltd was initially puzzled about the meaning of sustainable procurement in the entirety of supply chain management. People within Adzi Trims were not able to understand how purchasing could seriously affect the environment. After a meeting was held between the writer and Adzi Trims, it was stated that a lot of manufacturers mistake the concept of sustainability for minimizing and cost saving. This was confirmed by Adzi Trims, and from here, an understanding was drawn regarding sustainable procurement, as what minimizes environmental effects may not be sustainable, realistic, and ethical.

This would change when pressure is applied by stakeholders for regulation compliance, which will have implications and added cost within procurement. Information was taken from various discussions with Adzi Trims, and assumptions were made into what changes may be undertaken in the future. Adzi Trims is now able to realize that changes made in procurement can affect surroundings and society, and it is utmost resilient to the fact that this change must be generally for the better to adopt sustainable procurement. Lasting a meeting to discuss this report, findings were broken down, and a large understanding was developed.

Adzi Trims is now more aware that procurement does affect the environment and society, and they are questioning whether the effect is positive or negative. Now having an understanding and with newfound motive, they are considering changing their attitude toward procurement. Adzi Trims seeks to develop written criteria on procurement decisions and use this as a platform to make internal and external reflection on the effects of each procurement decision. With newly developed understanding and a strategic plan to implement change, Adzi Trims is now set firmly in the transition from procurement in supply chain management to sustainable procurement in supply chain management.

Recommendations for Adzi Trims Ltd

Adzi Trims Ltd.'s chosen areas needing attention to improve sustainability in their procurement process, recommendations could be made for the company. Using a procurement matrix would be the first recommendation. This matrix would include a database of environmentally friendly suppliers or a list of environmentally friendly products within the production phase. Making use of the matrix would essentially force the purchasing department to review the greenest options available at that time, which is a process that is not being done.

The matrix can then be reviewed yearly to check for progression or regression. Establishing a list of approved suppliers would help prevent "off contract" buying which has resulted in the purchase of PVC, this being an environmentally damaging material. With a list of approved suppliers, a new requirement for a more environmentally friendly option and a purchase of PVC would be conflictive, leading to fewer incidences of off contract buying of harmful materials. Avoiding sole sourcing except in rare cases is another key to improving sustainability as it allows for competitive bidding between suppliers.

This will encourage suppliers to move towards more sustainable practices in an effort to win Adzi Trims' business.

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