



Mr. Sachin Malik,
Head of Global Sales, APR



Mr. Tapan Kumar,
VP BD and Marketing Head, APR

“Pakistan is one the most important markets for Asia Pacific Rayon”

Mr. Sachin Malik: Head of Global Sales

Mr. Tapan Kumar: VP BD AND Marketing

Asia Pacific Rayon (APR) is one of the world's key producers of viscose rayon. APR has penetrated Pakistan within a few years after first being introduced to this important market that has been traditionally dominated by cotton. This welcome addition to the volatile cotton market has opened new vistas for the industry with a wider range of quality products that are now possible for a better global standing. Pakistan Textile Journal caught up with Mr. Sachin Malik, Head of Global Sales, based in Singapore and Mr. Tapan Kumar, VP BD and Marketing Head based in Indonesia to learn about the company and its importance in the global textile industry with a focus on Pakistan.

**Sachin Malik;
Head of Global Sales**



Please tell us about Asia Pacific Rayon and its origin.

Asia Pacific Rayon (APR) is the first fully integrated viscose rayon producer in Asia. Located in Pangkalan Kerinci, Riau, uses the latest production technology to

produce high-quality rayon to meet textile needs. APR is committed to becoming a leading viscose rayon producer with the principles of sustainability, transparency and operational efficiency, serves the interests of the community and the country, and provides value to customers. APR is part of the Royal Golden Eagle (RGE) group of resource-based manufacturing companies. Inaugurated by Indonesian

President Joko Widodo in February 2020, APR is a vertically integrated operation from renewable fibre plantations to high-value textile development, located in Riau, Sumatra. In the same year, Asia Pacific Yarn (APY) and Jakarta Fashion Hub (JFH) were established to respectively support yarn research and development, and promote fashion design talent and collaboration.

What are the key markets for APR and where does Pakistan stand in this list?

As a relatively new entrant in the VSF market, APR has established a strong market presence within two years with a growing network of customers in Bangladesh, India, Pakistan and Turkey. Our VSF business will continue to expand into other international markets by partnering with others in the textile value chain.

How do you foresee the growth of VSF in Pakistan market.

We have exported into 14 countries with key export markets being Turkey, Pakistan and Bangladesh. Pakistan is the second largest export market for APR with 25% share of total export. We have seen a robust demand for viscose in Pakistan for the past few years and it will continually increase. In addition, with the shortage of cotton as investment in spinning continues, viscose can be a good substitute.

Please share growth plans of APR and RGE group in cellulose fibre segment.

APR plans to increase its production capacity of up to 600,000 tonnes to meet the strong growth potential of viscose



staple fibre (VSF) and strengthen its market position in Indonesia and export markets across the region. The additional capacity will be achieved through improved optimisation and efficiencies, and by adding 300,000-tonne viscose production facility in Pangkalan Kerinci, where APR is co-located with sister company and fibre supplier APRIL Group.

The expansion will utilise APRIL's current rayon grade AE pulp capacity from existing pulp production lines, with fibre supplied from APRIL's responsibly managed renewable fibre plantations in compliance with internationally recognised forest certification standards and its **sustainability policy** and in keeping with

the recently announced April 2030 commitments and targets.

Construction of APR's additional production lines is scheduled to commence in the second half of 2021 and will include features such as a chemical recovery process upgrade, slush- pulp processing installation and other investments aimed at reducing APR's energy use and environmental footprint.

Upon completion of the additional production lines in 2023, APR will be the world's largest integrated single-site viscose manufacturing facility, seamlessly integrating dissolving wood pulp from APRIL's renewable fiber plantations.





Mr. Tapan Kumar;
VP BD and Marketing Head



What makes viscose rayon fibre uniquely suitable for value-added textiles?

The advantages of viscose are that it is inexpensive; known for its silk-like feel; drapes beautifully; breathable, similar to cotton in this regard; ideal for those seeking a luxurious look and feel at a more affordable price; blends well with other fibres, particularly woven ones; dyes easily and produces beautiful and vivid colors. With these characteristics, we can

use rayon in many applications such as clothing, home textile, sportswear, for non-woven we can apply for medical equipment even to wet wipes.

How sustainable is the fibre as compared with other natural, synthetic and man-made fibres?

APR's viscose is made from 100% wood cellulose. Viscose-rayon is a natural alternative to acrylic, polyester, nylon and other petroleum-based synthetic fabrics. The highly absorbent nature of cellulose fibre enables it to take dyes very well, bringing about rich and radiant colours without losing its natural lustre. Our

wood fibre supply is sourced from sustainably managed plantations and forests. These trees are renewable resources which are harvested after 5 years for the next cycle of planting and harvesting, thus ensuring a constant supply of renewable raw materials.

Consisting of natural plant-based polymers, viscose-rayon is biodegradable and naturally decomposes into the soil. APR's viscose staple fibres have been awarded the international OK biodegradability WATER and OK biodegradability SOIL labels by accredited certification board, TUV Austria.



What advice would you give to Pakistani textile manufacturers and exporters to enhance their portfolio and range of products?

The competitiveness of Pakistani textile industry due to low cost and high quality workmanship is under utilized in knitting segment. There is a huge potential for Viscose based products, globally cotton will continue to remain stagnant or reduce due to limitation of land and water which makes Viscose as the closest alternative to Cotton.

Nonwoven is also an unexplored segment in Pakistan. High quality woven viscose products for ladies apparels can be added in exporters portfolio and demand can be shifted from high cost countries to Pakistan.

You have often commented that the true potential of Viscose is not fully exploited in Pakistan market, kindly explain.

While cotton has been widely used in textiles from the ancient times due to its versatility, soft textures and comfort, now it has put people in a dilemma given the fact that cotton is highly water intensive and dependent on fertilizers and pesticides.

Moreover, cotton production will be stagnant or shrink due to the limited availability of arable land. Therefore, it can be difficult to manage its incessant supply. Quickly responding to that, the industry is evolving to introduce alternatives for cotton.

And this is where regenerated cellulose fibres come in. Regenerated cellulose fibres are formed by regenerating materials of natural origin such as wood pulp that has been dissolved, purified, and extruded into a usable form. For several decades, the production of regenerated cellulose fibres like viscose has been extensively done, and is considered to be an ideal substitute for the natural cellulose fibre like cotton.

With the rapid change in fashion trend, the demands of viscose is increasing very fast as the brands and buyers are gradually moving towards apparel goods made of artificial fibre.



Inside APR Mills, quality Viscose Fibre

What product development are you pursuing?

Our sister company Sateri in China, is the world's largest producer of viscose fibre has successfully produced FINEX™ as its new product brand for recycled fibre. FINEX™, short for 'Fibre Next', is an innovative next-generation cellulosic fibre containing recycled content.

Since its announcement in March 2020 of a breakthrough in commercial production of viscose using recycled textile waste, Sateri has worked closely with its downstream yarn and garment manufacturing partners to bring the recycled fibre product to the consumer market.

Another development we are in expansion for our Lyocell production. Sateri's first foray into China's Lyocell market was in May 2020 when its 20,000 tonne Lyocell production line in Rizhao, Shandong province. We are now planning to expand Lyocell production in China, with total planned annual capacity of up to 500,000 tonnes by 2025.

The first phase of this expansion kicked off recently with ground breaking works for a new 100,000 tonne facility in Changzhou, Jiangsu province. Another 100,000 tonne facility will be built in Nantong, Jiangsu province later this year. The Changzhou Lyocell facility is expected to commence production in the third quarter of 2022. ♦

The Sateri logo is displayed in a white box with a blue border. The word "Sateri" is written in a bold, blue, sans-serif font. A small green leaf-like graphic is positioned above the letter 'i'.

Sateri to Acquire Funing Aoyang's Viscose Fibre business

Sateri has entered into agreement with Funing Aoyang Technology Co., Ltd. (Funing Aoyang) to acquire its viscose fibre business. The acquisition is part of Sateri's growth strategy which will bring Sateri's total number of viscose mills in China to six and total annual production capacity to more than 1.8 million tonnes.

Funing Aoyang is a subsidiary of listed company Jiangsu Aoyang Health Industry Co., Ltd. Its 330,000-tonne per annum mill that will be acquired by Sateri under the agreement, is located in Aoyang Industrial Park, Funing County, Jiangsu Province. Sateri is a member of the RGE group of companies; RGE manages a group of resource-based manufacturing companies with global operations spanning Indonesia, China, Brazil, Spain and Canada.

Allen Zhang, Sateri's President, said: "This acquisition will boost Sateri's market footprint and further strengthen our ability to serve customers in eastern and northern China. We will invest in advanced technologies to upgrade the mill so as to enhance its process technology, safety and environmental performance. Through better

management and operational excellence, we hope to make a positive impact to the local economy and accelerate the sustainable development of the industry."

The closing of the acquisition is subject to procedural approvals by relevant authorities.

About Sateri

Sateri is the world's largest producer of viscose fibre, a natural and sustainable raw material found in everyday items like textiles, baby wipes and personal hygiene products. Our range of high quality viscose products is independently verified as safe and responsibly produced.

Our five mills in China collectively produce about 1.5 million tonnes of viscose fibre yearly. We also produce textile yarn, spunlace non-woven fabric and Lyocell fibre.

Headquartered in Shanghai, we have a sales, marketing and customer service network covering Asia, Europe and the Americas.

Sateri is committed to the fundamental principles of sustainable development; our business practices are underpinned by strict adherence to our Sustainability Policy, Pulp Sourcing Policy and universally accepted environmental and social standards. ♦

