The knitwear market is growing day by day and the scope is immense



Mr. Vinod Kumar Gupta, Managing Director, Dollar Industries Ltd.

Q.1 What is your take on the Apparel market?

Knitwear market is expanding, but previously it was only limited to innerwear. People used to acknowledge hosiery or knitwear as basic innerwear. Now anybody and everybody are into knitwear. People going to office wears innerwear which is knitwear and when they reach home, they prefer to wear relaxed clothing like bermudas, loungewear, etc which is actually knitwear. Nowadays knitwear has migrated to fashion industry as people prefer outwear which is comfortable like track pants, jackets, etc. Knitwear is changing to basic fashion wear. The knitwear market is growing day by day and the scope is immense.

Q.2 How do you tackle the challenges of operating in a price-sensitive market in India?

The raw material which is required is cotton and it is very price sensitive. We try to combat that by understanding the fluctuations depending upon the cotton crop that we have and the prices are determined accordingly. We try to keep on buying at intervals and depending upon the price, we try to stock up cotton whenever the price is lower and utilize them at our manufacturing unit in Tirupur. This is how we utilize the spinning of the yarn. However, if there is an increase in prices, we pass it to the distributors or the channels.

Q.3 What growth have you seen in the last 3-4 years?

Dollar Industries Limited registered total revenue of 1030.96 Cr for FY 2018-2019, an increase of 11.18% than the previous year's revenue which was Rs 927.55 Cr. The profit before tax stood at Rs 111.03 Cr for FY 2018 - 2019 as against Rs 95.8 Cr the previous year. The consolidated profit after tax stood at Rs 74.23 Cr for FY 2018 - 19 as against Rs 63.86 Cr during the previous year.

Q.4 How would you compare the Indian market with any other country in Asia?

Bangladesh and China in particular has huge export ratio in comparison to other South East Asian markets. However, the recent development of Trade war in the U.S. must give a chance to the Indian manufacturers to increase their business.

Q.5 How exclusive is your arrangement with your partners?

We have multiple partners, our channel partners are the distributors, suppliers and job workers. For the distributors we have an exclusive type of arrangements, if they deal in a particular category of our products, they will not keep the category of the similar products of any other brand. These distributors have been with us for almost 30 years or more but we continue to look for new partners. We have many suppliers like yarn suppliers, cotton suppliers, etc and they have been with us for many years. However, we do not have an exclusive arrangement as they supply to us as well as the others. We try to get the best rates as we have been partners for long. When it comes to job workers, they are exclusive to us. The workers who help us manufacture our products, they are 80% to 90% exclusive to Dollar Industries.

Q.6 What are your plans beyond Market?

We try to employ more outsourcing rather than expanding our production capabilities.

Q.7 Yours views on FASHION?

Fashion is changing, it is dynamic. The best part of hosiery knit industry is that we do not have drastic changes, from staple it has moved to fashion industry. However, we still have not yet matured in India to move it to a bigger level, but the transition is on. We have seen a lot of changes, the introduction of athleisures and comfort wear into our daily lives. A person can be in a knitwear 24*7, nowadays even the sleepwear comprises of a t-shirt and Bermudas regardless of any segment of people. People tend to go for fashionable, comfortable and also with low maintenance cost.