The PLI Scheme is Really Helping the Downstream Industry in The Textile Chain to Grow



SAMMIR DATTANI (Executive Director)
Sanathan Textiles

How do you see the Synthetic Fiber Market

Mr. Sammir Dattani:
It's been good I think the applications are growing Prakash ji, as far as polyester is concerned, polyester yarns are concerned. Yeah. And I think it's a quite an open knowledge of the growing applications and the growing end uses of polyester. In fact, at Sanathan, when I look back five years back a large percentage of yarns used to only for apparel, garments and textiles. Yeah. And that number. You know, the other application number is growing exponentially. Where our yarns are used for so many other applications apart from the already well-established end users like apparel, home textiles and garments. The other applications are growing at a at a rapid pace.

So how do you tackle the challenges of operating in a price sensitive market like India?

Mr. Sammir Dattani:
India has always been price sensitive. And I think all manufacturers are quite aware and aligned to that fact. price sensitive market .The best part is that our costs now are at par with the other suppliers around the world. Yeah, well, as far as the manufacturing cost is concerned, even quality wise equipment availability wise, we're at par with all the leading international suppliers around the world. So this has ensured that we are able to compete with the world as far as pricing of our product is concerned.

So what we have seen in the last year 2020.

Mr.Sammir Dattani:
I see I don't know about 2020. In particular, in terms of growth, because 2020 was an odd year in terms of it was a COVID where things were very disturbed, but what I read Prakash ji, in reports like CRISIL, etc. Technical Textiles is forecasted to grow in the coming three, four years at a rate of 15 to 17% CAGR. In the coming three to five years. Yeah. This is my understanding what I'm reading in other industry reports

Which is very much true, I think that technical textile have a lot of potential,

Mr.Sammir Dattani:
Yes, and what I understand is alot of products are being imported now. And as the market is growing here, and application is growing, the confidence of the requirement is growing, there's investment coming. And along with the PLI scheme, the government is doing a fantastic job to promote textiles, promote technical textiles promote the downstream, because the government's vision is very clear that they want value addition to happen in the country, and the value-added product to be exported. Plus we ourselves have so much growth, now right because of our consumption growth. Yeah, so the PLI scheme is really helping the downstream industry in the textile chain to grow and ensuring that the right investment is made in the country itself to manufacture locally.

How is your arrangement with your partners? partners mean in case of distributors?

Mr.Sammir Dattani:
So we at Sanathan textiles, we've been in the yarn business for more than 75 years as a family. Yeah. The company has been in existence since about 15-16 years. But as a family as promoters, we've been in the yarn business for more than 75 years, we have some very strong relationships with our distributors and customers around the country and around the world. And these strong relationships have only grown and have built over the last few years. And we use this strong relationship to sort of understand the pulse of the market and to play some material and to plan our future strategies.

Yours Views On Recycled Fibers And Sustainability.

Mr.Sammir Dattani:
Sustainability is a very important requirement now of the textile industry in general. And in fact, even at Sanathan textiles, we have recently launched our range of recycled yarns under our brand names and Sanathan 'Reviro' because the textile industry you know at large, because of the high consumption that there is we need to be more sustainable and brands and companies are pushing this concept because they are demanding recycled yarns and fibers from suppliers like Sanathan textiles and other suppliers. So we, also anticipating the growing demand for this kind of recycled yarns have introduced this product range please And I'm looking at a good growth in this segment in the coming years

What is your strategy for branding of this recycled fiber?

Mr. Sammir Dattani
To have a more distinct you know, positioning in the market? Because recycled yarns demand is going to grow in the coming years, and how to have a differentiator? Yes, is what we were thinking internally in the customers mind. Yeah, so, our entire basket of recycled products will all be under our brand name 'Reviro'. So, it becomes there is a certain recall, there's a certain marketing concept we can have around

it and a certain differentiator it's all for pure marketing and branding at a customer level, because we are a B2B2C kind of a setup you know, we sell to customers who are supplying to brands who are contract manufacturers to brands. So, somewhere Our business model is the B2B2C So, branding definitely helps us with with creating a recall value with the customers to create a stronger brand, building with the customers and and ensuring that there is more awareness about our product.

So any plans for the participation in any international exhibition?

Mr.Sammir Dattani:
Yeah, we are always participating in the right exhibitions and the right platforms, which is applicable to us, because we are focused only on the yarns, which is the basic fiber of the entire textile industry. So the textile journey the textile story starts with us at the yarn level. Yes. So wherever we have the right opportunity, we are always participating in the in local and international exhibitions. In fact, this week, there is an exhibition for yarns and fibers in Panipat in India in Haryana. So, my team is participating in that and a lot of other exhibitions coming up in the year we will be participating of course, also have to keep a look at the COVID situation. Here we had to curtail our participation because of COVID and travel restrictions we have to see otherwise we are always trying to participate in many as many opportunities as possible

In Surat also SRTEPC has organized an exhibition right for fibers and yarns and synthetics right. So, what are your plans your market

Mr.Sammir Dattani:
I think in general India's of strongly growing market, we have the one of the youngest population in the world, the per capita income of India is now at that inflection point of consumption of growth, change of trend is taking place, the youngsters there are two very strong observations I've seen and we all are seeing it around us. One is that with the youngsters, there's a change of culture this change of consumption, my father probably you know used to have 15 or 20 or 30 shirts in his wardrobe, we will have more than two or three or four times of that year we are more fashion conscious more aware of change, we want something different. So, that is already something that is being seen in the other developed countries around the world and that change is being seen in India is being seen. Indeed, the per capita income is growing. You know, I can give you an example. I had a you know, a very senior person who's working with us with the family with the company for more than 20 years. 15-20 years back, he used to be the only earning member of the family in the family of five people. Today his son is also grown up in his earning, his daughter is also grown up and is working in his earning and he himself is still working with us in the last 20 years. 15 years back, in one house back only one member of the family would be earning, and now, there are three earning members in the same family of four. So, the disposable income available to the family has gone up so much. I think this is something we are seeing in every family in India. And as this increases the consumption and the demand in the market is only growing in India I think international brands are also aware of it that's why all these brands are now coming to India manufacturing locally and sourcing locally.

You have a plant in Dadra and Nagar Haveli, whether will be expanding in other areas also in Gujarat.

Mr. Sammir Dattani:
Nothing is finalized right now Prakash ji, but we are definitely exploring all the different options. The government has announced the PLI scheme for the textile industry, it is not applicable to us directly for yarns it is not directly applicable, but applicable to a lot of our customers who are all growing. So we are

quite aware of the growing demand of textile and yarns in the country. And keeping that in mind. We will plan our future strategies. But in todays day, nothing is very clear.

So how does See the opportunities in Texturized yarn?

I think huge opportunity for yarns in general because yarns is the basic material, that's the basic fiber. And the good thing is that as far as polyester filament yarn is concerned, there is a lot of consolidation that's happened. So now there are 8-10 players who constitute more than 80%-85% of the market. Yeah. And all these players will be growing, looking at the growing demand.