

Wazir Textile Index

Q1 FY 2023

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Wazir Textile Index (WTI) – Q1 FY23



List of Companies Included as Part of the Financial Analysis

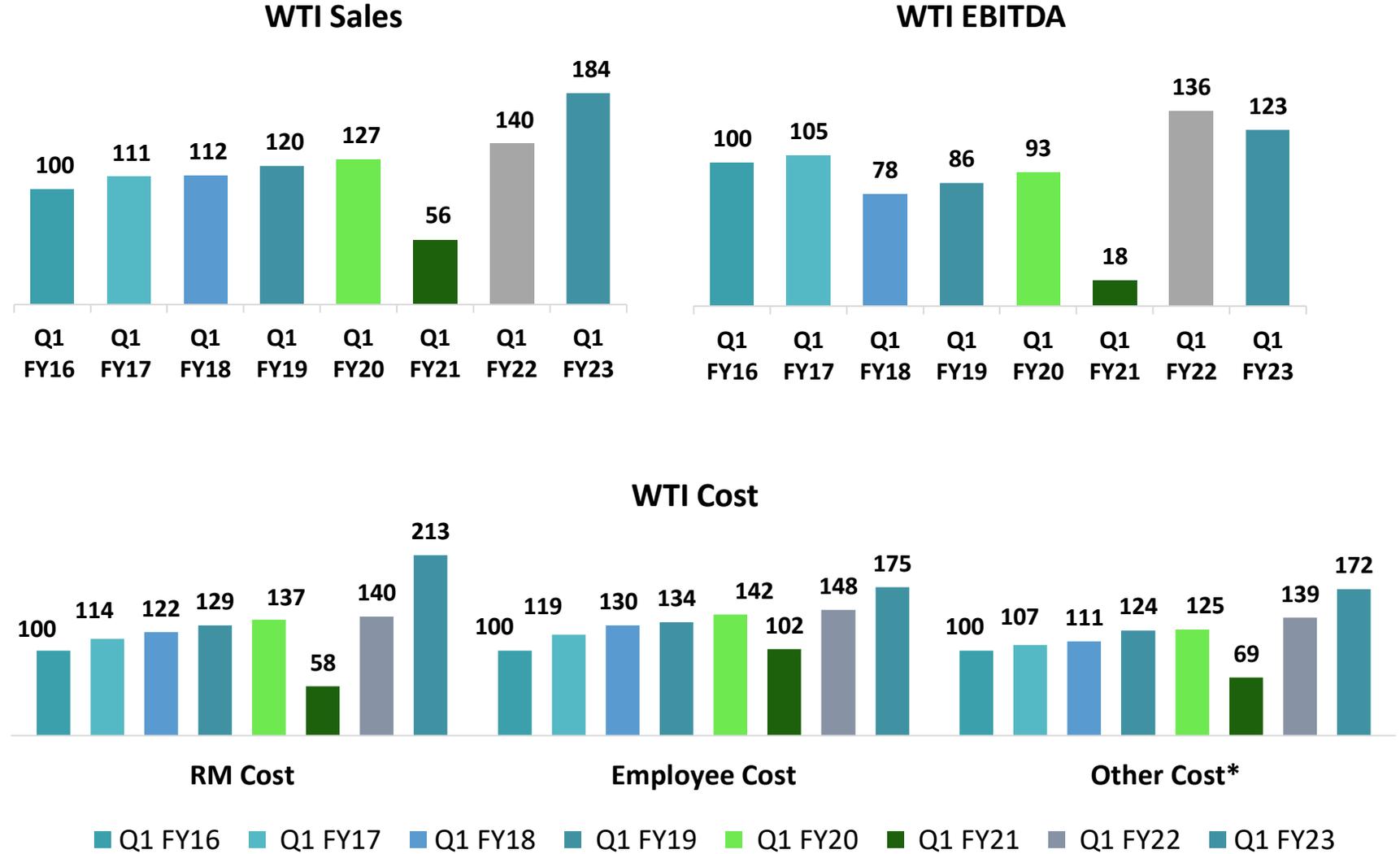
Top listed textile companies in terms of sales turnover in FY22 have been included for financial analysis.

S. No.	Company Name	Annual Sales FY22 (Rs Cr)
1	Vardhman Textiles	9386
2	Arvind	7459
3	Trident	6919
4	Welspun India	6703
5	KPR Mill	4073
6	Indorama Synthetics	3901
7	Filatex India	3828
8	RSWM	3817
9	Nahar Spinning	3593
10	Sutlej	3042

Note: Companies that are not fully stable or have shown significant deviation in numbers have not been included in the analysis.

Wazir Textile Index (WTI) – Q1 FY23

- The Textile Index has seen a growth of 31.4% in Sales of Q1 FY23 when compared to Q1 FY22.
- Despite rising sales, EBITDA index is down by approximately 10% from Q1 FY22.
- Raw Material cost index has risen by 51% from Q1 FY22.
- Employee cost and other cost indices have risen by 18% and 24% respectively.



* Other cost include overheads, cost of utilities, admin & selling expenses, etc.

The base year for all indices is FY16



Financial Performance – Q1 FY23

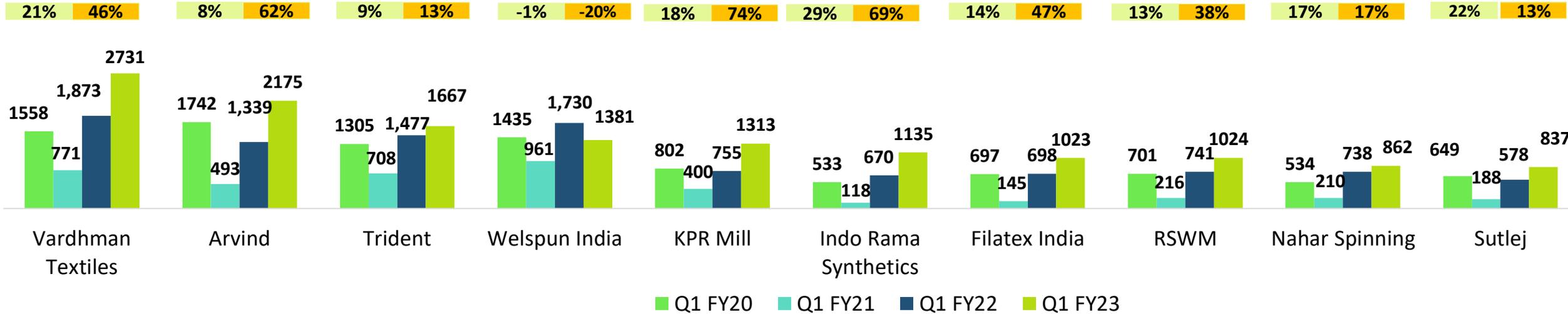


Q1 FY23 Analysis For the Selected Top Players

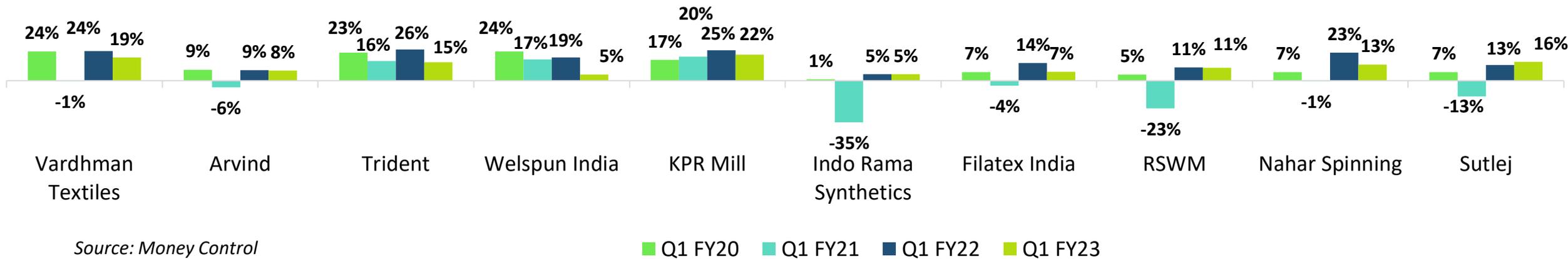
Sales Trend – Q1 FY23 (Rs. Crore)

CAGR FY20 – FY23

Growth FY22 – FY23



EBITDA Margin Trend – Q1 FY23

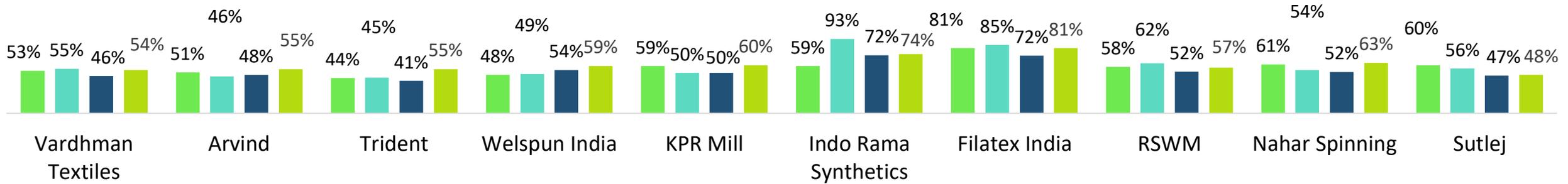


Source: Money Control

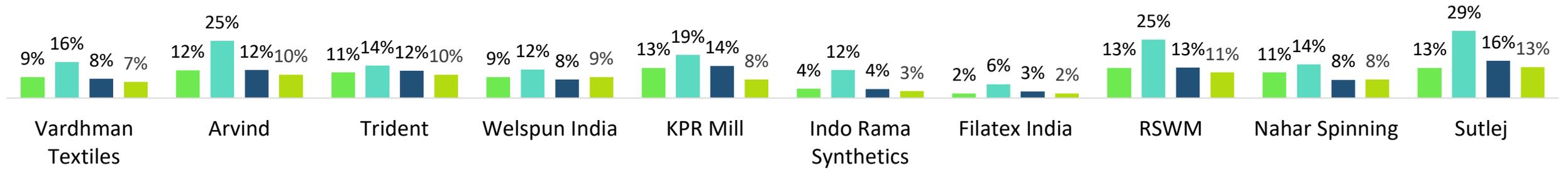
EBITDA on Operations has been considered

Q1 FY23 Analysis - Major Expenses as % of Sales

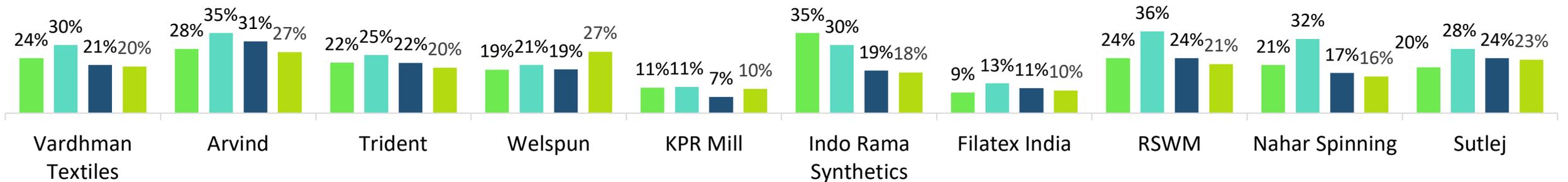
Raw Material Cost - % of Sales



Employee Cost - % of Sales



Other Costs - % of Sales



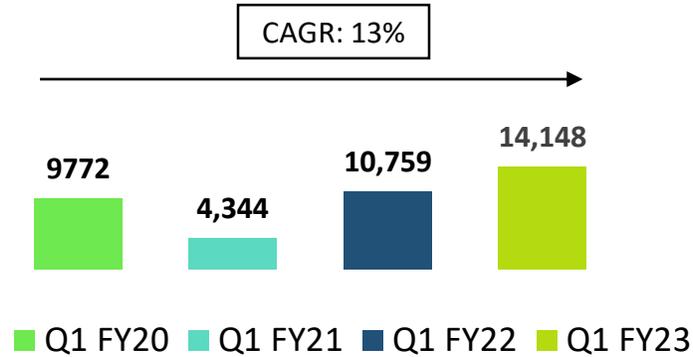
Source: Money Control

■ Q1 FY20 ■ Q1 FY21 ■ Q1 FY22 ■ Q1 FY23

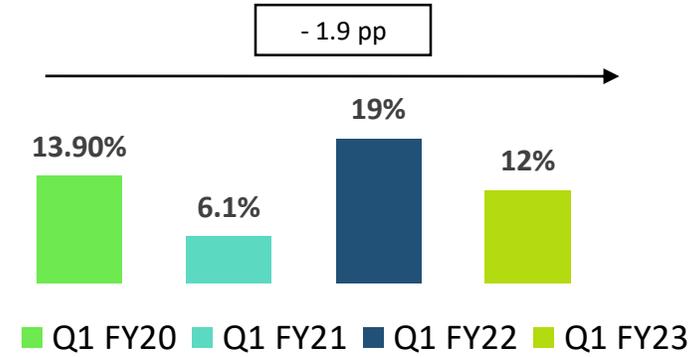
Consolidated Analysis for the Selected Top Players

- Consolidated sales have increased by 31% in Q1 FY23 as compared to Q1 FY22
- For the period Q1 FY20-23 CAGR recorded is 13%

Consolidated Sales – Rs. Crore

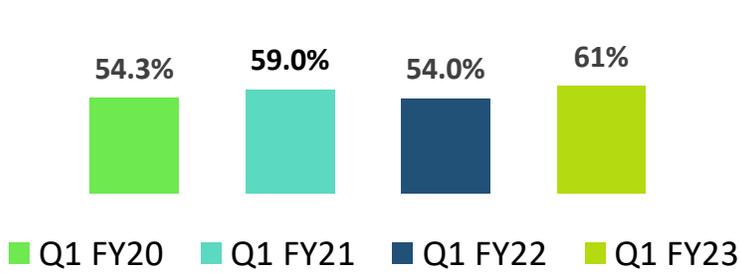


Average EBITDA %



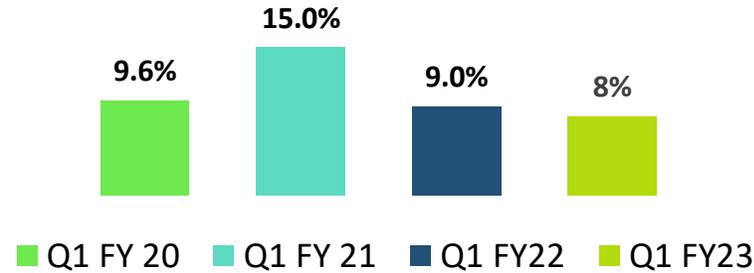
Consolidated EBITDA margin decreased by 1.9 percentage points for the selected top companies in Q1 FY23 as compared to Q1 FY20.

Average RM Cost - % of Sales



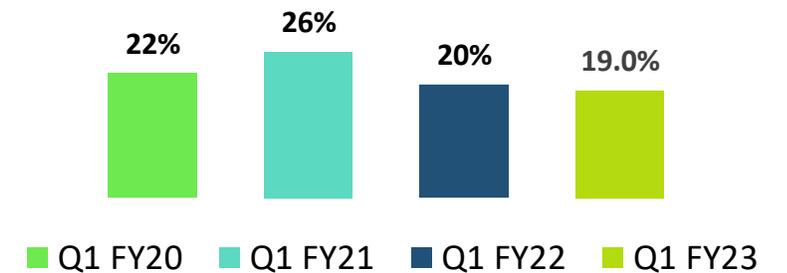
Average RM cost increased by 6.7 percentage points in Q1 FY23 as compared to Q1 FY20.

Average Employee Cost - % of Sales



Average employee cost decreased by 1.6 percentage points in Q1 FY23 as compared to Q1 FY20.

Average Other Expenses - % of Sales



Other expenses decreased by 3 percentage points in Q1 FY23 as compared to Q1 FY20.

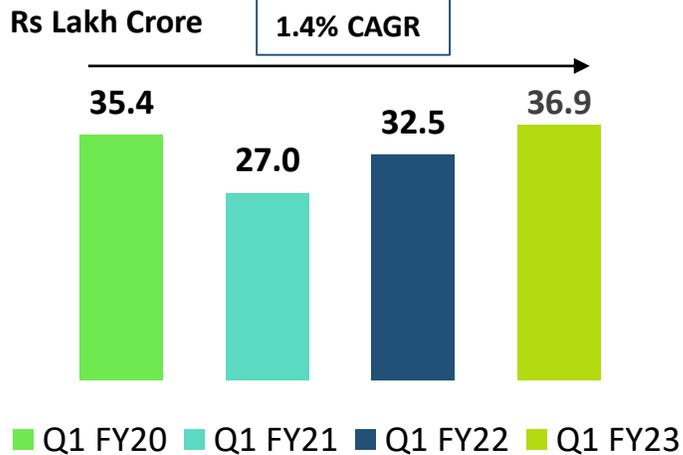


Market Update



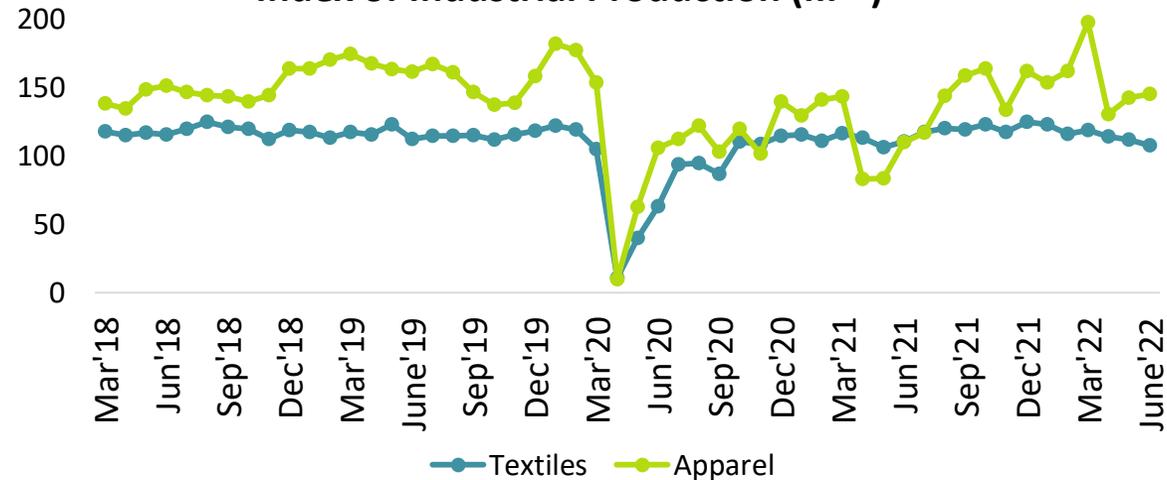
Key Economic Indicators

India's GDP (at constant prices)



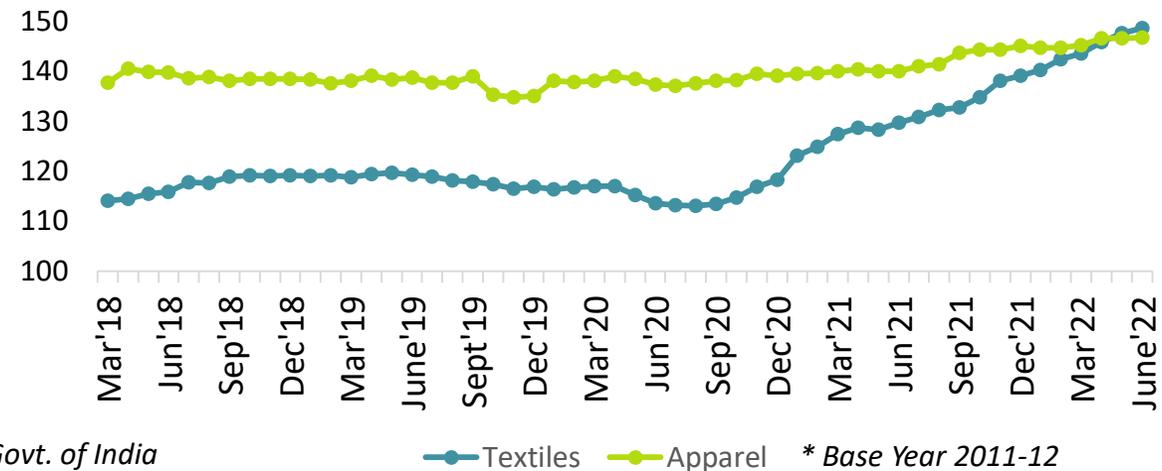
India's real GDP has grown by 13.5% in Q1 FY23 from Q1 FY22. CAGR recorded from Q1 FY20 to Q1 FY23 is 1.4%.

Index of Industrial Production (IIP*)



Average IIP for textiles in Q1 FY23 has increased marginally by 1%, however, IIP for apparel has grown by 51% in Q1 FY23 when compared to that in Q1 FY22.

Wholesale Price Index (WPI*)



Average WPI for textiles increased by 14.3% in Q1 FY23 and apparel increased by 4.7% in Q1 FY23 as compared to Q1 FY22.

Source: Reserve Bank of India, Economic Advisor, Govt. of India

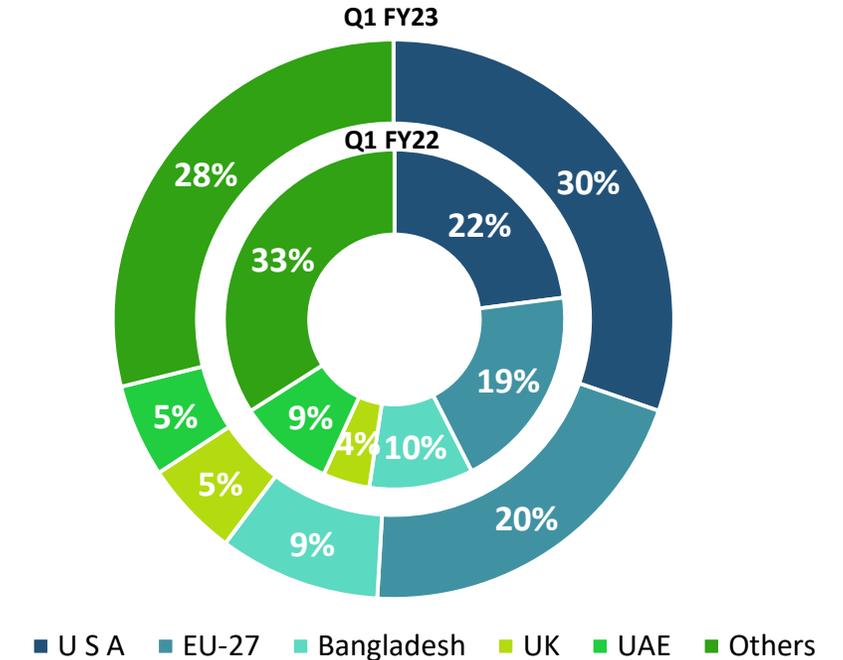
India's Overall T&A* Exports

India's Textile & Apparel exports (Values in US\$ Million)

Category	FY20	FY21	FY 22	CAGR FY20-23	Q1 FY20	Q1 FY21	Q1 FY22	Q1 FY23	CAGR FY20-23
Fibre	1,892	2,686	4,014	46%	381	314	1,086	582	15%
Filament	1,162	827	1,480	13%	299	97	375	295	-0.4%
Yarn	3,501	3,408	6,474	36%	886	533	1,398	1,093	7%
Fabric	5,065	4,102	5,898	8%	1,189	504	1,290	1,459	7%
Apparel	15,509	12,289	16,022	2%	4,172	1,448	3,408	4,493	3%
Home Textiles	5,272	5,728	7,139	16%	1,327	714	1,610	1634	7%
Others	1,818	1,857	2,408	15%	449	245	531	611	11%
Total	34,220	30,899	43,435	13%	8,704	3,856	9,700	10,167	5%

India's Top T&A Export Markets

% Value Share



- Overall T&A exports have grown by 5% in Q1 FY23 when compared to Q1 FY22 and have shown a CAGR of 5% in the period of Q1 FY20 to Q1 FY23.
- Exports in fibre have grown significantly with a CAGR of 15% since Q1 FY20.
- Filament exports witnessed a minor decline in the same period

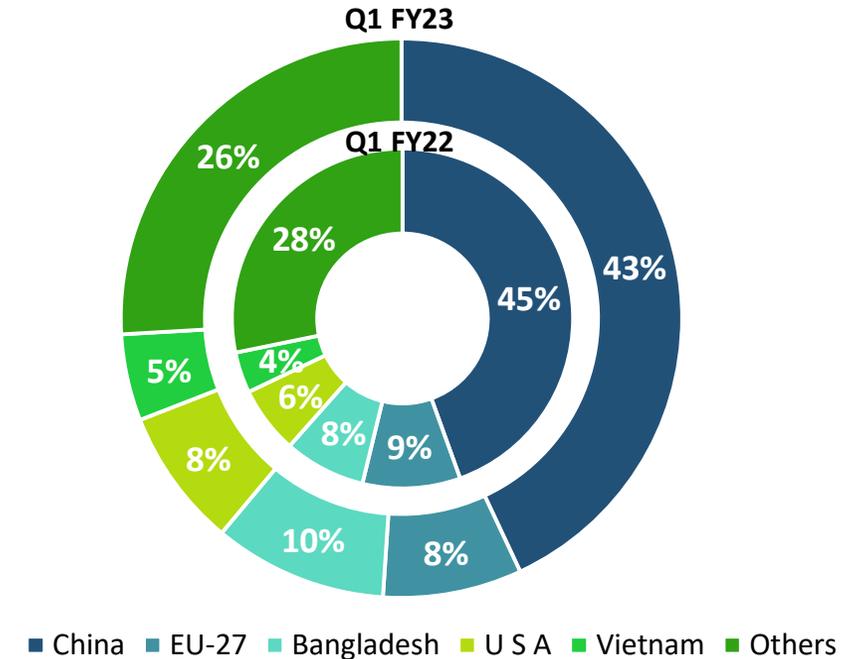
India's Overall T&A* Imports

India's Textile & Apparel Imports (Values in US\$ Million)

Category	FY20	FY21	FY 22	CAGR FY20-23	Q1 FY20	Q1 FY21	Q1 FY22	Q1 FY23	CAGR FY20-23
Fibre	2,382	1,058	1,575	-19%	579	248	391	615	2%
Filament	752	708	1,199	26%	197	86	310	365	23%
Yarn	462	490	575	12%	112	46	102	226	26%
Fabric	2,324	1,704	2,542	5%	618	232	509	698	4%
Apparel	1,144	881	1,265	5%	232	132	184	338	13%
Home Textiles	298	188	241	-10%	63	37	46	68	3%
Others	795	836	951	9%	185	228	102	241	9%
Total	8,157	5,863	8,337	1%	1,985	1,009	1,786	2,550	9%

India's Top T&A Import Partners

% Value Share



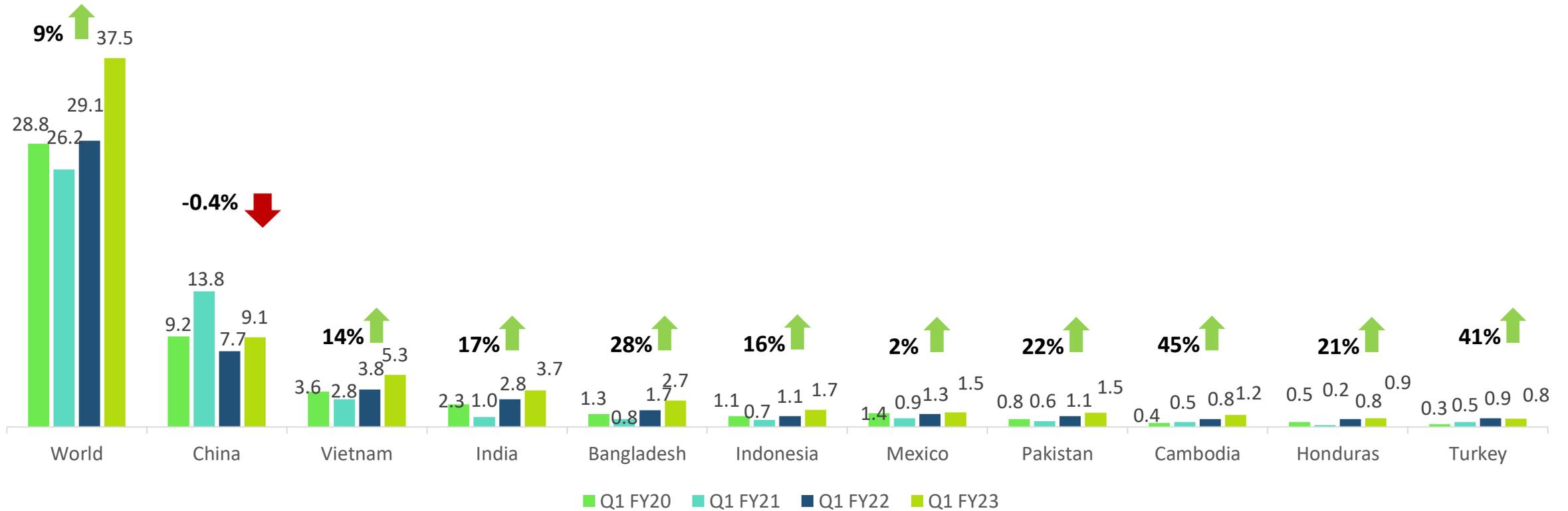
- The overall T&A imports have increased by 43% in Q1 FY23 as compared to Q1 FY22.
- Imports have also grown significantly since Q1 FY20, highest import growth is seen in yarn and filament segment.

T&A Imports of USA have Grown by 9% CAGR Between Q1 FY20 – Q1 FY23

CAGR:
Q1 FY20-23

Overall Imports and Top Import Countries of USA

in US\$ Billion



- Total US imports increased by 28.9% in Q1 FY23 when compared to Q1 FY22.
- India's exports to USA have grown by 32% in the same period.

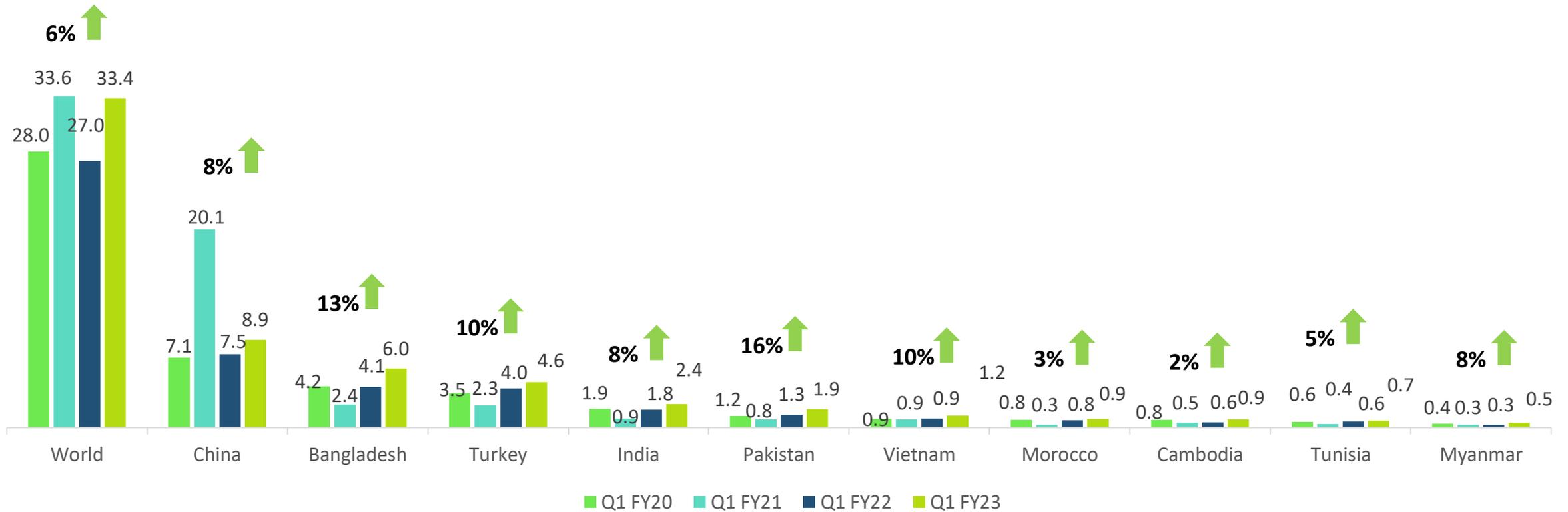
Source: UN Comtrade

T&A Imports of EU have Grown by 6% CAGR Between Q1 FY20 – Q1 FY23

CAGR:
 Q1 FY20-23  

Overall Imports and Top Import Countries of EU-27

in US\$ Billion



- EU imports from world increased by 23.7% in Q1 FY23 compared to Q1 FY22, reaching Q1 FY21 levels.
- India’s exports to EU have grown by 33% in the same period.

Source: UN Comtrade



Annexure



Wazir Textile Index (WTI) - Explanation

- Wazir Textile Index has been developed for assessing the overall financial performance of the textile sector on a continuous basis.
- This index takes the collective performance of top ten textile companies (by sales) of 2015-16 as the base/benchmark which is represented by the base Index number 100.
- Base value of 100 is assigned separately to each quarter performance and full year performance in 2015-16, and correspondingly financial performance of the textile industry is benchmarked to this base number to assess quarterly (Q1), half yearly (H1), nine monthly (9M) and yearly performance (FY) for subsequent years against the set benchmark.
- Overall textile index includes the following three components:
 - **WTI Sales** : Consolidated sales index of top ten companies
 - **WTI EBITDA** : Consolidated EBITDA index
 - **WTI Cost** : Consolidated index for cost of Raw material, employee & others

Glossary

- WTI – Wazir Textile Index
- EBITDA – Earnings Before Interest Tax Depreciation & Amortization
- FY – Financial Year
- GDP – Gross Domestic Product
- RM – Raw Material
- T&A – Textile & Apparel
- Q1 FY20 – April 2019 to June 2019
- Q1 FY21 – April 2020 to June 2020
- Q1 FY22 – April 2021 to June 2021
- Q2 FY20 – July 2019 to September 2019
- Q2 FY21 – July 2020 to September 2020
- Q2 FY22 – July 2021 to September 2021
- Q3 FY20 – October 2019 to December 2019
- Q3 FY21 – October 2020 to December 2020
- Q3 FY22 – October 2021 to December 2021
- Q1 FY23 – April 2022 to June 2022
- H1 FY20 – April 2019 to September 2019
- H1 FY21 – April 2020 to September 2020
- H1 FY22 – April 2021 to September 2021
- 9M FY20 – April 2019 to December 2019
- 9M FY21 – April 2020 to December 2020
- 9M FY22 – April 2021 to December 2021
- FY20 – April 2019 to March 2020
- FY21 – April 2020 to March 2021
- FY22 – April 2021 to March 2022
- USA – United States of America
- EU – European Union
- UK – United Kingdom
- QoQ – Quarter on Quarter
- YoY – Year on Year
- YTD – Year till date

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Our Services

Research and Strategy

- Corporate Strategy
- Market Research
- Entry Strategy
- Market Opportunity Assessment
- Impact Assessment Study
- Location Analysis
- Country/region Representation

Technical Services

- New Factory Set- up
- Operations re-engineering
- Gap study and benchmarking
- Techno Commercial Due-Diligence
- Detailed Project Report (DPR)

Partnerships

- Joint Ventures
- M&As
- Technical Tie-ups
- Transaction Advisory

Skill Development

- Training of machine operators
- Training of middle management

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