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Hiral Sanghvi,

Marketing Director, Welpack Industries Pvt. Ltd.

Supporting Environmental Goals through Excellence

With the growth in environmental concerns, there is a continuous rise in consumer awareness towards the use of eco-friendly products. Thus, the customer preference towards eco-friendly clean substitutes from traditional synthetic products is anticipated to fuel the demand for alternatives such as Oxo-biodegradable & Compostable bags for waste disposal. Over the years, the demand for biodegradable bag market has been witnessing a higher growth due to the implementation of stringent regulations on the use of non-degradable plastic by various governments across the world and an increase in health awareness among the consumers.

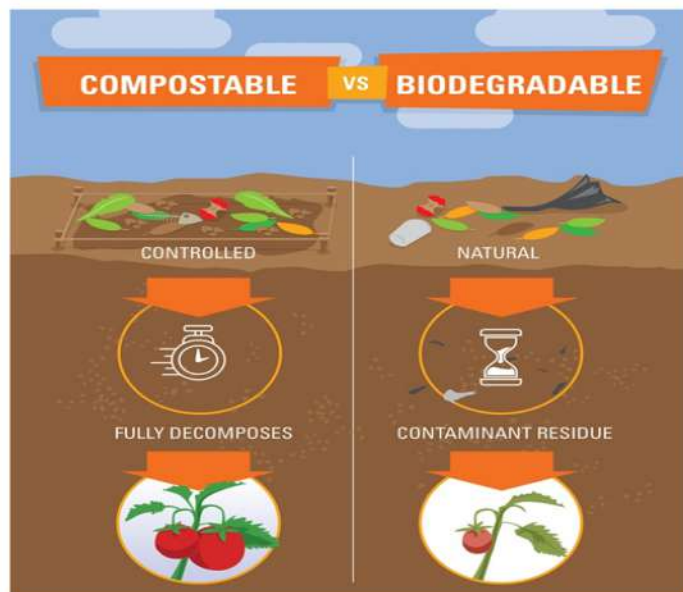
With over three decades of experience in manufacturing packaging material, Welpack has been consistently delivering top-notch quality products manufactured using cutting edge technology and machinery. Leveraging the golden opportunity to care for environment with its manufacturing products, the company is focused not just on manufacturing environmentally sustainable products, but also ensures it remains committed to creating a sustainable business through its processes and practices.

In this issue of the magazine, we spoke to Hiral Sanghvi, Director, Welpack Industries to understand the business of manufacturing Oxo-Biodegradable & Compostable Garbage bags. A humble product, but one that is crucial cog in the wheel towards saving our precious environment.

(interview)

What is the difference between Oxo-biodegradable and Compostable bags?

The difference between the two products is actually very subtle. Oxo Biodegradable bags are polymer based and decompose in the environment in two or more years. However, the residue as microplastics remain in the soil. On the other, Compostable bags decompose a 100% in the soil. Having said that, for this to happen, the bags must be exposed to sunlight, at 30 degrees Celsius and in proper soil conditions. These decompose in about six months and being made from corn starch; it even supports growth of plant life.



Which if these products is leading in the category and why? Both in terms on Commercial use and Residential use

Presently, considering the size of our country's population and the higher cost of Compostable bags, Oxo Biodegradable bags have a higher consumption. Compostable bags are still used by a niche segment though it has the potential to grow. The higher cost of the product is attributed to the high cost of raw material which directly impacts the process and hence ultimately the cost to consumer.

In terms of usage pattern, within the garbage or waste bags segment, consumption between Commercial and Residential is better defined by the size of the products. Naturally demand for large bags is higher in commercial use whereas residential demand is for smaller sizes.

What are the drivers impacting the growth of the product segment?

I believe that with greater and growing awareness and sensitivity towards environment, there is an increasing demand for products that are environmentally compatible and sustainable. Hence, the use of both types of products have been growing at a steady pace and this will continue as consumers continue to shift towards environmentally friendly products, including garbage bags.



What differentiates your products from other similar alternatives?

We have our own product that goes under the name Go Green. Go Green is available in both Compostable and Oxo-Biodegradable versions.

One of the biggest differentiators for us is that we have a very large pan India distribution, and our products are available across the country both through e-commerce and brick & mortar stores.

Furthermore, having been in the business for 30 years now, we are known for the high quality of our products. We never compromise on our quality and have consistently delivered on this front since we first began.

As a company, we believe in complete sustainability and a key part of our organization is Women empowerment. The entire team behind the manufacturing and distribution of Go Green products is handled by women and our efforts to empower more and more women will continue.



Besides aligning ourselves to empowering women, we are also aligned to our Hon'ble PM's vision of Swachh Bharat Abhiyan and are perhaps one among very few companies that have CPCB certification.

What are the opportunities for export for your product segment?

Garbage disposable bags as an industry has been growing and will continue to do so. This is mainly because waste generation in the recent past has increased tremendously with growing consumption in the world. Hence, the growing needs for responsible disposal of waste that we generate.

If one looks at India itself, since the pandemic, there has been a spurt in waste segregation among the population as well as need to ensure proper disposal. This has led to increased consumption of waste bags.

Similarly, in developing countries too this trend is eventually going to catch with more and more awareness about waste disposal and its impact on the environment. These are markets have immense untapped potential for exports. We are presently exporting to multiple countries both directly and through merchant exporters and plan to expand our footprint globally too.

What are Bio-hazard bags and what are the opportunities for the product segment?

Bio-hazard bags are bags that are typically used by hospitals and clinics to segregate the different kinds of waste that they generate. From simple dry waste to injections, etc. This is a very important segment as these bags not only need to have much greater thickness to avoid leaks/ spillage, etc., but also are colour coded to mark their purpose. We manufacture these bags but are yet to explore exports of the product.



What are the typical challenges faced by the manufacturers/ exporters of your product segment?

I believe the biggest challenge we face is the competition. And the reason is that today, there are many manufacturers who are solely engaged in the price game without much thought on quality. This impacts manufacturers like us who cannot compromise on quality and yet need to maintain business bottom line. Spurious quality, even if cheaper can be very detrimental to the environment and efforts to save it.

Also, despite being a high growth segment, mass awareness about waste segregation is low. Especially in rural areas. In fact even in many urban areas, it is not uncommon to find people using plastic carry bags to dispose off their waste.

And of course, with the Compostable bags, there is the high cost of raw material. Being plant based, and due to lower consumption, raw material is expensive. However, this should ease when demand increases as it will not make the raw material more easily available, but also bring down the prices.

What are new innovations in the product segment? What does the future hold?

Presently, in India, we have drawstring bags – these are bags with a string attached at the bottom to tie.



However, globally, we have tie bags with a mechanism to pull at the top and tie. Much more efficient so one could look at bringing similar bags to India. What we very importantly need is to have both dry and wet waste bags sold as a set. When these come in sets, it becomes easier for the consumer to segregate waste and they don't need to buy these separately. In fact that should be a norm so people are compelled to use the bags in the right manner.

Our company is also in the process of developing bags aimed at women to help responsibly dispose of their sanitary pads and the like. This is a very crucial segment as today, sanitary pads are being disposed off by any and all means. This is a health hazard so our endeavour is to make bags that can be easily accessible and bought by women of all strata of society. We wish to make this practice a norm and limit ourselves to the niche segment.



As a company, we work on a pan India scale and we have plans in place to expand our outreach right down to the roots. Rural India is a large market with great potential and through e-commerce as well as physical stores, we hope to reach the grassroots population.

We are also trying and hope to work with civic authorities to further percolate the Swachh Bharat initiatives to every corner of the country. It is tough but we hope to achieve our goals.