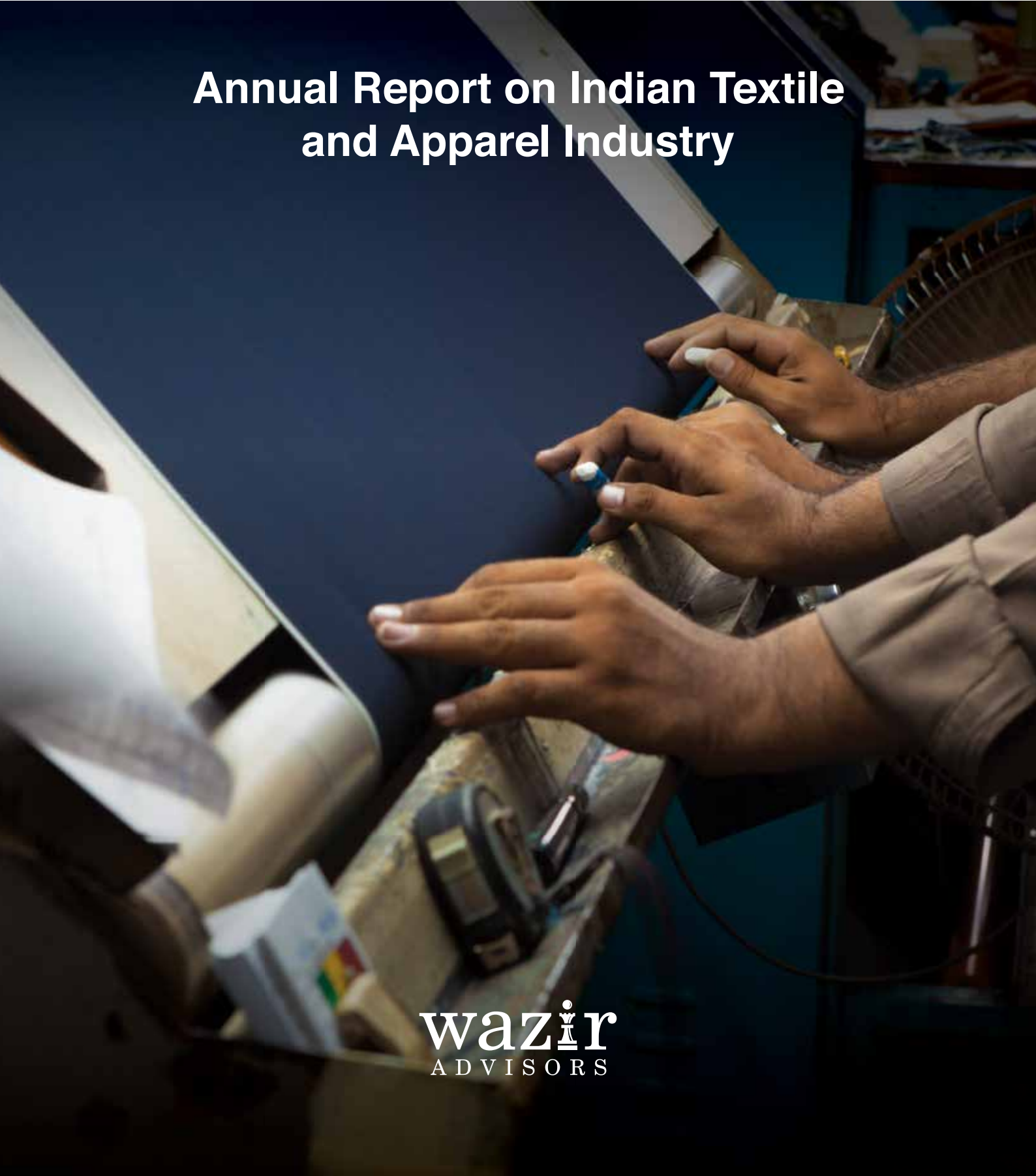


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# INSIDE VIEW

## Annual Report on Indian Textile and Apparel Industry



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# 1. Global Textile & Apparel Industry Overview

## Global Apparel Consumption

*The current global apparel consumption is estimated at US\$ 1.7 trillion.*

*Countries such as China, India and Brazil are emerging as future destinations for apparel consumption.*

*It is estimated that the global apparel market will be around US\$ 2.6 trillion by 2025.*

*India will be the second most attractive apparel market adding US\$ 97 billion by 2025.*

The current global apparel market is estimated at US\$ 1.7 trillion which forms nearly 2% of the world GDP of US\$ 75.6 trillion. The apparel market is still largely dominated by the EU & USA, with a cumulative share of 40% whereas they are home to only 11% of the world population. The next biggest markets are China, Japan, India and Brazil, in descending order with a cumulative share of approximately 27%.

It is estimated that the global apparel market will become US\$ 2.6 trillion by 2025, indicating an addition of market worth US\$ 1 trillion in 9 years. It is also projected that China and India will be the fastest growing apparel markets, both growing in double digits. China will become the biggest apparel market adding more than US\$ 288 billion in market size by 2025, whereas India will be the second most attractive apparel market adding US\$ 97 billion by 2025. The high growth in these markets will be primarily driven by the economic growth and increasing disposable income of a large population base.

**Table 1: Global Apparel Market Size (US\$ billion)**

Country / Region	Value 2016	Share 2016 (%)	CAGR 2016-25 (%)	Value 2025(P)
EU-28	397	24	1	435
USA	326	19	2	389
China	212	13	10	500
Japan	99	6	1	109
India	63	4	11	160
Brazil	61	4	5	94
Russia	25	1	5	39
Canada	31	2	2	37
RoW	470	28	6	794
<b>World</b>	<b>1,684</b>		<b>5</b>	<b>2,557</b>

*Data Source: Published Data and Wazir Analysis*

## Global Textile and Apparel Trade

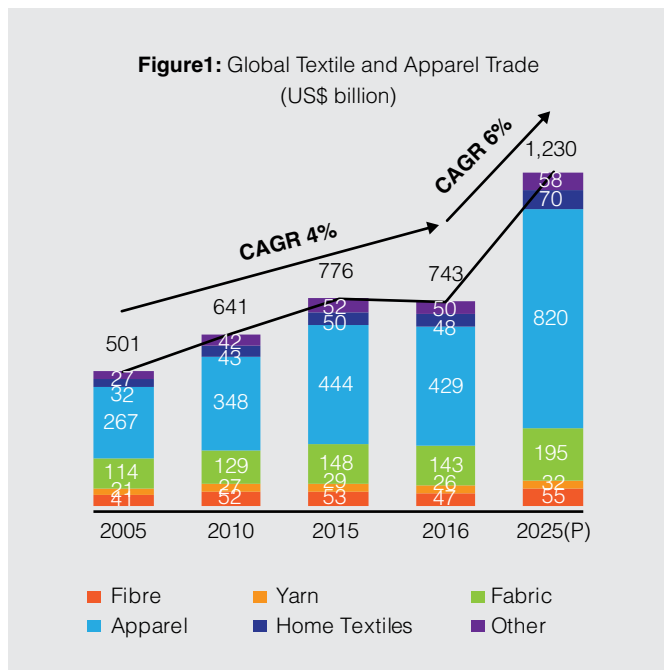
*In 2016, global T&A trade stood at US\$ 743 billion and is expected to grow at CAGR ~6% to reach 1,230 billion by 2025.*

*Apparel constitutes ~60% share of the global T&A trade.*

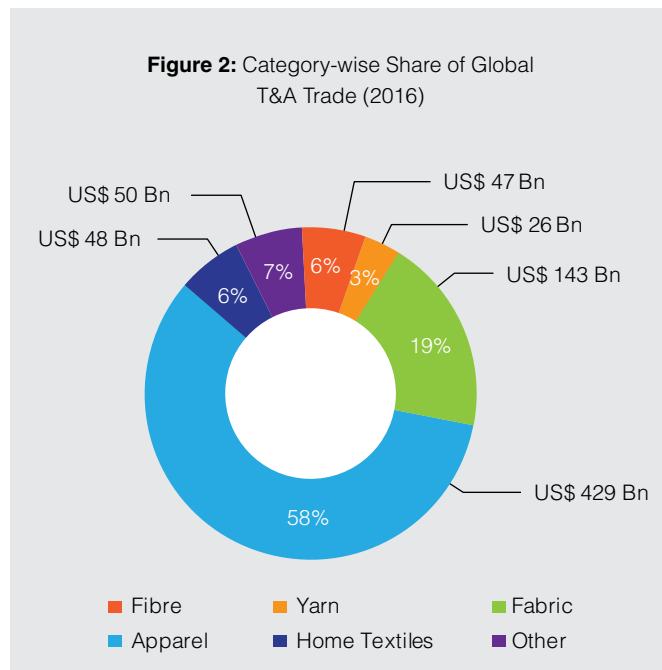
*India can be one of the gainers in the changing trade landscape.*

In 2016, global textile and apparel trade stood at US\$ 743 billion and has grown at a CAGR of 4% since 2005. Apparel is the largest category with a share of 58%, followed by fabric with a share of 19%. However, the share of fabric in global T&A trade has reduced from 23% in 2005 to 19% in 2016. During the same period, share of apparel increased from 53 to 58%.

The global textile and apparel trade is expected to grow at a rate of ~6% from the present worth of US\$ 743 billion to US\$ 1,230 billion by 2025. Growth in global trade indicates an attractive opportunity for countries with large manufacturing capacities and competitive manufacturing. India can be one of the gainers in the changing trade landscape.



Data Source: UN Comtrade & Wazir Analysis



Data Source: UN Comtrade and Wazir Analysis

*In 2016, China dominated global trade of T&A with a share of 37%, followed by India with a share of 5%.*

*India occupied 2<sup>nd</sup> position in textile exports with 6% share but ranked 5<sup>th</sup> in apparel export with 4% share.*

China has successfully leveraged its low manufacturing cost and large scale infrastructure to achieve notable share of 37% in global textiles and apparel trade followed by India with a share of 5%. It is then followed by Bangladesh with a share of 5% and Italy, Germany and Vietnam, each having a share of 4%.

It is worth noting that many major exporting nations do not have presence of the entire value chain. Bangladesh and Vietnam having 3<sup>rd</sup> and 6<sup>th</sup> position in global trade, respectively, have negligible presence in textiles trade and are major apparel exporters. Similarly, Korea is more focused on exports of textiles.

**Table 2: Largest Exporter of Textiles and Apparel - 2016 (US\$ billion)**

Country	Textile Exports	Apparel Exports	Total	Share 2016 (%)
China	114.6	161.4	276.0	37
India	19.1	17.4	36.5	5
Bangladesh	1.8	32.6	34.4	5
Italy	12.1	19.8	31.9	4
Germany	13.6	16.5	30.1	4
Vietnam	6.3	24.8	31.1	4
Turkey	11.2	14.8	26.0	3
USA	18.6	4.9	23.5	3
Spain	4.3	12.3	16.6	2
France	5.0	10.0	15.0	2
Belgium	6.1	8.4	14.5	2
Korea	11.4	1.9	13.3	2
ROW	89.4	104.6	194.0	26
<b>Total</b>	<b>313.5</b>	<b>429.4</b>	<b>742.9</b>	

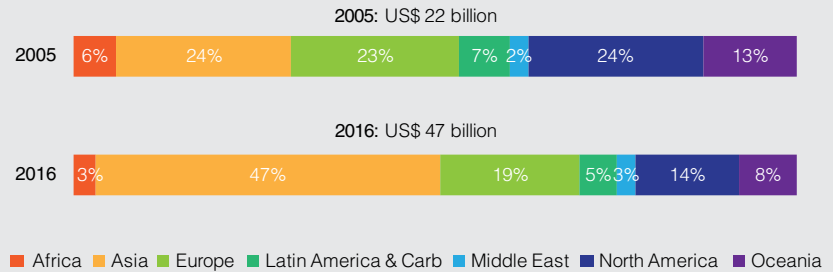
Data Source: UN Comtrade and Wazir Analysis

## Trade Shift towards Asia

A continuing trend is the shift in overall trade towards Asia over the years at the expense of reduced share of western nations across all categories. The key driver of this shift is the lower cost of production in Asian countries. Textile & apparel exports from few Africa countries have also grown in recent years, though it is low in value terms.

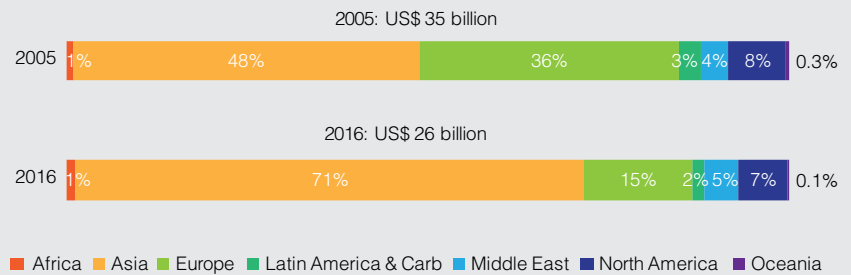
*Asia's share in global exports of fiber grew from 24% in 2005 to 47% in 2016 registering a high growth whereas the share of Europe and North America reduced considerably.*

**Figure 3: Fiber Exports (% Share in Value Terms)**



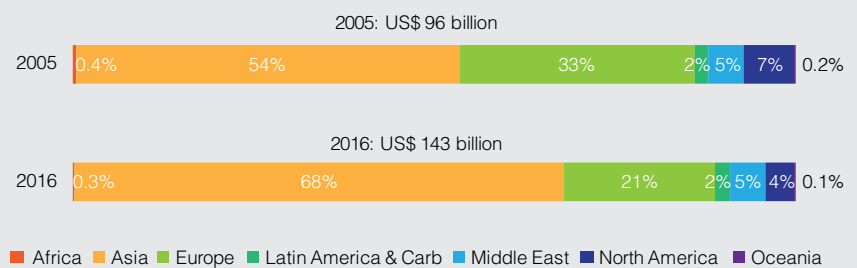
*In case of yarn exports, share of Asia has increased from 48% in 2005 to 71% in 2016.*

**Figure 4: Yarn Exports (% Share in Value Terms)**



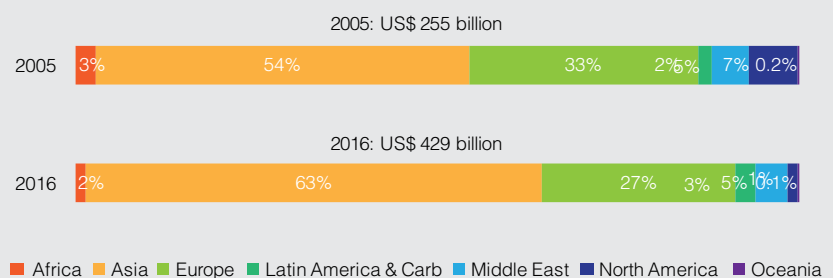
*Asia's share in fabric exports has increased from 54% in 2005 to 68% share in 2016, mainly at the expense of share of Europe.*

**Figure 5: Fabric Exports (% Share in Value Terms)**



*Asia occupied a share of 54% in apparel exports in 2005 which increased to 63% in 2016.*

**Figure 6: Apparel Exports (% Share in Value Terms)**



Data Source: UN Comtrade and Wazir Analysis

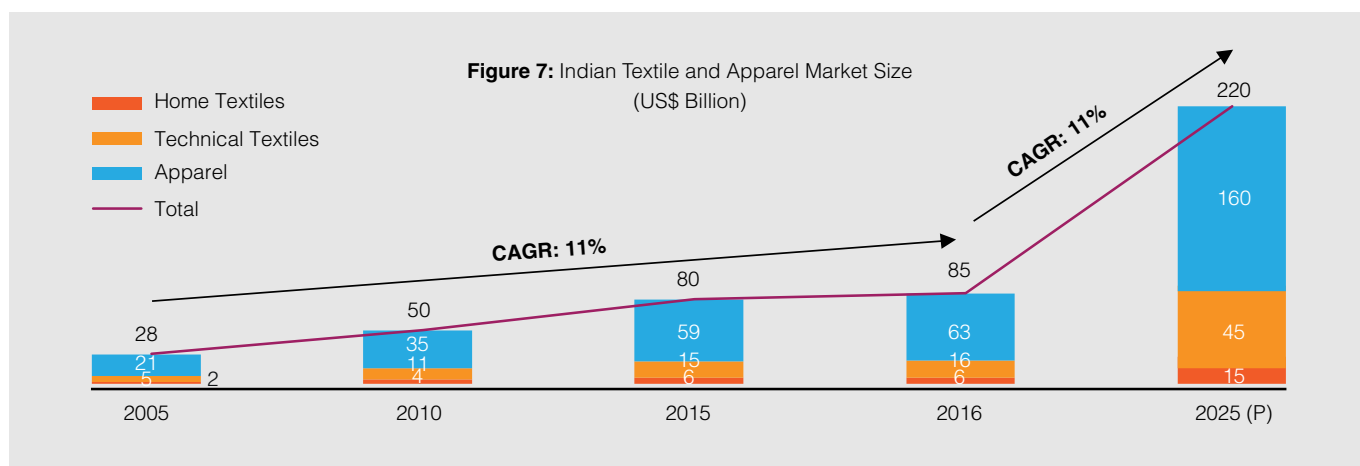
## 2. Indian Textile & Apparel Industry Overview

### Domestic Market Overview

Indian domestic textile and apparel market is estimated at US\$ 85 billion (2016) which is expected to grow at 11% CAGR to become US\$ 220 billion by 2025.

Apparel constituted ~75% share with market value of US\$ 63 billion in 2016.

The current domestic textile and apparel market is estimated at US\$ 85 billion, with apparel having ~75% share. With growth of disposable income, favourable demographics and changing lifestyle, consumption of products and services is expected to grow continuously in the foreseeable future, including textiles and apparel. The domestic T&A market is expected to grow at 11% CAGR to reach US\$ 220 billion by 2025. Technical textiles is a promising segment, which is expected to grow at a higher rate of 12% CAGR, while apparel & home textiles would grow at around 11% CAGR in this period.



Data Source: Ministry of Textiles and Wazir Analysis

### Indian Exports Overview

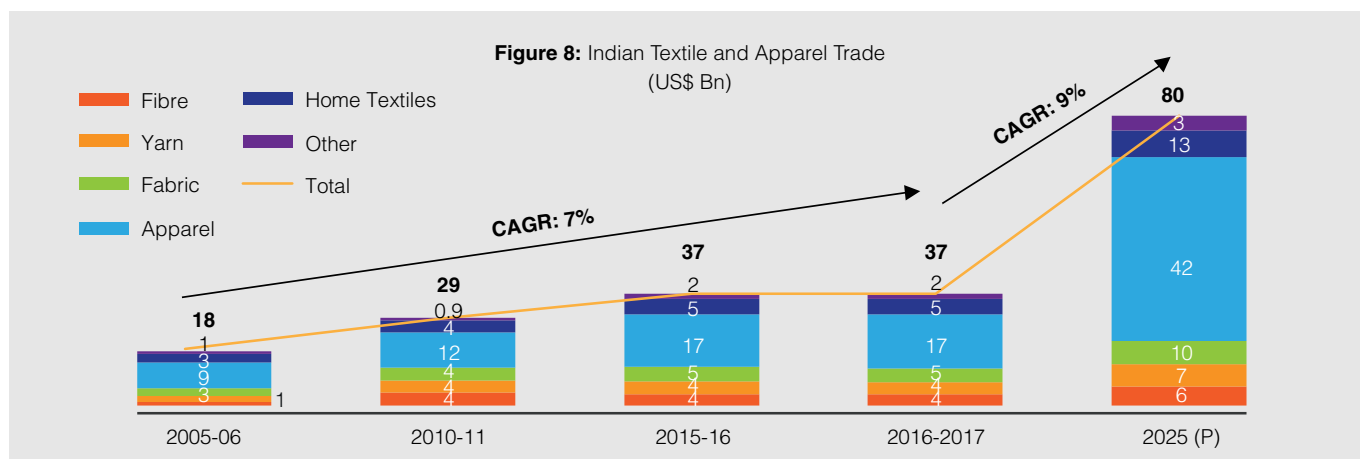
India's T&A exports stood at US\$ 37 billion in 2016, having grown at a CAGR of 7% since 2005.

Indian T&A exports are further expected to grow at 9% CAGR to reach US\$ 80 billion by 2025.

Apparel exports are expected to grow faster at 11% CAGR and reach US\$ 42 billion by 2025.

India's textile and apparel exports were US\$ 37 billion in 2016. The exports have grown at 7% CAGR since 2005 and is further expected to grow at 9% CAGR to reach US\$ 80 billion by 2025. Category-wise, apparel exports are expected to grow faster at 11% CAGR and reach US\$ 42 billion from the existing US\$ 17 billion, while textile exports are expected to reach US\$ 38 billion growing at the lower rate of 7% CAGR.

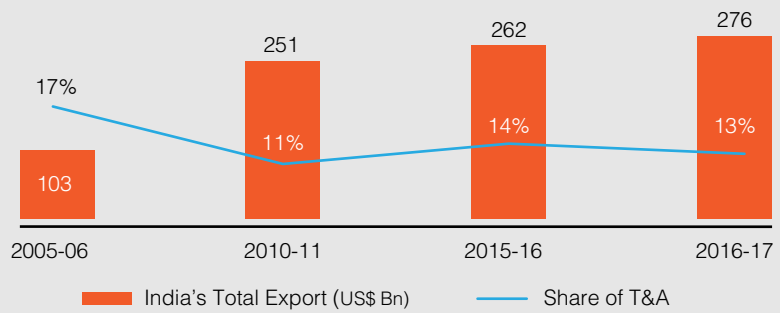
Availability of raw material, skilled manpower and favourable central & state govt. schemes would further help Indian exporters increase their market share and global competitiveness.



Data Source: DGCIS and Wazir Analysis

The textile and apparel sector contributes to around 13% of the total export earnings of India.

Figure 9: Share of Textile and Apparel in India's Total Exports



Data Source: Ministry of Textiles, and Wazir Analysis

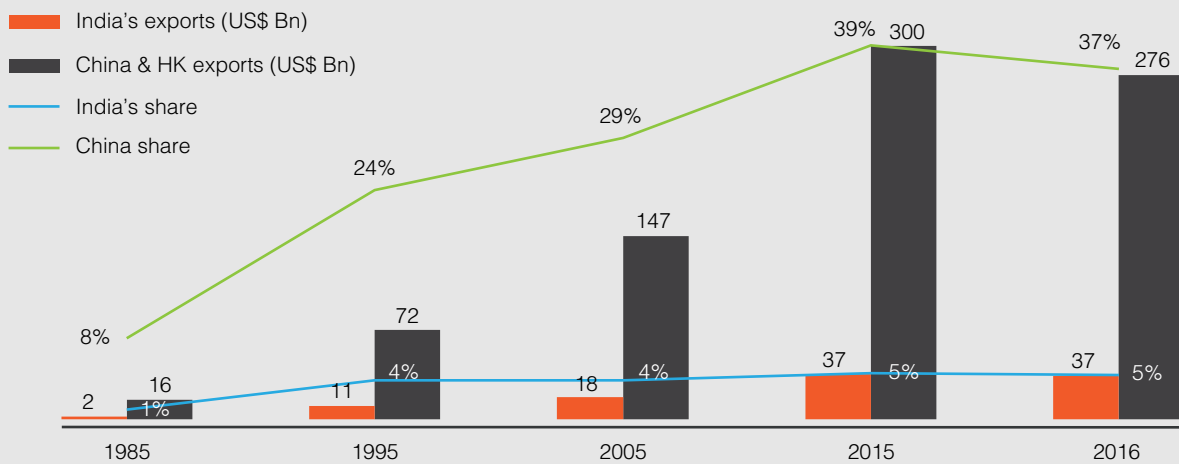
## India vs China: Global Export Position

India's share increased from 1% in 1985 to 5% in 2016 in global T&A trade.

In the same period, China's share increased significantly from 8% to 37%.

China has overtaken India significantly in the past four decades. Global trade of textile and apparel increased from US\$ 191 billion in 1985 to US\$ 743 billion in 2016 at a CAGR of ~4%. During the same time period, India's textile & apparel export increased at a CAGR of ~7%. Higher growth of India's exports compared to global average resulted in increase of India's share from 1% in 1985 to 5% in 2016. However, in the same period, China's share in global textile and apparel exports increased significantly from 8 to 37%.

Figure 10: Historical Performance of Indian and Chinese Textile and Apparel Exports



Data Source: UN Comtrade, WTO and Wazir Analysis



## Cost Competitiveness of Indian Textile Industry

*In terms of labour and power cost, India is competitively positioned against most of the competing nations.*

*The only major advantage that India lacks is duty free access to major markets; which many of the competing nations have.*

At overall level, India is a cost-competitive manufacturing base for all types of products across the textile value chain. The lending rates in India are on the higher side as compared to China and Vietnam; however, with special government support available for the sector, the effective cost of capital becomes comparable. Buyers look at India as the next alternative to China since it offers large domestic market, better compliance and political stability. The major advantage of other competing nations (except China) over India is their duty free access to EU and/or USA whereas India only has 20% duty abatement for apparel exports to EU.

India's labour cost is much cheaper than China and comparable to south-east Asian countries of Vietnam and Cambodia. However, Ethiopia and Bangladesh have much lower labour costs. In terms of power cost, India is competitively positioned against most of the competing nations except Ethiopia where power cost is extremely low.

**Table 3:** Factor Cost Comparison of India with Competing Countries

Cost Element	Unit	India	Bangladesh	China	Vietnam	Cambodia	Ethiopia	Kenya
Labor Cost *	US\$/month	160-180	100-110	550-600	170-190	180-190	60-80	170-190
Power Cost	US\$/kwh	0.10-0.12	0.09-0.12	0.15-0.16	0.08-0.10	0.20-0.25	0.03-0.04	0.09-0.20**
Lending Rate	%	11-12%	12-14%	5-6%	6-7%	14%-16	6.5-7.5%	16-18%
Water Cost***	US Cents / m3	16-20	20-22	55-60	50-80	70-90	30-40	150-180

Data Source: Wazir Analysis

\*Cost for semi-skilled labor; includes all benefits

\*\* 9 cents for EPZ units

\*\*\*Water cost is based on the average tariff of the water supply companies of specific countries

### 3. India's Trade with Major Countries

#### EU 28

EU 28 had 25% share in Indian T&A exports of 2016.

.....  
Garments captured two-thirds of the total T&A exports to EU 28 as Indian apparel exports enjoy 20% lower import duty in EU.

#### Exports

EU 28 is the biggest market for Indian textile and apparel exports, having a share of 25%. India exported US\$ 9.3 billion to the region in 2016, which has increased marginally by 2% CAGR since 2012. Category wise, apparel captured two-thirds of the total exports to EU-28 as Indian apparel exports enjoy 20% lower import duty in EU. However, several Asian countries such as Bangladesh, Turkey & Sri Lanka have duty free access to EU.

Top categories exported to EU-28 include knitted T-shirts, woven women's trousers/dresses/shirts, track suits and babies garments.

**Table 4:** T&A Exports from India to EU 28 (US\$ million)

	2012	2013	2014	2015	2016	CAGR (%)	India's share in EU-28's total imports (2016) (%)
Fibre	203	249	228	205	227	3	3
Filament	112	151	116	108	108	-1	2
Yarn	528	624	559	455	485	-2	10
Fabric	538	603	573	497	507	-1	2
Garments	5,494	6,538	6,789	6,258	6,174	3	4
Home Textiles	1,160	1,361	1,355	1,224	1,252	2	8
Others	355	466	524	520	505	9	3
<b>Total</b>	<b>8,390</b>	<b>9,992</b>	<b>10,145</b>	<b>9,267</b>	<b>9,260</b>	<b>2</b>	<b>4</b>

Data Source: UN Comtrade and Wazir Analysis

**Table 5:** Top 5 T&A Commodities Exported to EU 28 (US\$ million)

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	India's share in EU-28's total imports (2016) (%)
1	6109	Knitted T-shirts and singlets	802	1,022	1,095	1,030	954	4	5
2	6204	Woven women's trousers/dresses	933	986	1,005	931	893	-1	4
3	6206	Woven women's blouses/ shirts	633	703	644	603	640	0.3	10
4	6211	Track suits and swimwear	312	378	459	493	491	12	13
5	6111	Babies garments & clothing accessories	248	320	350	344	402	13	13

Data Source: UN Comtrade and Wazir Analysis

India imported US\$ 520 million of textiles and apparel from EU-28 in 2016.

The top commodities imported from EU-28 were fiber (viscose, flax, cotton), rags and speciality textile products.

The major supplier of VSF to India is Austria, while that for flax fiber is Belgium and France.

## Imports

India's import of textile and apparel from EU 28 has grown at 1% CAGR from 2012 to 2016. Out of the US\$ 6 billion worth of textile and apparel import by India, 9% was imported from EU 28 in 2016. Fiber occupied major (34%) share of total import from EU followed by fabric with 20% share. Import of garments has shown healthy growth rate of 8% CAGR in the past five years.

The top 5 commodities imported from EU 28 comprised mainly of viscose, flax & cotton fiber; rags and speciality textile products. The major supplier of viscose staple fiber (VSF) to India is Austria which is the base of leading VSF producer Lenzing. Flax fiber is mainly imported from Belgium and France. In 2016, there was a sharp growth in cotton fiber imports by India from Greece which caused it to appear in top 5 categories.

**Table 6:** India's T&A Imports from EU 28 (US\$ million)

	2012	2013	2014	2015	2016	CAGR (%)	EU-28's share in India's total imports (2016) (%)
Fiber	129	135	162	159	176	8	9
Filament	58	45	43	42	34	-12	6
Yarn	13	8	10	9	7	-14	2
Fabric	130	116	112	107	105	-5	6
Garments	73	91	103	93	101	8	17
Home Textiles	14	15	15	19	16	3	6
Others	76	75	75	80	82	2	15
<b>Total</b>	<b>493</b>	<b>484</b>	<b>520</b>	<b>509</b>	<b>520</b>	<b>1</b>	<b>9</b>

Data Source: UN Comtrade and Wazir Analysis

**Table 7:** Top 5 T&A Commodities Imported from EU 28 (US\$ million)

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	EU-28's share in India's total imports (2016) (%)
1	5504	Artificial staple fiber	17	23	35	51	58	36	54
2	5301	Flax fiber	16	21	28	24	29	17	97
3	6310	Used and new rags	30	27	25	28	28	-2	32
4	5201	Cotton, not carded or combed	5	2	2	6	26	54	3
5	5911	Speciality textile items	19	19	21	22	23	5	34

Data Source: UN Comtrade and Wazir Analysis

## USA

*USA occupied 21% share in Indian T&A exports of 2016.*

*Garments & made-ups captured more than 85% share in the total T&A exports to USA.*

### Exports

The USA is the second biggest market for India's export of textile and apparel products. In 2016, 21% of the textile and apparel products exported from India were shipped to the USA. Apparel and made-ups occupied more than 85% share of the US\$ 7.5 billion exports to the USA. However, the exports of fiber has grown at a healthy CAGR of 16% in the past five years. The top five categories exported to USA in 2016 were furnishing articles, woven women's trousers, skirts & blouses and T-shirts.

**Table 8:** T&A Exports from India to USA (US\$ million)

	2012	2013	2014	2015	2016	CAGR (%)	India's share in USA's total imports (2016)
Fiber	65	98	79	84	117	16	9
Filament	28	27	28	37	30	2	2
Yarn	59	74	68	61	53	-3	9
Fabric	277	311	307	320	321	4	5
Garments	3,051	3,661	3,586	3,774	3,820	6	5
Home Textiles	2,270	2,719	2,631	2,821	2,786	5	24
Others	240	339	333	338	411	14	5
<b>Total</b>	<b>5,991</b>	<b>7,229</b>	<b>7,033</b>	<b>7,436</b>	<b>7,538</b>	<b>6</b>	<b>7</b>

*Data Source: UN Comtrade and Wazir Analysis*

**Table 9:** Top 5 T&A Commodities Exported to USA (US\$ million)

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	India's share in USA's total imports (2016) (%)
1	6302	Bed/table/toilet/kitchen linen	829	775	812	882	953	4	17
2	6204	Woven women's trousers/suits	568	608	587	615	644	3	6
3	6109	Knitted T-shirts, singlets, tank tops	567	670	594	616	587	1	10
4	6206	Woven women's blouses/ shirts	331	449	399	423	396	5	14
5	5703	Carpets & textile floor coverings	209	261	285	310	336	13	38

*Data Source: UN Comtrade and Wazir Analysis*

*India imported US\$ 421 million of textiles and apparel from USA in 2016.*

*Fiber captured 63% of the total imports*

### Imports

Seven percent of India's total import of textile and apparel was from the USA in 2016. Within the total imported product basket, more than 60% was fiber, which has grown at a CAGR of 16% in the past five years. However, the imports of yarn have shown a major decline at 35% CAGR in the past five years.

**Table 10: India's T&A Imports from USA (US\$ million)**

	2012	2013	2014	2015	2016	CAGR (%)	USA's share in India's total imports (2016) (%)
Fibre	144	142	149	144	263	16	14
Filament	23	15	17	18	19	-4	3
Yarn	1.5	0.6	0.4	0.4	0.3	-35	0.1
Fabric	28	15	16	19	17	-12	1
Garments	9	6	8	8	7	-6	1
Home Textiles	13	10	14	12	12	-2	4
Others	85	90	103	105	104	5	19
<b>Total</b>	<b>303</b>	<b>279</b>	<b>308</b>	<b>306</b>	<b>421</b>	<b>9</b>	<b>7</b>

Data Source: UN Comtrade and Wazir Analysis

**Table 11: Top 5 T&A Commodities Imported from USA (US\$ million)**

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	USA's share in India's total imports (2016) (%)
1	5201	Cotton	106	98	106	109	232	22	26
2	6309	Worn clothing	65	74	69	62	48	-7	55
3	5603	Nonwovens	6	6	20	25	33	54	16
4	5502	Filament tow	26	31	28	25	24	-2	49
5	6310	Used and new rags	6	4	5	9	14	24	16

Data Source: UN Comtrade and Wazir Analysis

## China

*China occupied 5% of total exports of T&A from India.*

*Yarn export had more than 60% share of the exports to China.*

### Exports

In 2016, textile and apparel exports to China formed 5% of the total export of textile and apparel from India. Yarn export occupied more than 60% share of the exports to China. This was followed by fiber having a share of 23% in total exports; however, the exports of fiber have shown a steep de-growth of 39% CAGR in the past five years. Commodity-wise, cotton fiber and cotton yarn occupied two-third of the total exports to China in 2016. In 2012 & 2013, the exports to China from India in both these categories was very high. However, due to China's policy measures, they have come down sharply in recent years.

**Table 12: T&A Exports from India to China (US\$ million)**

	2012	2013	2014	2015	2016	CAGR (%)	India's share in China total imports (2016) (%)
Fiber	2,779	3,009	1,450	426	396	-39	6
Filament	5	6	5	4	4	-5	0.2
Yarn	1,106	2,172	1,634	1,720	1,067	-1	15
Fabric	89	95	89	80	68	-6	1
Garments	114	139	142	155	141	5	1
Home Textiles	23	30	35	40	36	12	7
Others	9	14	16	13	12	8	1
<b>Total</b>	<b>4,125</b>	<b>5,465</b>	<b>3,371</b>	<b>2,439</b>	<b>1,724</b>	<b>-20</b>	<b>4</b>

*Data Source: UN Comtrade and Wazir Analysis*

**Table 13: Top 5 T&A Commodities Exported to China (US\$ million)**

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	India's share in China's total imports (2016) (%)
1	5205	Cotton yarn	1,085	2,166	1,622	1,713	1,062	-1	20
2	5201	Cotton	2,651	2,840	1,280	292	228	-46	15
3	5305	Vegetable fibers	56	74	84	72	86	11	42
4	5504	Artificial staple fiber	5	8	31	25	40	64	8
5	6204	Woven women's trousers/ skirts/ suits	16	18	23	28	24	11	1

*Data Source: UN Comtrade and Wazir Analysis*

*India imported 41% of its total T&A from China in 2016, worth US\$ 2,521 million.*

*Fabric imports occupied nearly 53% of the total imports from China in 2016*

### Imports

China is the major sourcing point for textile and apparel products for India. India imported 41% of its total textile and apparel imports from China in 2016. Fabric imports occupied nearly 53% of the total imports from China in 2016. However, high growth has been observed in the import of garments and made-ups. The top 5 commodities imported from China comprised primarily of functional fabrics made of synthetic fibres, knitted fabrics, raw silk, warp knit and woven fabrics of synthetic filament yarn.

**Table 14: India's T&A Imports from China (US\$ million)**

	2012	2013	2014	2015	2016	CAGR (%)	China's share in India's total imports (2016) (%)
Fibre	293	239	269	260	234	-6	13
Filament	230	238	217	190	188	-5	34
Yarn	210	337	320	288	217	1	60
Fabric	1,234	1,377	1,402	1,402	1,343	2	71
Garments	105	156	187	233	232	22	39
Home Textiles	113	121	181	244	203	16	72
Others	68	69	79	98	104	11	19
<b>Total</b>	<b>2,253</b>	<b>2,538</b>	<b>2,656</b>	<b>2,716</b>	<b>2,521</b>	<b>3</b>	<b>41</b>

*Data Source: UN Comtrade and Wazir Analysis*

**Table 15: Top 5 T&A Commodities Imported from China (US\$ million)**

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	China's share in India's total imports (2016) (%)
1	5903	Impregnated or coated textile fabrics	263	321	325	327	314	5	84
2	6006	Knitted or crocheted fabrics	161	156	180	196	231	10	83
3	5002	Raw silk	222	164	152	138	128	-13	81
4	6005	Warp knit fabrics	116	118	133	139	127	2	92
5	5407	Woven fabrics of synthetic filament yarn	82	105	130	132	121	10	75

*Data Source: UN Comtrade and Wazir Analysis*

## Japan

India exported US\$ 373 million worth of textile and apparel products to Japan in 2016.

India's T&A exports to Japan has remained constant for the last five years despite the fact that India has duty free access to Japan under CEPA.

Around 50% of the T&A exports to Japan was apparel.

### Exports

Japan occupied 1% share in the total exports of Indian textile and apparel exports. This share has remained constant for the last five years. This is despite the fact that India has duty free access to Japan under CEPA. Out of the total US\$ 373 million worth of textile and apparel exports to Japan, 49% was apparel followed by yarn and home textiles with a share of 19 and 15%, respectively. The top 5 commodities exported to Japan included woven women's trousers/ dresses/ blouses/ shirts, cotton & wool yarn and track suits & swimwear.

It is also worthwhile to mention here that Japan's overall T&A import decreased from US\$ 42 bn in 2012 to US\$ 35 bn in 2016, at a CAGR of -4%.

**Table 16:** T&A Exports from India to Japan (US\$ million)

	2012	2013	2014	2015	2016	CAGR (%)	India's share in Japan total Imports (2016) (%)
Fibre	6	6	6	5	6	2	1
Filament	3	5	13	12	12	39	2
Yarn	64	78	78	72	71	3	11
Fabric	19	29	26	22	26	9	2
Garments	222	229	211	184	183	-5	1
Home Textiles	61	76	72	58	56	-2	3
Others	24	23	18	18	17	-8	1
<b>Total</b>	<b>399</b>	<b>445</b>	<b>423</b>	<b>371</b>	<b>373</b>	<b>-2</b>	<b>1</b>

Data Source: UN Comtrade and Wazir Analysis

**Table 17:** Top 5 T&A Commodities Exported to Japan (US\$ million)

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	India's share in Japan's total imports (2016) (%)
1	6204	Woven women's trousers/dresses	66	61	52	47	45	-9	1
2	5205	Cotton yarn	43	57	58	44	43	0	19
3	6206	Woven women's blouses/ shirts	52	49	46	38	38	-8	3
4	5107	Yarn of combed wool	9	8	7	16	18	20	17
5	6211	Track suits and swimwear	21	17	14	15	18	-5	2

Data Source: UN Comtrade and Wazir Analysis

India imported US\$ 123 million worth of textile and apparel products from Japan in 2016.

50% of the T&A imports from Japan were filament.

### Imports

India imported textile and apparel products worth US\$ 123 million from Japan in 2016, which has remained constant in the last five years. Imports was dominated by filament, which occupied 50% share of total T&A products imported. All the top 5 exported categories were synthetic.



**Table 18: India's T&A Imports from Japan (US\$ million)**

	2012	2013	2014	2015	2016	CAGR (%)	Japan's share in India's total imports (%)
Fiber	19	19	27	25	21	2	1
Filament	69	76	82	71	62	-3	11
Yarn	1.2	0.7	0.5	0.3	1.3	3	0.4
Fabric	21	14	14	13	14	-10	1
Garments	2.3	0.3	0.3	0.3	0.3	-39	0.1
Home textiles	0.5	0.8	1.1	2.1	2	46	1
Others	8	18	18	16	23	29	4
<b>Total</b>	<b>122</b>	<b>129</b>	<b>143</b>	<b>127</b>	<b>123</b>	<b>0.2</b>	<b>2</b>

*Data Source: UN Comtrade and Wazir Analysis*

**Table 19: Top 5 T&A Commodities Imported from Japan (US\$ million)**

Rank (2016)	HS-4	Description	2012	2013	2014	2015	2016	CAGR (%)	Japan's share in India's total imports (%)
1	5403	Artificial filament yarn	61	68	71	62	53	-3	48
2	5603	Nonwovens	4	10	10	11	16	41	8
3	5502	Filament tow	3	3	7	10	10	35	20
4	5402	Synthetic filament yarn	6	7	9	7	7	4	2
5	5503	Synthetic staple fiber	11	11	13	8	6	-14	4

*Data Source: UN Comtrade and Wazir Analysis*

## 4. Indian Textile Industry: Structure and Supply Scenario

*T&A industry accounts for around 5% of India's gross domestic product (GDP), and around 13% of total export earnings.*

The textile and apparel industry is one of the leading segments of the Indian economy and one of the largest sources of foreign exchange earnings. The industry accounts for around 5% of the gross domestic product (GDP), and around 13% of total export earnings.

India is the world's second-largest textile manufacturer after China. It has a large raw material base and capable of producing a wide variety of textiles and end products.

### Fiber

*India's total staple fiber production was 9,189 million kg in 2016-17.*

#### Production

India's total staple fiber production stood at 9,189 million kg in 2016-17. Natural fiber production in India has reduced at 1% CAGR, but the production of man-made staple fiber grew at 2% CAGR since 2011-12.

**Table 20: India's Fiber Production (Million Kg)**

Fiber - Mn Kg	Production 2011-12	Production 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
Cotton	6,239	5,865	64	-1
Silk	23	30	0	5
Wool	45	46	1	0
Others (Jute, flax)	2,052	1,884	21	-2
<b>Natural Fiber</b>	<b>8,359</b>	<b>7,825</b>		<b>-1</b>
Viscose staple fiber	322	365	4	3
Polyester staple fiber	830	899	10	2
Acrylic staple fiber	78	96	1	4
Other MMF fiber	4	4	0	0
<b>MMSF</b>	<b>1,234</b>	<b>1,364</b>		<b>2</b>
<b>Total Fiber</b>	<b>9,593</b>	<b>9,189</b>		<b>-1</b>

*Data Source: Office of Textile Commissioner, Govt. of India & National Cotton Corporation of India*

*India exported fiber worth US\$ 2,602 in 2016-17, which has reduced at a CAGR of 8% in the past five years.*

*Cotton occupied 85% share in total fiber exports in 2011-12, which has reduced to 65% share in 2016-17.*

#### Exports

India exported fiber worth US\$ 2,602 in 2016-17, which has reduced at a CAGR of 8% since 2011-12. The share of cotton in total fiber exports has reduced from 85% in 2011-12 to 65% in 2016-17.

Exports of natural fiber reduced at a CAGR of 11% while exports of man-made fibers increased at a CAGR of 7% since 2011-12. However, the fiber exports from India are still dominated by natural fiber.

**Table 21: India's Fiber Exports (US\$ million)**

Fiber	Export (2011-12)	Export (2016-17)	Share (2016-17) (%)	Export Growth (5 yr CAGR) (%)
Cotton	3,327	1,690	65	-13
Silk	8	15	1	14
Wool	53	41	2	-5
Others (jute, flax)	99	240	9	19
<b>Natural fiber</b>	<b>3,486</b>	<b>1,985</b>		<b>-11</b>
Viscose staple fiber	142	321	12	18
Polyester staple fiber	238	231	9	-1
Acrylic staple fiber	31	47	2	9
Other MMF fiber	29	17	1	-10
<b>MMSF</b>	<b>440</b>	<b>617</b>		<b>7</b>
<b>Total Fiber</b>	<b>3,926</b>	<b>2,602</b>		<b>-8</b>

Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

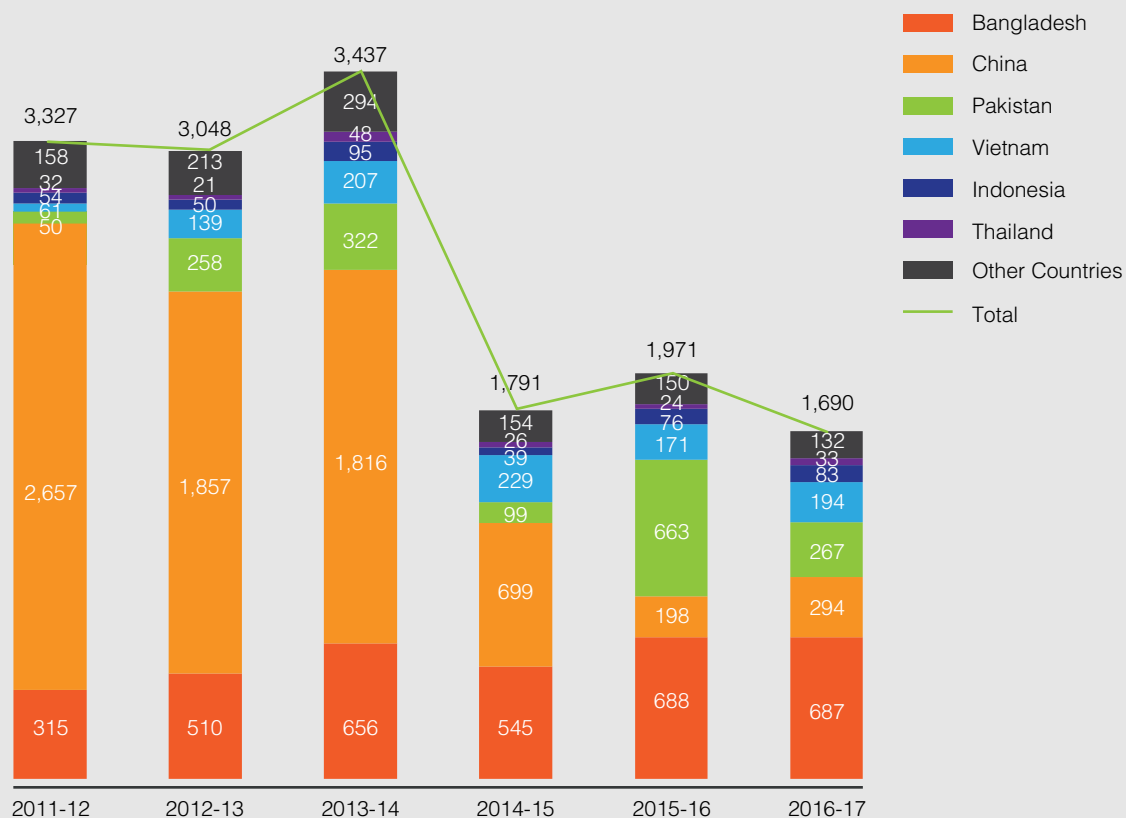
The exports of cotton fiber has reduced at a CAGR of 13% in the past five years.

In 2016-17, Bangladesh occupied 40% share of the total cotton fiber exports from India.

The exports of cotton fiber has reduced at a CAGR of 13% in the past five years. The primary reason behind this de-growth is lower imports by China, which occupied more than 60% share in Indian cotton fiber exports in 2011-12.

In 2016-17, Bangladesh was the leading importer of cotton fiber from India, having a share of 40%.

**Figure 11: Country-wise Exports of Cotton Fiber from India in Value Terms (US\$ million)**



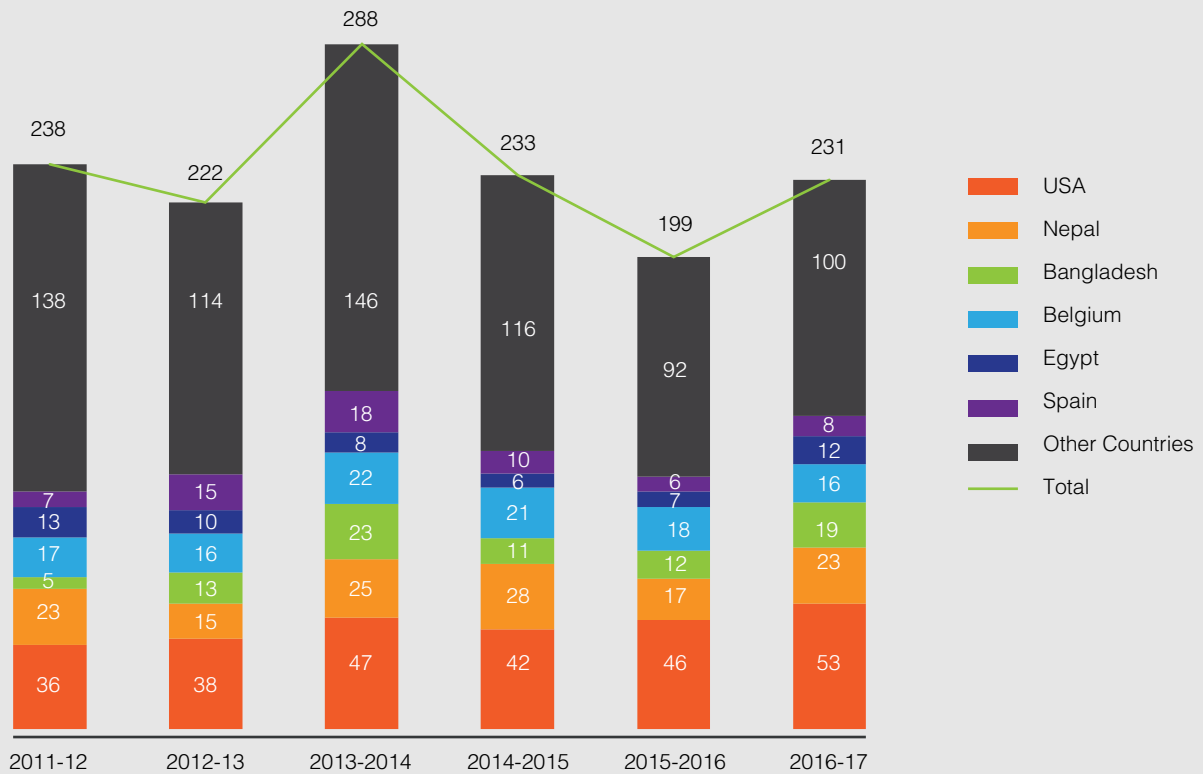
Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

**USA is the leading importer of PSF from India, having a share of 23%.**

**Exports of PSF to Bangladesh have also increased considerably.**

The exports of polyester staple fibre (PSF) has remained stagnant in the past five years. In 2016-17, USA imported polyester fiber worth US\$ 53 Mn from India (23% share). Its share has increased continuously over the past five years. Exports to Bangladesh have also increased considerably.

**Figure 12:** Country-wise Exports of Polyester Staple Fiber from India in Value Terms (US\$ million)



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

**India imported fiber worth US\$1,979 million in 2016-17, which has grown at 16% CAGR since 2011-12.**

**Share of cotton has increased from 17% in 2011-12 to 49%, with an increased imports of more than 6 times in the past five years.**

**Imports of all types of man-made fibers have grown at 11% CAGR.**

## Imports

India imported fiber worth US\$ 1,979 million in 2016-17, which has grown at a high CAGR of 16% since 2011-12. Nearly 80% of the imports of fiber in 2016-17 was natural fiber. The share of cotton in total fiber imports has increased from 17% in 2011-12 to 49%, with an increased import of approximately 6 times in the past five years.

Imports of all types of man-made fibers have also grown overall at 11% CAGR. However, it is important to note here that there was a sharp increase in imports in FY 2016-17, mainly of cotton.

**Table 22: India's Fiber Imports (US\$ million)**

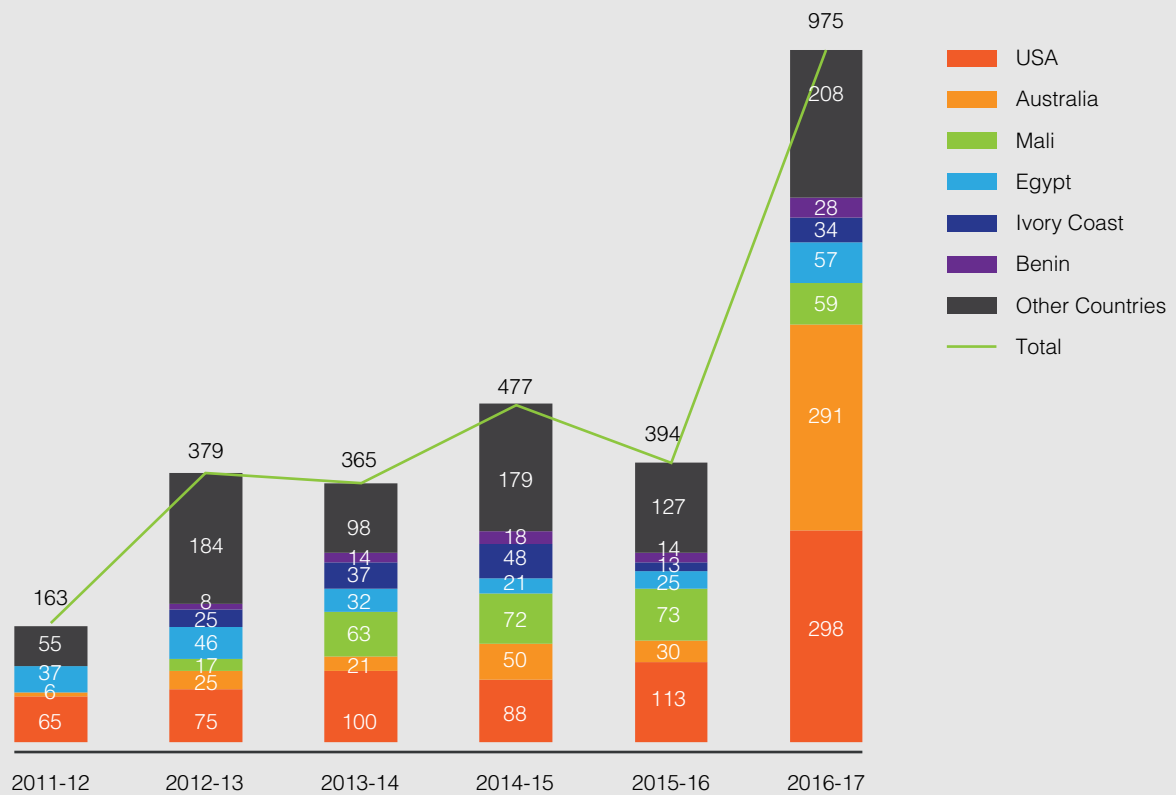
Fiber	Import (2011-12)	Import (2016-17)	Share (2016-17) (%)	Import Growth (5 yr CAGR) (%)
Cotton	163	975	49	43
Silk	172	170	9	0.2
Wool	300	303	15	-0.2
Others (jute, flax)	84	154	8	13
<b>Natural fiber</b>	<b>719</b>	<b>1,602</b>		<b>17</b>
Viscose staple fiber	44	79	4	12
Polyester staple fiber	57	108	3	14
Acrylic staple fiber	41	58	5	7
Other MMF fiber	81	133	7	10
<b>MMSF</b>	<b>223</b>	<b>378</b>		<b>11</b>
<b>Total Fiber</b>	<b>942</b>	<b>1,979</b>		<b>16</b>

Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

In 2016-17, the imports of cotton fiber were 147% more than that in the previous year.

In 2016-17, the imports of cotton fiber were 147% more than that in the previous year. Cumulative imports from USA and Australia increased from around US\$ 143 million in 2015-16 to US\$ 589 million in 2016-17, indicating increase in import of premium cotton by India.

**Figure 13: Country-wise Imports of Cotton Fiber by India in Value Terms (US\$ million)**



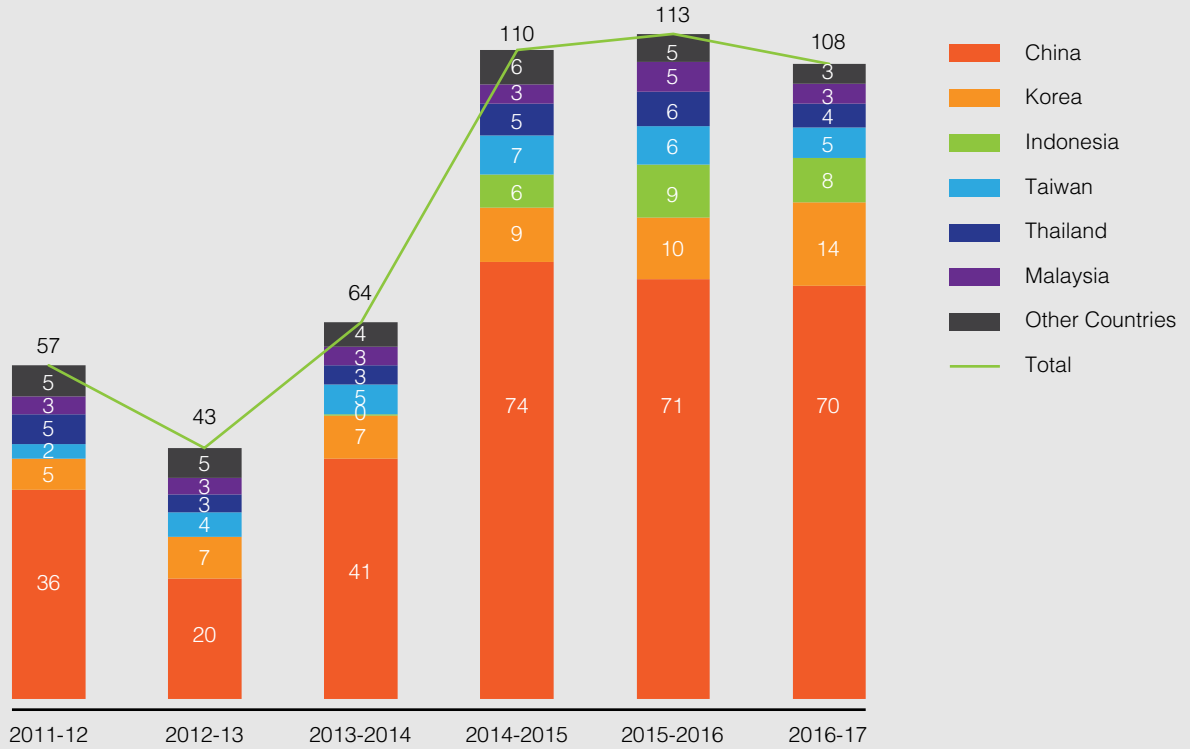
Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

India imported PSF worth US\$ 108 million in 2016-2017.

65% of the total imports of polyester staple fiber was from China.

Imports of polyester staple fiber has increased significantly in the past five years. India imported polyester staple fiber worth US\$ 108 million in 2016-2017, which has grown at a CAGR of 14% in the past five years in value terms. Nearly 65% of the total imports of polyester staple fiber was from China.

**Figure 14:** Country-wise Imports of Polyester Staple Fiber by India in Value Terms (US\$ million)



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

## Yarn

India's total yarn production was 6,818 million kg in 2016-17.

Spun yarn production has grown at 5% CAGR while filament yarn production has reduced at 5% CAGR in the recent past.

### Production

The production of yarn stood at 6,818 million kg in 2016-17, growing at a CAGR of 3% in the last 5 years. The production of spun yarn has grown at a CAGR of 5%, but the production of filament yarn has reduced at a CAGR of 5%. However, within the filament yarn segment, production of nylon filament yarn has grown at a healthy 8% CAGR, albeit at a very small base.

**Table 23: India's Yarn Production (Million Kg)**

Yarn - Mn Kg	Production 2011-12	Production 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
100% cotton spun yarn	3,126	4,055	59	5
Cotton blend spun yarn	789	1,034	15	6
100% non-cotton spun yarn	457	570	8	5
<b>Total spun yarn</b>	<b>4,372</b>	<b>5,659</b>		<b>5</b>
Viscose filament yarn	42	46	1	2
Polyester filament yarn	1,380	1,060	16	-5
Nylon filament yarn	28	41	1	8
Other MMFY	13	12	0	-2
<b>MMFY</b>	<b>1,463</b>	<b>1,159</b>		<b>-5</b>
<b>Total yarn</b>	<b>5,835</b>	<b>6,818</b>		<b>3</b>

Data Source: Office of Textile Commissioner, Govt. of India

India's yarn exports have grown at 7% CAGR in the past five years with India exporting yarn worth US\$ 5,430 million in 2016-17.

### Exports

India's yarn exports have grown at 7% CAGR in the past five years, with India exporting yarn worth US\$ 5,430 million in 2016-17. The growth in exports of polyester filament yarn has been the highest, growing at 13% CAGR, indicating a shift towards increased consumption of synthetic categories globally. However, cotton yarn remains the leading export category.

**Table 24: India's Yarn Exports (US\$ million)**

Yarn	Export 2011-12	Export 2016-17	Share (2016-17)	CAGR 2011-2017 (%)
Cotton spun yarn	2,210	3,476	64	9
Man made spun yarn	135	110	3	3
100% non-cotton spun yarn	614	697	13	-4
<b>Total spun yarn</b>	<b>2,959</b>	<b>4,283</b>		<b>8</b>
Viscose filament yarn	24	23	0	-1
Polyester filament yarn	486	898	17	13
Nylon filament yarn	8	9	0	3
Other MMFY	354	215	4	-9
<b>MMFY</b>	<b>872</b>	<b>1,147</b>		<b>6</b>
<b>Total yarn</b>	<b>3,831</b>	<b>5,430</b>		<b>7</b>

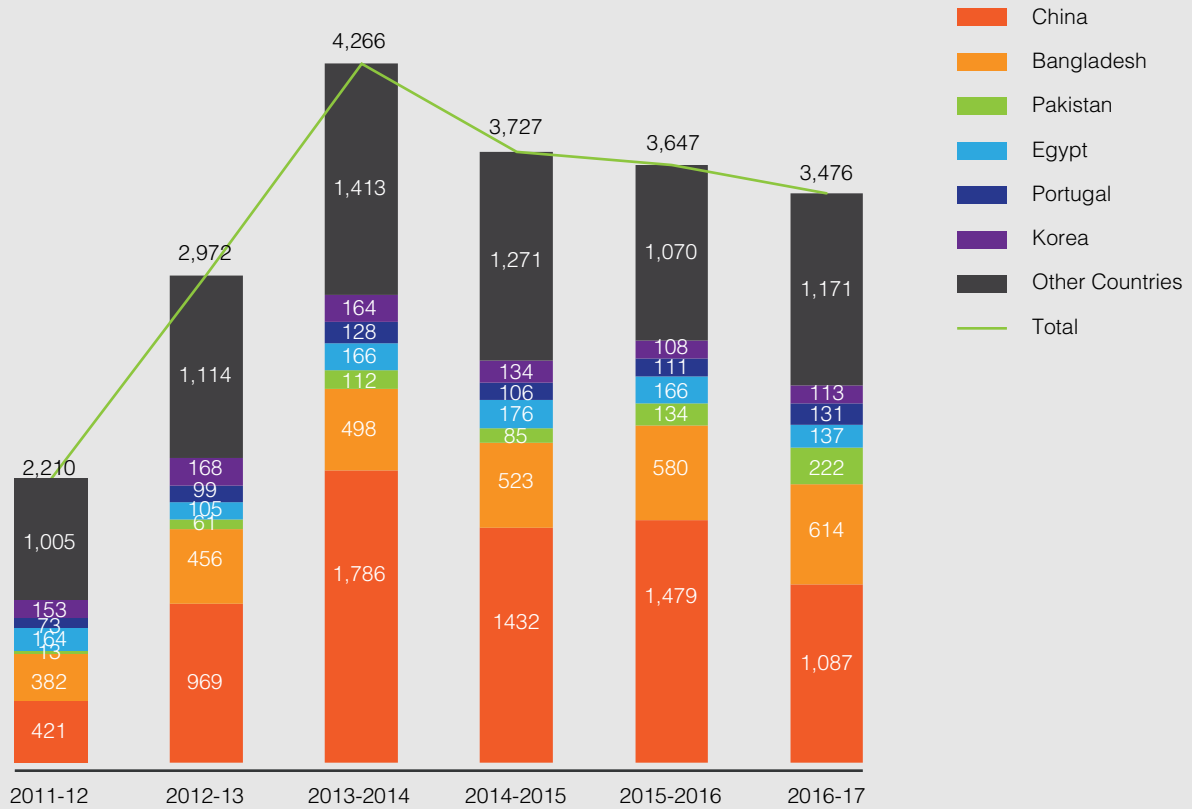
Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

*China is the largest importer of cotton yarn from India, followed by Bangladesh and Pakistan.*

*Pakistan's import of cotton yarn from India nearly doubled in 2016-17, as compared to the previous year.*

India's exports of cotton yarn has increased at a CAGR of 9% in the past five years. China is the largest importer of cotton yarn from India, followed by Bangladesh and Pakistan. Pakistan's import of cotton yarn from India nearly doubled in 2016-17, as compared to the previous year.

**Figure 15:** Country-wise Exports of Cotton Yarn from India in Value Terms (US\$ million)



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

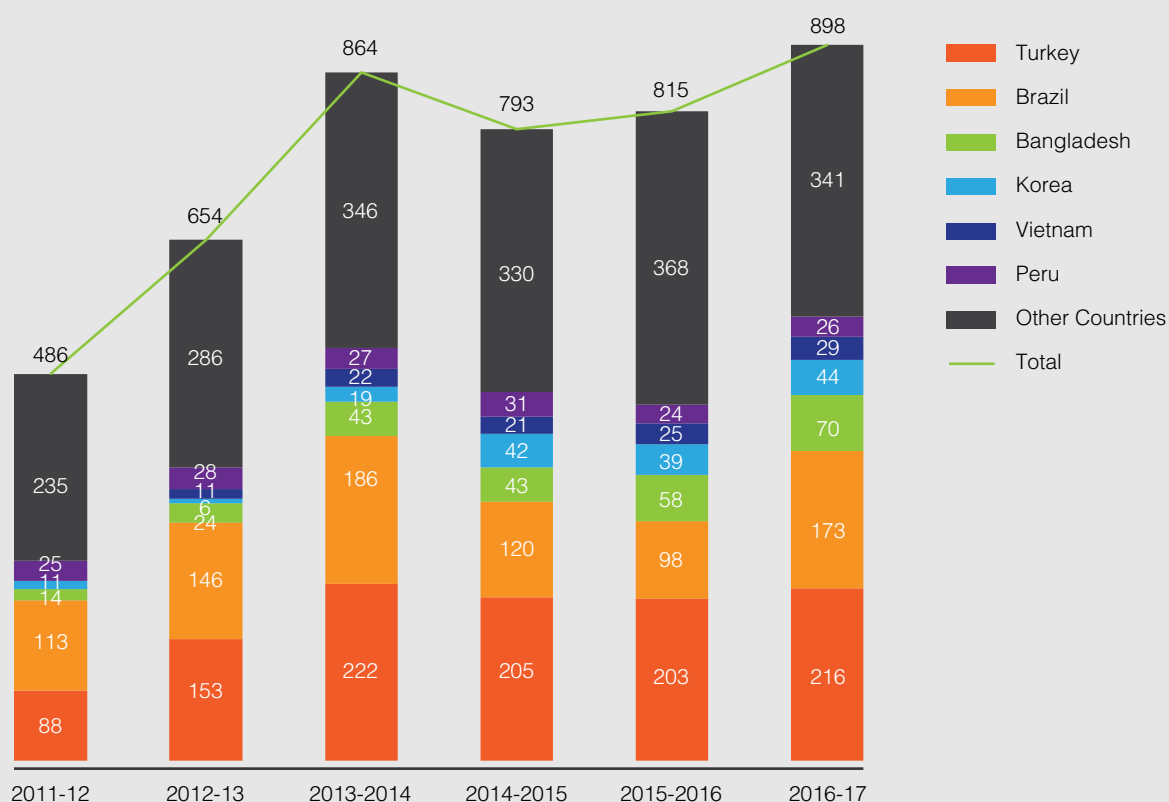
*India exported US\$ 898 million worth of polyester filament yarn, which has remained the same in past four years.*

*Brazil's import of polyester filament almost doubled in 2016-17 as compared to last year.*

India exported US\$ 898 million worth of polyester filament yarn, which has grown at a CAGR of 13% in past five years. However, the growth in past four years has been low. The top three importing nations; Turkey, Brazil and Bangladesh constituted 50% of the total imports of polyester filament yarn from India. Brazil's import of polyester filament yarn from India almost doubled in 2016-17 as compared to last year.



**Figure 16: Country-wise Exports of Polyester Filament Yarn from India in Value Terms (US\$ million)**



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

India imported US\$ 912 million worth of yarn in 2016-17, grown at 5% CAGR since 2011-12.

### Imports

India imported yarn worth US\$ 912 million in 2016-17, which has grown at 5% CAGR since 2011-12. There has been an increase in imports of both spun and man-made filament yarn. The imports of nylon filament yarn has increased drastically, however the volume is very low.

**Table 25: India's Yarn Imports (US\$ million)**

Yarn	Imports 2011-12	Imports 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
100% cotton spun yarn	22	54	6	20
Man made spun yarn	99	167	18	1
100% non-cotton spun yarn	115	121	13	11
<b>Total spun yarn</b>	<b>236</b>	<b>342</b>		<b>8</b>
Viscose filament yarn	58	39	4	-8
Polyester filament yarn	42	27	3	-8
Nylon filament yarn	5	14	2	24
Other MMFY	358	489	54	6
<b>MMFY</b>	<b>463</b>	<b>570</b>		<b>4</b>
<b>Total yarn</b>	<b>699</b>	<b>912</b>		<b>5</b>

Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

## Fabric

*Fabric production in India stood at 64,421 million sq. m, grown at 1% CAGR in the past five years.*

*The production of woven fabric has been stagnant in the past years while knitted fabric production has increased at 6% CAGR.*

### Production

Fabric production in India stood at 64,421 million sq. m, which has grown at 1% CAGR in the past five years. Woven fabric had the major share of 73%, the rest being the knitted fabric. However, the production of woven fabric has been stagnant in the past years, while knitted fabric production has increased at 6% CAGR.

Within the woven fabric segment, the share of cotton fabric has increased from 33 to 52%, mainly at the expense of synthetic woven fabric.

**Table 26: India's Fabric Production (Million sq. m)**

Fabric - Mn Sq. m	Production 2011-12	Production 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
Cotton woven	19,772	24,347	38	4
Synthetic woven	19,943	12,601	20	-9
Other woven	7,792	9,936	15	5
<b>Total woven fabric</b>	<b>47,507</b>	<b>46,884</b>		<b>0</b>
<b>Knitted fabric</b>	<b>12,946</b>	<b>17,537</b>	<b>27</b>	<b>6</b>
<b>Total fabric</b>	<b>60,453</b>	<b>64,421</b>		<b>1</b>

*Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis*

*India exported fabric worth US\$ 4,455 million in 2016-17, grown at 5% CAGR since 2011-12.*

*Exports of knitted fabric has grown at 13% CAGR in the past five years.*

### Exports

India exported fabric worth US\$ 4,455 million in 2016-17, which has grown at 5% CAGR since 2011-12. Woven fabric comprised 93% of the total fabric exports of 2016-17. However, exports of knitted fabric has increased at 13% CAGR in the past five years.

**Table 27: India's Fabric Exports (US\$ million)**

Fabric	Exports 2011-12	Exports 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
Cotton woven	1,171	1,691	38	8
Synthetic woven	1,623	1,818	41	2
Other woven	468	651	15	7
<b>Total woven fabric</b>	<b>3,262</b>	<b>4,161</b>		<b>5</b>
<b>Knitted fabric</b>	<b>161</b>	<b>295</b>	<b>7</b>	<b>13</b>
<b>Total fabric</b>	<b>3,423</b>	<b>4,455</b>		<b>5</b>

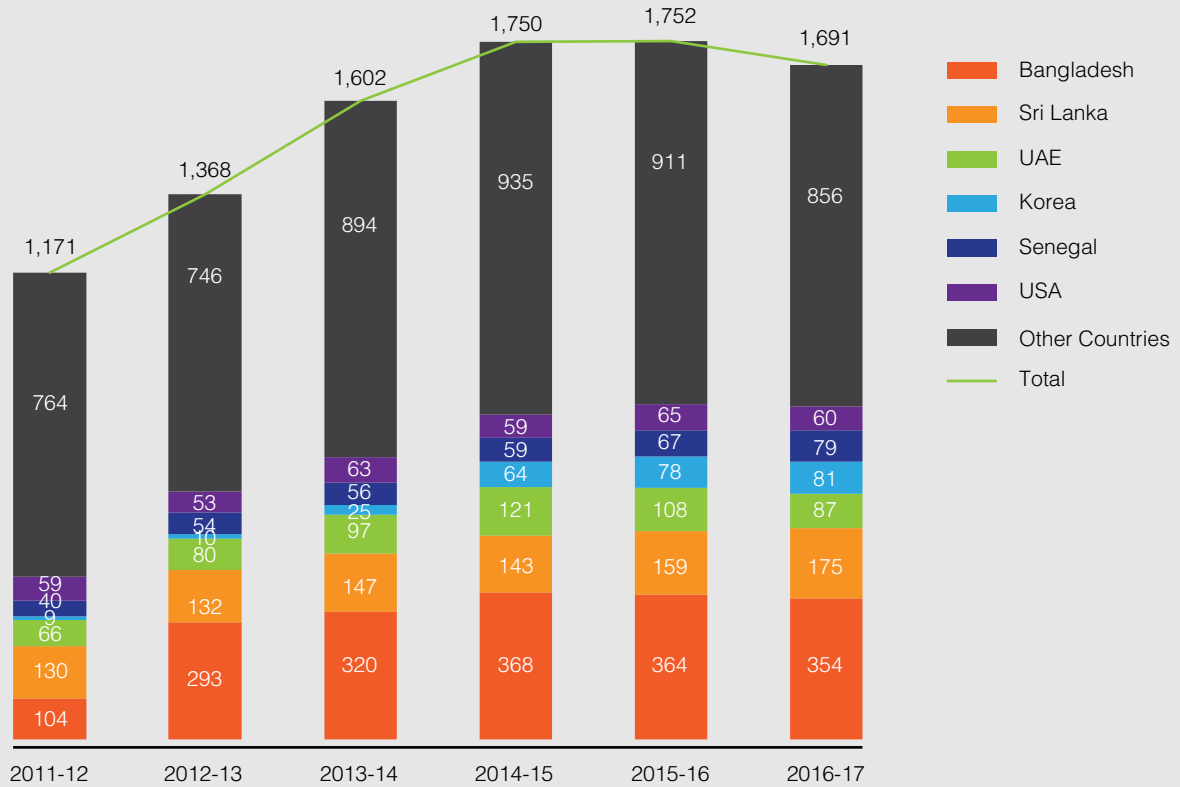
*Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis*

India exported cotton woven fabric worth US\$ 1,691 million in 2016-17.

The major importing nations of woven cotton fabric from India are Bangladesh and Sri Lanka.

India exported cotton woven fabric worth US\$ 1,691 million, which has grown at 8% CAGR in the past five years in value terms. The major importing nations of woven cotton fabric from India are Bangladesh and Sri Lanka. Exports to Bangladesh have grown by 3 times in the past five years.

Figure 17: Country-wise Exports of Cotton Woven Fabric from India in Value Terms (US\$ million)



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

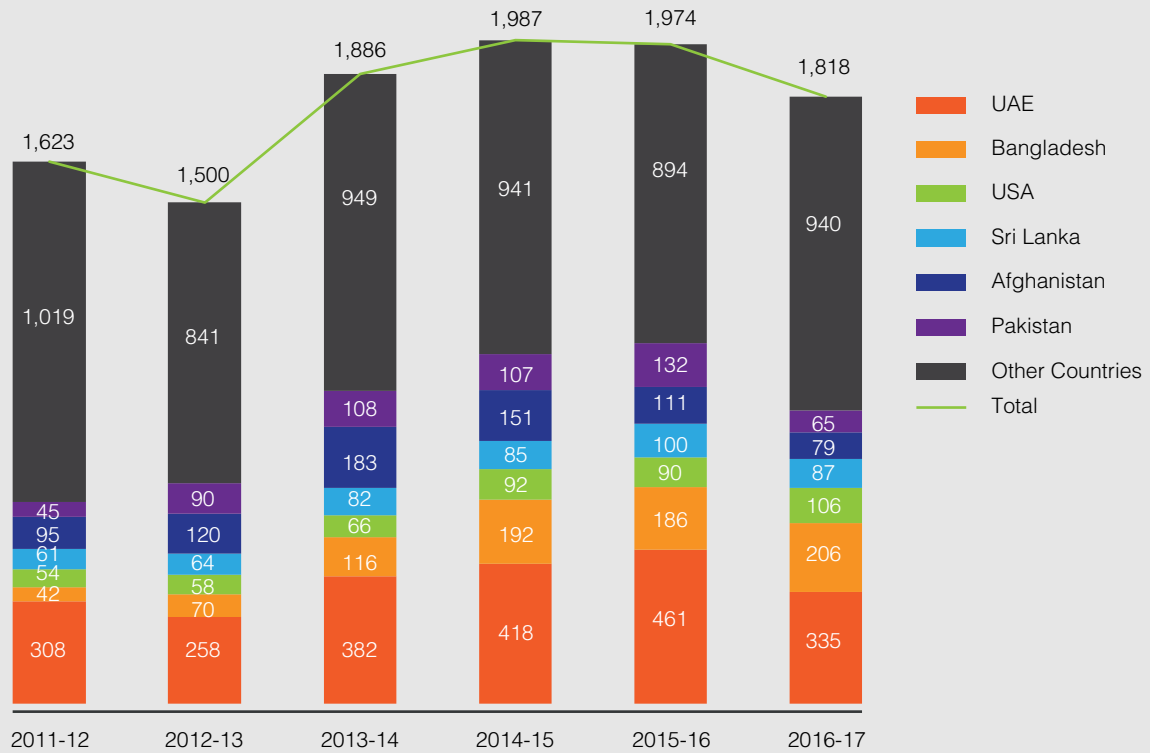
India exported man-made woven fabric worth US\$ 1,818 million in 2016-17.

The UAE and Bangladesh formed nearly 30% of the total exports of man-made woven fabric from India.

India exported man-made woven fabric worth US\$ 1,818 million in 2016-17. The top two nations; UAE and Bangladesh formed nearly 30% of the total exports of man-made woven fabric from India.

Though the growth of exports of man-made woven fabric was low, exports to Bangladesh increased by 5 times since 2011-12.

**Figure 18: Country-wise Exports of Man-made Woven Fabric from India in Value Terms (US\$ million)**



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

Fabric imports stood at US\$ 1,195 million growing at 7% CAGR since 2011-12.

Imports of synthetic woven fabric and knitted fabric has increased at 11 and 13% CAGR, respectively since 2011-12.

### Imports

India imported US\$ 1,195 million worth of fabric in 2016-17, which has grown at 7% CAGR in the past five years. Imports of synthetic woven fabrics has also increased rapidly at 11% CAGR owing to its diverse end uses. The imports of knitted fabric has also increased sharply at 13% CAGR in the last five years.

**Table 28: India's Fabric Imports (US\$ million)**

Fabric	Imports 2011-12	Imports 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
Cotton woven	189	137	11	-6
Synthetic woven	157	268	22	11
Other woven	237	297	25	5
<b>Total woven fabric</b>	<b>583</b>	<b>702</b>		<b>4</b>
<b>Knitted fabric</b>	<b>267</b>	<b>493</b>	<b>41</b>	<b>13</b>
<b>Total fabric</b>	<b>850</b>	<b>1,195</b>		<b>7</b>

Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

## Garments & Made-ups

*Garment production in India is estimated at 18.5 billion pcs in 2016-17.*

### Production

Garment production in India is estimated at 18.5 billion pieces in 2016-17 and has grown at 8% CAGR in the last 5 years. Made-ups is a comparatively small segment and its production stood at 2,100 million kg, which has grown at 3% CAGR in the past five years.

**Table 29: India's Garment and Made-ups Production**

	Production 2011-12	Production 2016-17	CAGR 2011-2017
Garments (Mn pcs)	12,600	18,500	8%
Made-Ups (Mn kg)	1,800	2,100	3%

*Data Source: Wazir estimates*

*India exported garments worth US\$ 17,468 in 2016-17, which has grown at a CAGR of 5% in the past five years.*

.....  
*Exports of made-ups have also increased, with India exporting US\$ 4,872 million worth of made-ups in 2016-17.*

### Exports

India, the world's fifth largest apparel exporter, exported US\$ 17,468 million worth of garments in 2016-17, which has grown at a CAGR of 5% in the past five years. Export of synthetic garments have grown at 17% CAGR as compared to export of cotton garments which has reduced at 3% CAGR in past five years.

The exports of made-ups have also increased at 11% CAGR in past five years with India exporting made-ups worth US\$ 4,872 million.

**Table 30: India's Garment and Made-ups Exports (US\$ million)**

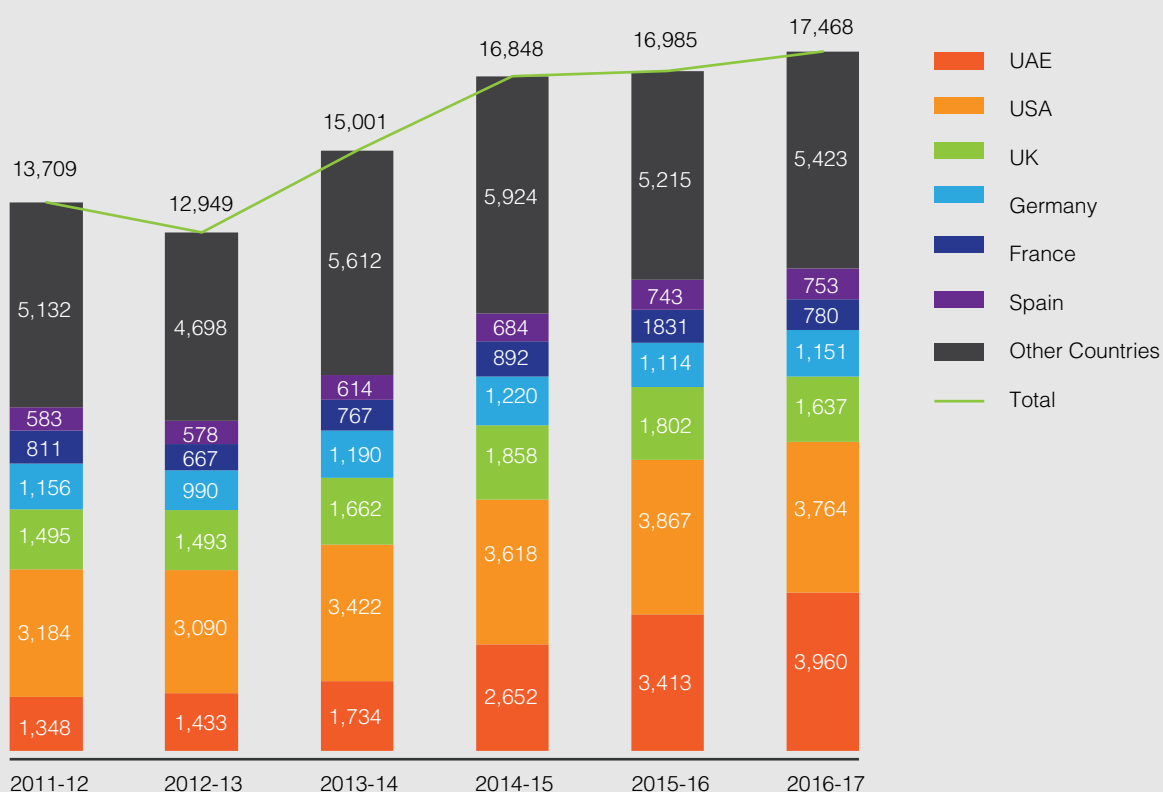
	Exports 2011-12	Exports 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
Cotton garments	9,255	7,939	45	-3
Synthetic garments	2,371	5,271	30	17
Other garments (silk/wool/etc.)	2,083	4,259	24	15
<b>Total garments</b>	<b>13,709</b>	<b>17,468</b>		<b>5</b>
<b>Made-ups</b>	<b>2,912</b>	<b>4,872</b>		<b>11</b>

*Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis*

*Indian exports of garments has increased at 5% CAGR in the past five years in value terms.*

Indian exports of garments has increased at 5% CAGR in the past five years in value terms. The top three countries; UAE, USA and UK occupied more than 50% share of the total exports of garments from India. In 2016-17, the exports to UAE grew three times as compared to year 2011-12.

**Figure 19:** Country-wise Exports of Garments from India in Value Terms (US\$ million)



Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

India imported US\$ 596 million worth of garments and US\$ 445 million worth of made-ups in 2016-17.

Imports of synthetic garments have increased at 26% CAGR.

### Imports

Indian imports of garments have increased at 13% CAGR in the past five years. Imports of synthetic garments have increased at a higher pace, growing at 26% CAGR; however, it has only 30% share in total import of garments.

Imports of made-ups has also grown with India importing made-ups worth US\$ 445 million in 2016-17.

**Table 31:** India's Garment and Made-ups Imports (USD million)

	Imports 2011-12	Imports 2016-17	Share (2016-17) (%)	CAGR 2011-2017 (%)
Cotton garments	215	259	43	4
Synthetic garments	55	177	30	26
Other garments (silk/wool/etc.)	48	161	27	27
<b>Total garments</b>	<b>318</b>	<b>596</b>		<b>13</b>
<b>Made-ups</b>	<b>290</b>	<b>445</b>		<b>9</b>

Data Source: Office of Textile Commissioner, Govt. of India and Wazir Analysis

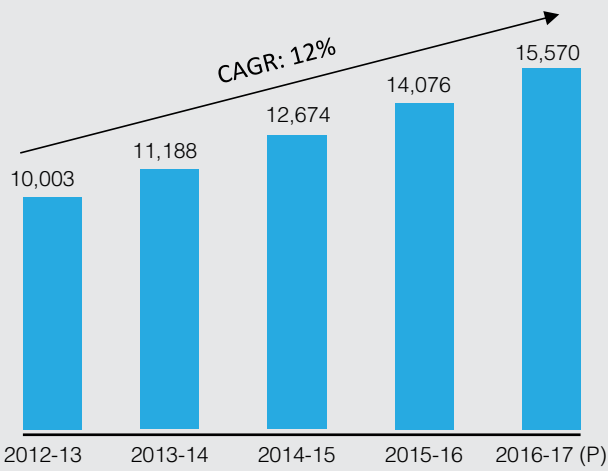
# Technical Textiles

*The Indian technical textiles market is estimated at US\$ 15,570 million in 2016-17, growing at a CAGR of 12%.*

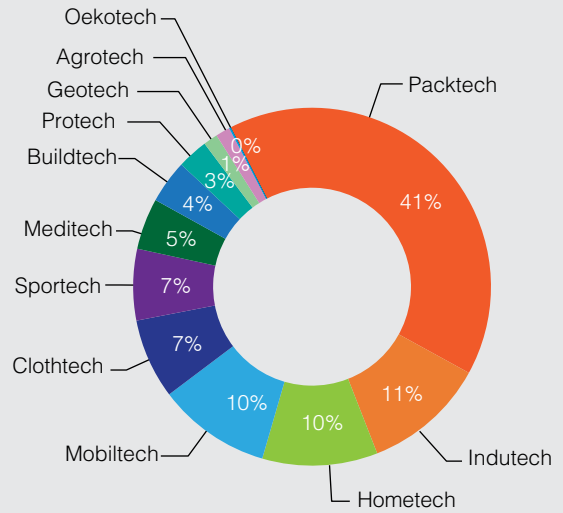
## Domestic Market

The current Indian technical textiles market is estimated at US\$ 15,570 million, grown at a CAGR of 12% since 2012-13. It contributes to about 0.7% to India's GDP and accounts for approximately 13% of India's total textile and apparel market. In 2016-17, Packtech segment had the highest share of 40%, followed by Indutech, Homotech and Mobiltech with a share of 11%, 10% and 10%, respectively.

**Figure 20:** Domestic Market Size of Technical Textiles in India (US\$ Million)



**Figure 21:** Application-wise Break-up of Indian Technical Textile Market (2016-17) (P)



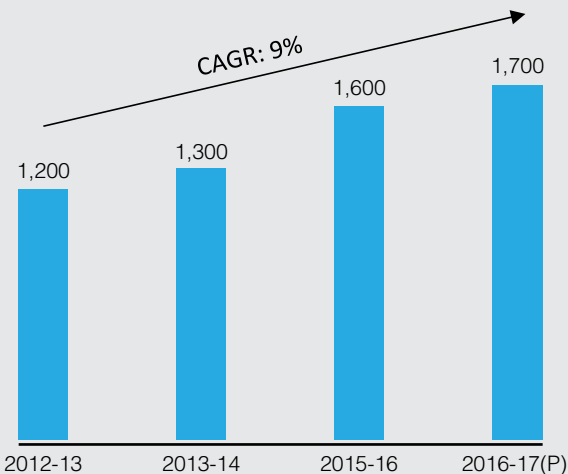
Data Source: Technical Textile Baseline Survey 2015, and Wazir Analysis

*Indian exports of technical textile in 2016-17 is estimated at US\$ 1,700 million, grown at a CAGR of 9%.*

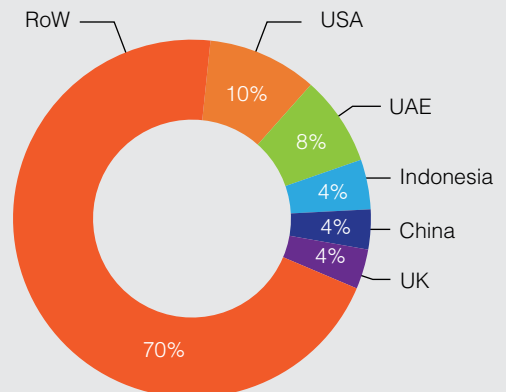
## Exports

Indian exports of technical textiles in 2016-17 is estimated at US\$ 1,700 million in 2016-17, which has grown at a CAGR of 9%. The top 5 markets for export of technical textiles from India captured 30% share.

**Figure 22:** Exports of Technical Textile from India (US\$ Million)



**Figure 23:** Major Export Markets for India (2016-17)



Data Source: Technical Textile Baseline Survey 2015 and Wazir Analysis

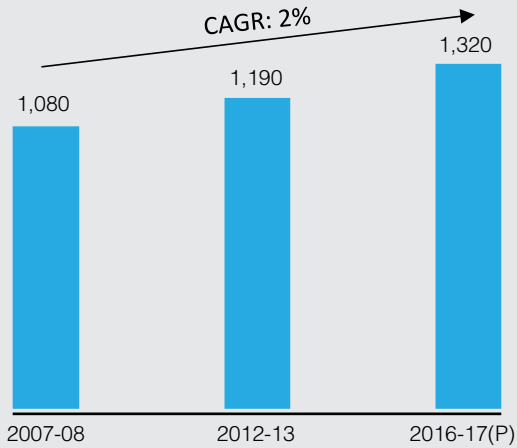
Indian imports of technical textiles in 2016-17 is estimated at US\$ 1,320 million in 2016-17.

60% of the technical textiles imported by India were from China.

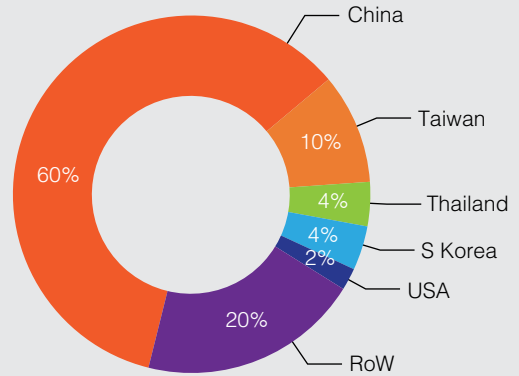
### Imports

Indian imports of technical textile products has grown marginally in the past years from US\$ 1,080 million in 2007-08 to US\$ 1,320 million in 2016-17. The imports of technical textiles has grown at 2% CAGR in past 9 years. The major supplier of technical textiles to India in 2016-17 was China with a share of 60%, followed by Taiwan with a share of 10%.

**Figure 24:** India's Imports of Technical Textiles (US\$ Million)



**Figure 25:** Major Suppliers of Technical Textiles to India (2016-17)



Data Source: Technical Textile Baseline Survey 2015 and Wazir Analysis



## 5. Financial Health of Indian Textile Industry

More than 50 public listed companies in T&A and allied sectors clocked turnover of more than US\$100 million in FY17.

In FY2017, there were more than 50 public listed companies in textile, apparel and allied sectors that clocked annual turnover in excess of US\$100 million.

**Table 32:** Leading Textile Companies in India, their Turnover and EBITDA Margins (FY 2017)

S. No	Company Name	Products	Headquarters	Revenue (US\$ Mn)	EBITDA (%)
1	Reliance Industries*	Fiber, filament, fabrics	Mumbai, Maharashtra	2,300	NA
2	Birla Cellulose	Fiber	Mumbai, Maharashtra	1,187	20
3	Arvind	Fabrics, apparel	Ahmedabad, Gujarat	916	14
4	Vardhman Textiles	Fiber, yarn, fabrics, apparel	Ludhiana, Punjab	881	30
5	Welspun India	Home textiles	Mumbai, Maharashtra	868	26
6	Aditya Birla Nuvo	Yarn, fabrics, apparel	Mumbai, Maharashtra	776	26
7	Trident Group	Yarn, home textiles	Ludhiana, Punjab	721	21
8	JBF Industries Ltd.	Polyester chips, yarn	Mumbai, Maharashtra	602	10
9	SRF Ltd.	Technical textiles	Gurgaon, Haryana	597	22
10	Bombay Rayon Fashions Ltd.	Yarn, fabrics, apparel	Mumbai, Maharashtra	596	16
11	RSWM Ltd.	Yarn, fabrics	Noida, Delhi NCR	459	12
12	Raymond Ltd.	Fabrics, apparel	Mumbai, Maharashtra	435	10
13	Indo Rama Synthetics	Polyester chips, polyester fiber, polyester yarn	Gurgaon, Haryana	380	1
14	Garden Silk Mills	Polyester chips, yarn, fabrics	Mumbai, Maharashtra	375	6
15	Sutlej Textiles & Industries Ltd.	Yarn, fabrics, home textiles	Mumbai, Maharashtra	346	14
16	KPR Mill	Yarn, fabrics, apparel	Coimbatore, Tamil Nadu	341	21
17	Nahar Spinning Mills Ltd.	Yarn, fabrics	Ludhiana, Punjab	328	10
18	Page Industries	Innerwear, leisurewear	Bangalore, Karnataka	328	21

S. No	Company Name	Products	Headquarters	Revenue (US\$ Mn)	EBITDA (%)
19	Indo Count Industries Ltd.	Yarn, fabrics, home textiles	Mumbai, Maharashtra	321	21
20	Nahar Enterprise	Yarn, fabrics	Ludhiana, Punjab	265	12
21	SEL Manufacturing	Yarn, fabrics, terry towel, apparel	Ludhiana, Punjab	263	-23
22	Sangam India	Yarn, fabrics, denim	Mumbai, Maharashtra	245	12
23	Siyaram Silk Mills	Fabrics	Mumbai, Maharashtra	242	14
24	Filatex India	Synthetic yarn	New Delhi	239	9
25	Himatsingka Seide	Yarn, home textiles	Bangalore, Karnataka	215	25
26	Mafatlal Industries	Fabrics, apparel	Mumbai, Maharashtra	195	3
27	Banswara Syntex	Yarn, fabrics, apparel	Mumbai, Maharashtra	191	12
28	Nandan Denim	Denim fabrics	Ahmedabad, Gujarat	188	16
29	Sumeet Industries	Polyester chips, polyester & polypropylene yarn	Surat, Gujarat	184	10
30	Century Enka Ltd.	Yarn, fabrics	Mumbai, Maharashtra	182	17
31	Jindal Worldwide	Fabrics, home textiles	New Delhi	178	14
32	Loyal Textiles Mills Ltd.	Yarn, fabrics, apparel, home textiles	Chennai, Tamil Nadu	175	12
33	Rupa and Company	Hosiery, leisurewear	Kolkata, West Bengal	167	13
34	Lux Industries	Hosiery, innerwear	Kolkata, West Bengal	150	12
35	DCM Textiles	Yarn	New Delhi	147	6
36	Nitin spinners	Yarn, fabrics	Rajasthan, India	144	14
37	Gokaldas Export	Apparel	Bangalore, Karnataka	141	1
38	Bannari A Spg	Yarn, fabrics, apparel	Coimbatore, Tamil Nadu	134	11
39	Garware Wall Ropes	Yarn, thread, coated fabrics	New Delhi	134	16
40	Pearl Global Industries Ltd	Apparel	Gurgaon, Haryana	132	4
41	Vardhman Polytex	Yarn, fabrics, apparel	Ludhiana, Punjab	132	9

S. No	Company Name	Products	Headquarters	Revenue (US\$ Mn)	EBITDA (%)
42	Aarvee Denim and Exports	Fabrics, apparel	Ahmedabad, Gujarat	130	9
43	JCT Ltd.	Yarn, performance fabrics	New Delhi	124	5
44	Welspun Syntex	Yarn	Mumbai, Maharashtra	121	13
45	Spentex Industries	Yarn, fabrics	New Delhi	120	-5
46	Suryalakshmi Cotton Mills	Yarn, fabrics	Secunderabad, Andhra Pradesh	119	13
47	Ginni Filaments	Yarn, fabrics, apparel, non-woven	Noida, Delhi NCR	118	11
48	Winsome Textile	Yarn, fabrics	Gurgaon, Haryana	109	16
49	Damodar Industries	Yarn	Dadra, Dadra and Nagar Haveli	108	5
50	TT Limited	Yarn, fabrics, apparel	New Delhi	104	7
51	Ganesha Ecosphere	Fiber, yarn, technical textiles	New Delhi	104	12

*\* Estimated | Data Source: Moneycontrol  
Conversion Rate: 1US\$ = INR 65*

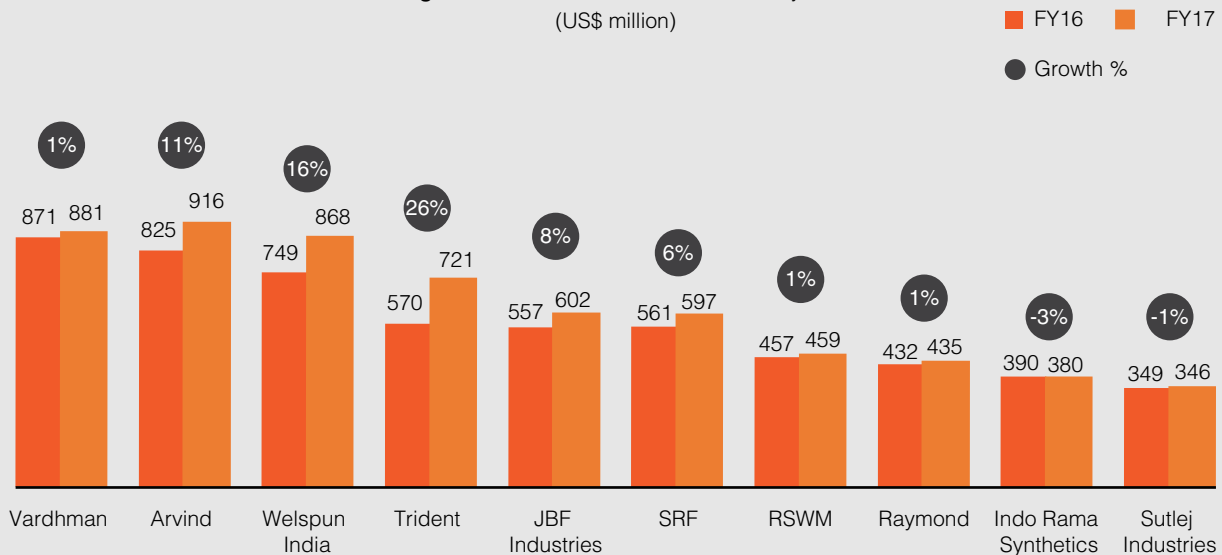
*Note: Companies under financial stress are not considered*

## Financial Analysis of Select Leading Players

At a consolidated level, annual sales have increased by 7.7% in FY17 as compared to FY16.

Overall, consolidated sales of the select leading players has increased by 7.7% as compared to the previous financial year. Trident has shown the highest revenue growth rate of 26% while revenue of Indo Rama Synthetics and Sutlej Industries declined by 3 and 1%, respectively.

**Figure 26: Annual Sales\* of Selected Players**  
(US\$ million)

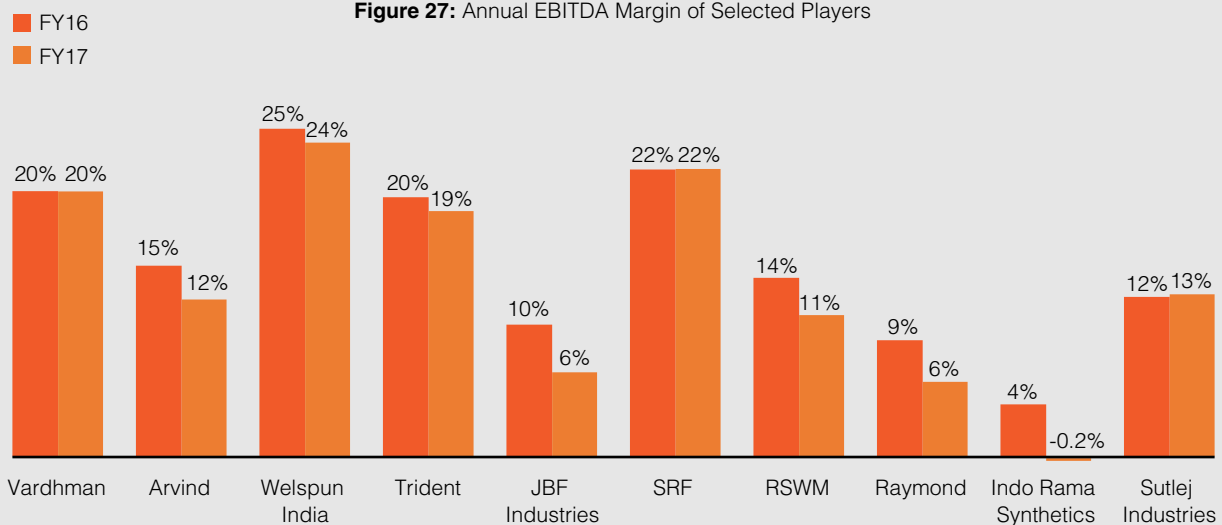


Data Source: Published annual reports  
\* Sales constitutes total operating income

Consolidated EBITDA margin has decreased by 1.6 percentage points for the selected top companies in FY17.

Though the overall sales have increased, annual EBITDA margins have declined in FY17 as compared to FY16. Except Sutlej Industries, all the other top companies have shown decline in their EBITDA margins.

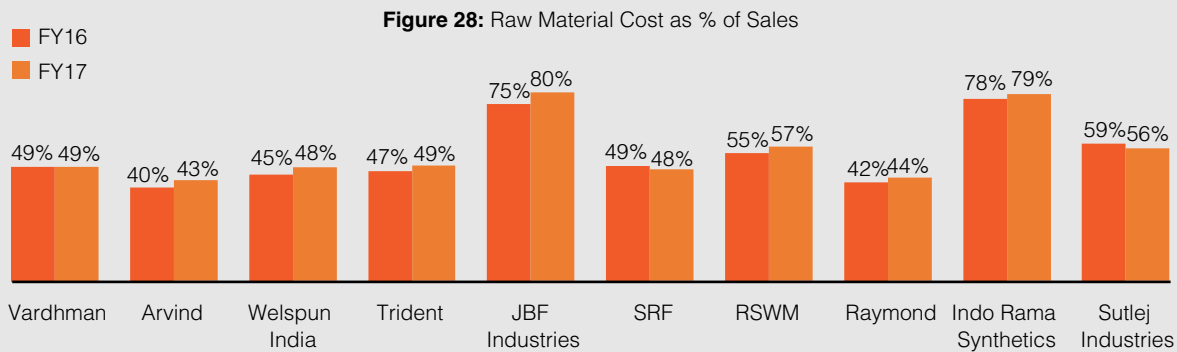
**Figure 27: Annual EBITDA Margin of Selected Players**



Data Source: Published annual reports

Consolidated raw material cost has increased by 1.3 percentage points for the selected top companies in FY17.

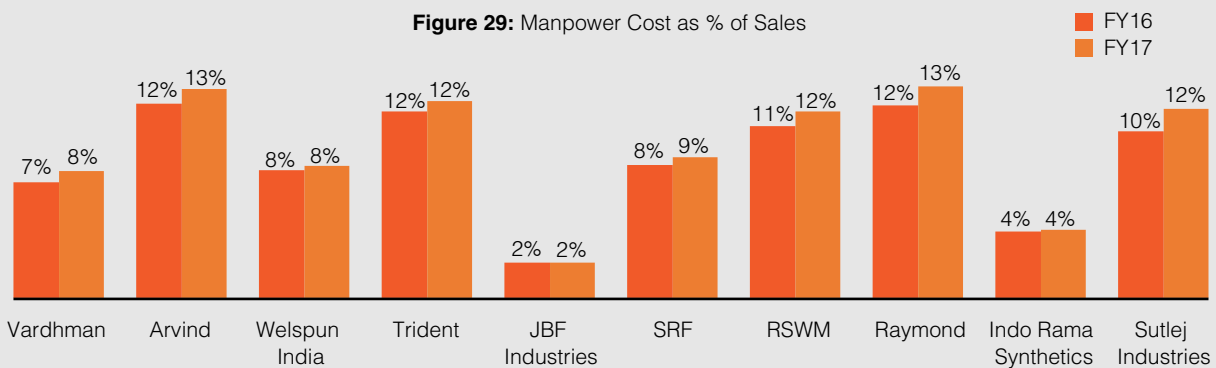
Average raw material cost increased along with increase in raw material prices from 51.9% in FY16 to 53.2% in FY17. Except SRF and Sutlej Industries, all the other top companies have shown increase in their raw material costs.



Data Source: Published annual reports

Consolidated manpower cost has increased by 0.7 percentage points for the selected top companies in FY17.

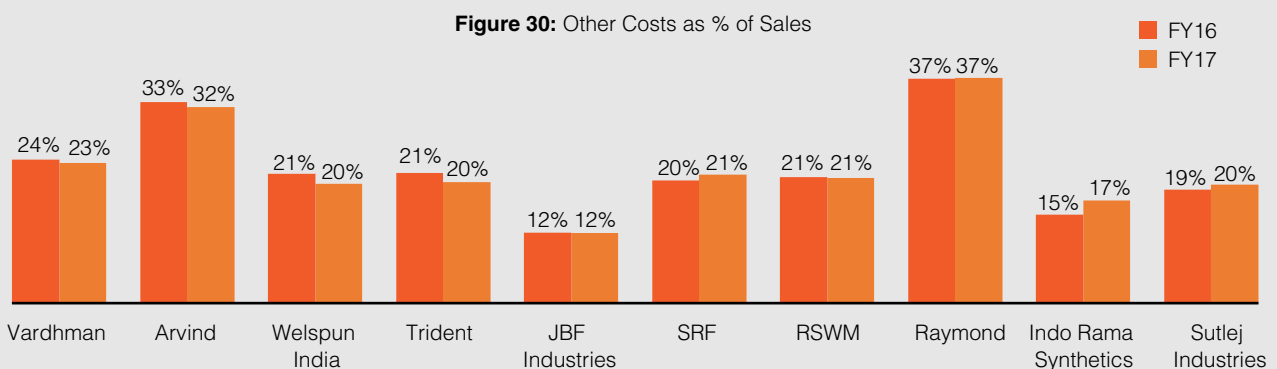
Average manpower cost increased along with increase in labor wages from 8.7% in FY16 to 9.4% in FY17.



Data Source: Published annual reports

Consolidated other costs have decreased by 0.5 percentage points for the selected top companies in FY17.

Average other costs of selected top players decreased from 23% in FY16 to 22.5% in FY17.



Data Source: Published annual reports

We assist clients in strategy formulation and implementation, forming alliances and joint ventures, investments, market understanding, sector analysis and due diligence, thereby providing end-to-end solutions spanning the complete business cycle in textile value chain.

Having worked with leading Indian and International companies, public sector organizations, government departments, development agencies, trade bodies, etc., Wazir has a deep understanding of global textile sector dynamics and the right connect with the people who matter.

Wazir's team of textile experts possess experience across functions: projects, operations, sourcing and marketing in the sector. The team members have worked on strategy and implementation assignments in all major textile and apparel manufacturing and consumption bases across the globe.

Wazir leverages its body of knowledge, contacts and combined expertise of its team to deliver value to the clients.

Our services span the entire breadth of textile manufacturing value chain: from fibre to finished goods.

We cover the following segments:

- Fiber and filaments
- Yarn
- Fabrics
- Apparels
- Made-ups
- Technical textiles
- Textile machinery and equipment
- Handlooms and handicrafts

## 1. Strategy

Wazir delivers practical, implementable strategies for clients to meet their objectives. We assist clients to conceptualize, evaluate and select business opportunities in the textile and apparel sector.

Be it corporate strategy intending to enhance profitability or new market opportunity identification or sector growth strategy to support MSMEs, we are geared to advise our clients efficiently and effectively.

- *Corporate Strategy*
- *Market Opportunity Assessment*
- *Market Entry Strategy*
- *Location Analysis*
- *Business Performance Enhancement*
- *Product Diversification*
- *Marketing and Distribution Strategy*
- *Sector Mapping and Growth Strategy*
- *Policy Formulation Support*
- *Government Scheme Evaluation*

## 2. Implementation

Wazir provides implementation services to textile and apparel sector entities to convert the plans into reality. Wazir has the capability to execute every strategy that it recommends.

Whether it is to manage a Government scheme or to improve productivity in apparel factories or to identify the most suitable technology; we have in-house competence to cover all the critical elements of implementation.

- *Benchmarking and Gap Study*
- *Process Re-engineering*
- *Productivity and Profitability Improvement*
- *Management Contract*
- *Project Management and Monitoring*
- *Supply Chain Optimization*
- *Feasibility and Techno-Economic Viability (TEV) Study*
- *Cluster and Industrial Park Development*

## 3. Alliances

Partnerships and collaborations are ways to achieve accelerated growth, expand market reach and attain technical advancement. Realizing the importance and need of inter-organization alliances in textile and apparel sector, Wazir has developed broad range of services to support companies and organizations looking for inorganic growth globally.

- *Company Due-diligence*
- *Joint Venture*
- *Marketing Tie-up*
- *Technology Transfer*
- *M&A Execution*
- *Strategic and Financial Funding*

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