



# Wazir Textile Index

Q1 FY 2022

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## Wazir Textile Index (WTI) – Q1 FY22



# List of Companies Included as Part of the Financial Analysis

Top listed textile companies in terms of sales turnover in FY21 have been included for financial analysis.

S. No.	Company Name	Annual Sales* - FY21 (Rs. Crore)
1	Welspun India	5,956
2	Vardhman Textile	5,788
3	Arvind	4,529
4	Trident	4,519
5	KPR Mill	2,953
6	Indo Count	2,552
7	RSWM	2,326
8	Filatex India	2,227
9	Nahar Spinning	2,112
10	Indo Rama Synthetics	2,022

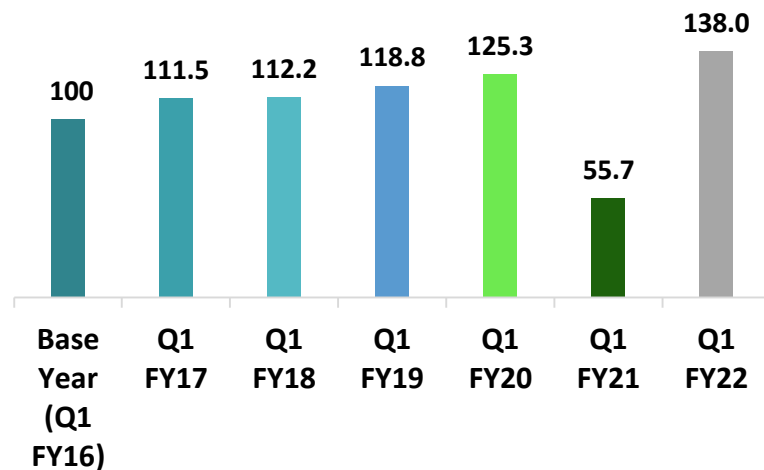
Note: Companies that have shown significant negative deviation in numbers or those which have not yet reported the financials have not been included in the overall analysis.



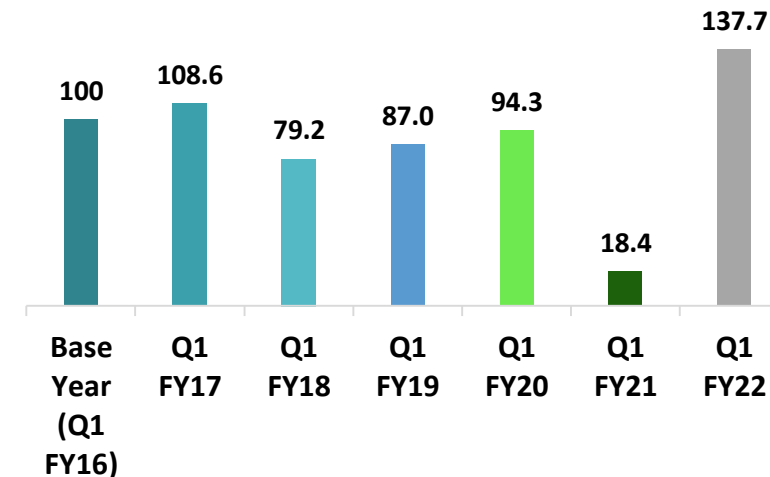
# Wazir Textile Index (WTI) – Q1 FY22

- The Textile Index has seen a phenomenal recovery in Sales and EBITDA in Q1 FY22 and has grown over the pre-Covid levels of Q1 FY20.
- In Q1 FY22, overall sales has seen a considerable growth of 10% when compared to Q1 FY20.
- The overall EBITDA in Q1 FY22 improved significantly by 46% when compared to the EBITDA seen in Q1 FY20.
- Raw Material cost and manpower cost has seen a subsequent growth of 4% and 3% when compared to Q1 FY20.

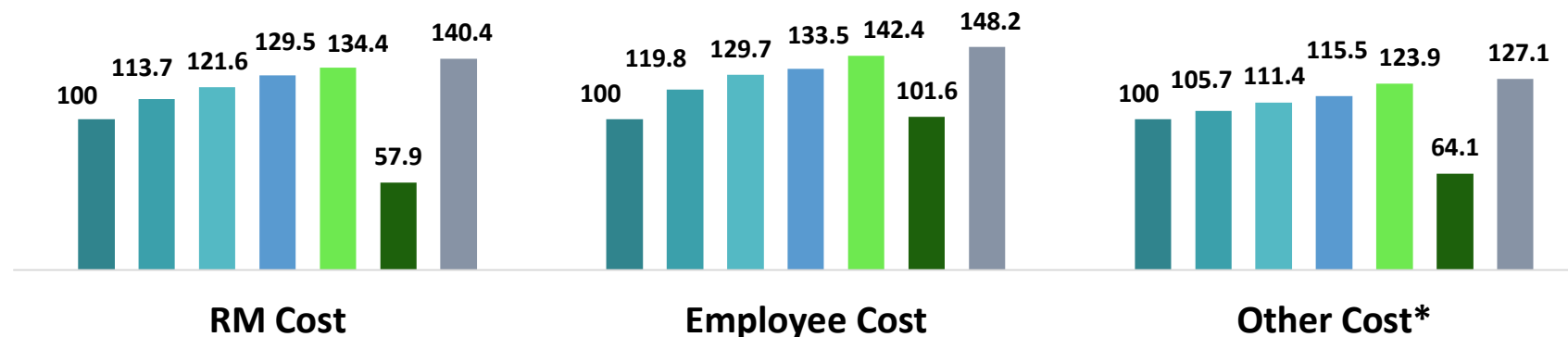
### WTI Q1 Sales



### WTI Q1 EBITDA



### WTI Cost



■ Base Year (Q1 FY16) ■ Q1 FY17 ■ Q1 FY18 ■ Q1 FY19 ■ Q1 FY20 ■ Q1 FY21 ■ Q1 FY22

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



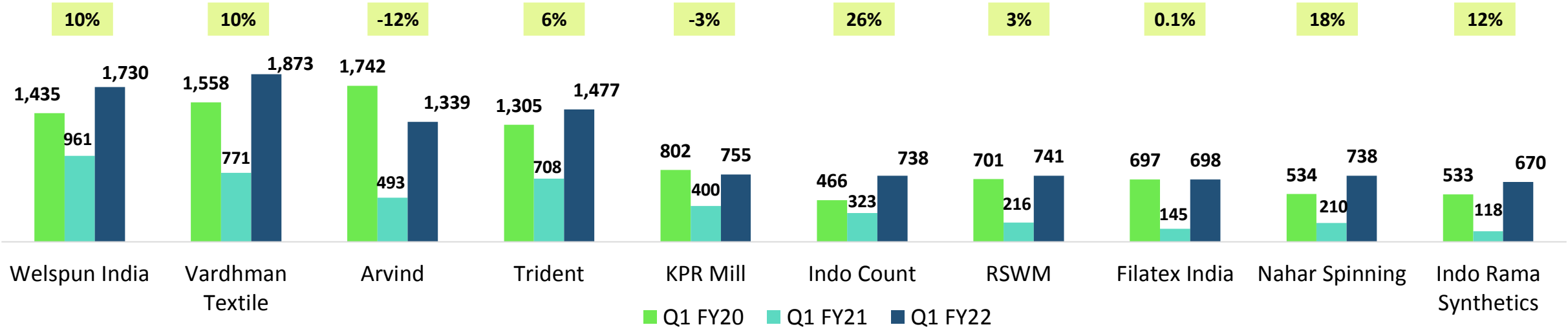
## Financial Performance – Q1 FY22



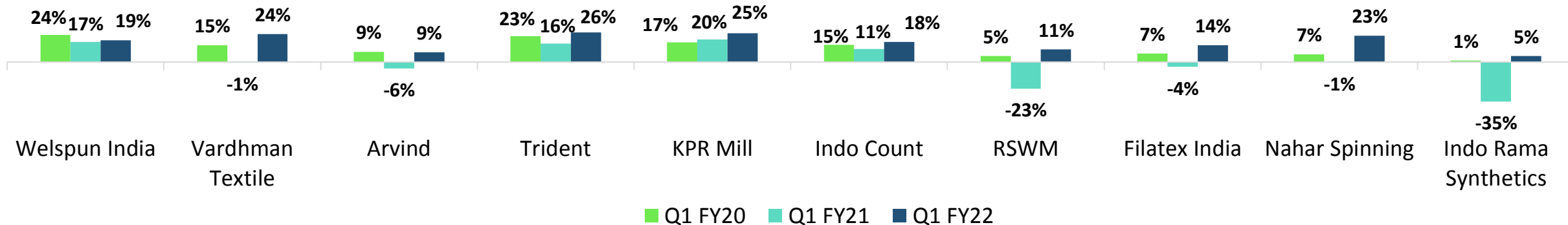
# Quarterly Analysis for the Selected Top Players

Sales trend – Q1 FY22 (Rs. Crore)

CAGR FY20 – FY22



EBITDA Margin Trend – Q1 FY22

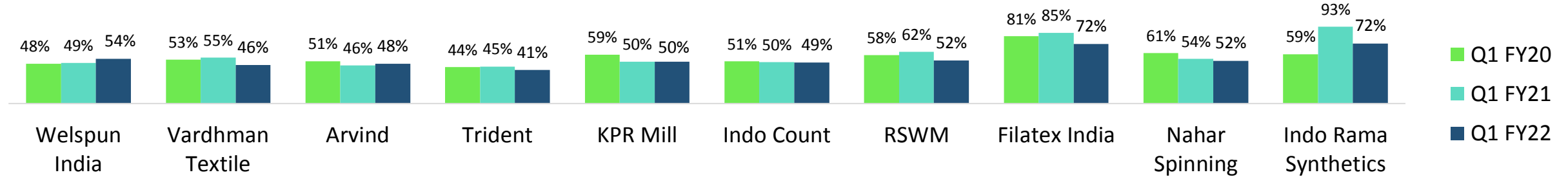


Source: Money Control

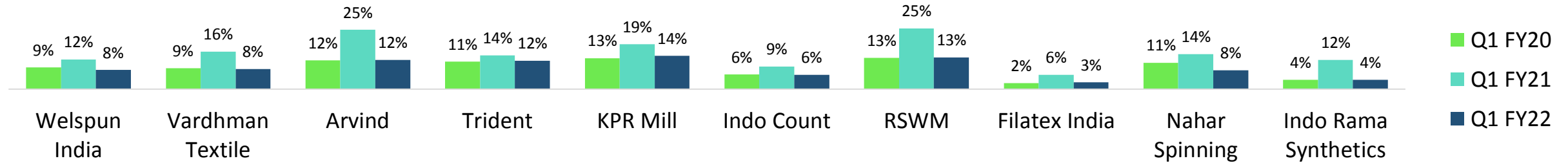
Operational EBITDA has been considered

# Quarterly Analysis - Major Expenses as % of Sales

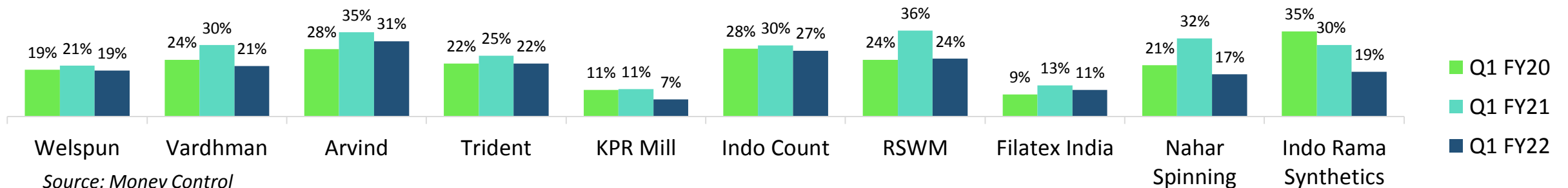
## Raw Material Cost - % of Sales



## Employee Cost - % of Sales



## Other Costs - % of Sales



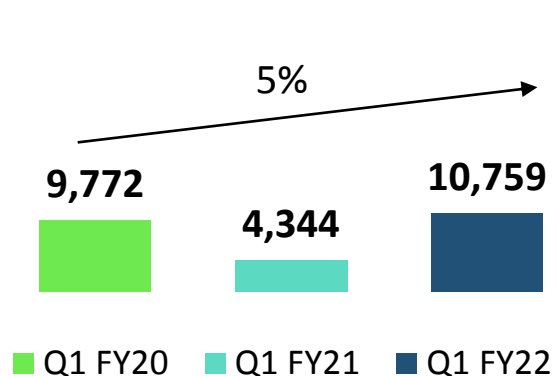
Source: Money Control



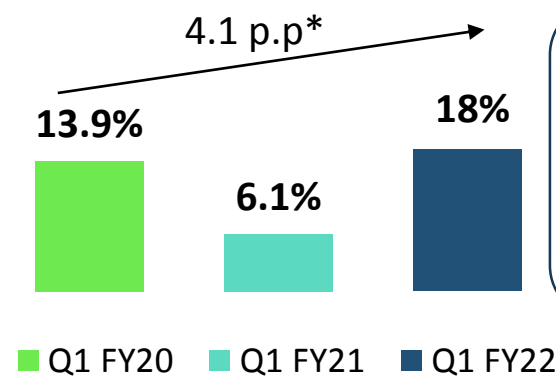
# Consolidated Analysis for the Selected Top Players

On consolidated level, sales have growth by 5% in Q1 FY22 as compared to Q1 FY20.

Consolidated Sales – Rs. Crore

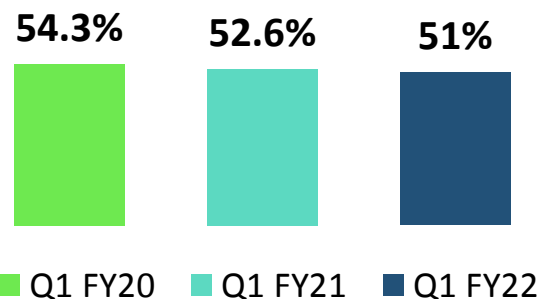


Average EBITDA %



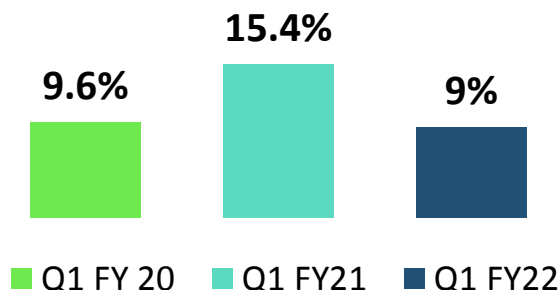
Consolidated EBITDA margin increased by 4.1 percentage points for the selected top companies in Q1 FY22 as compared to Q1 FY20.

Average RM Cost - % of Sales



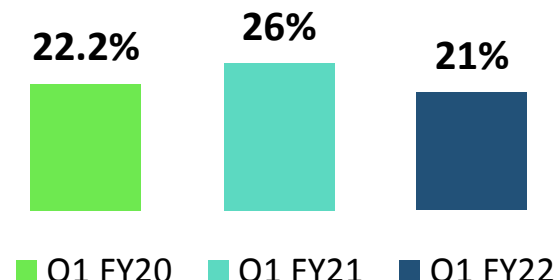
Average RM cost decreased by 3.3 percentage points in Q1 FY22 as compared to Q1 FY20.

Average Employee Cost - % of Sales



Average employee cost decreased by 0.6 percentage points in Q1 FY22 as compared to Q1 FY20.

Average Other Expenses - % of Sales



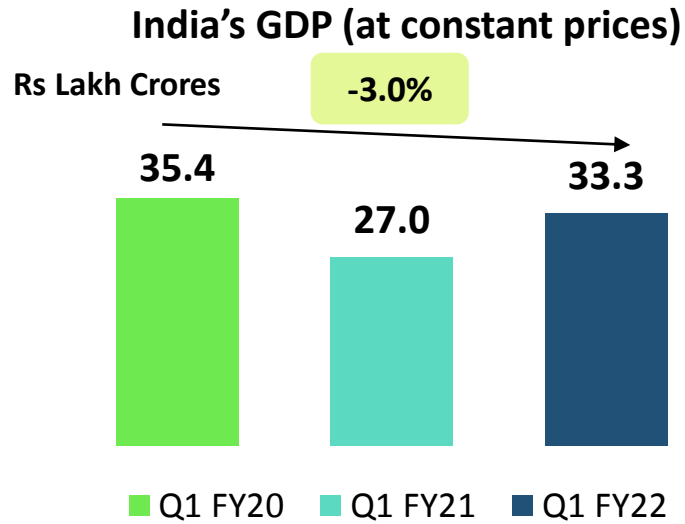
Other expenses decreased by 1.2 percentage points in Q1 FY22 as compared to Q1 FY20.



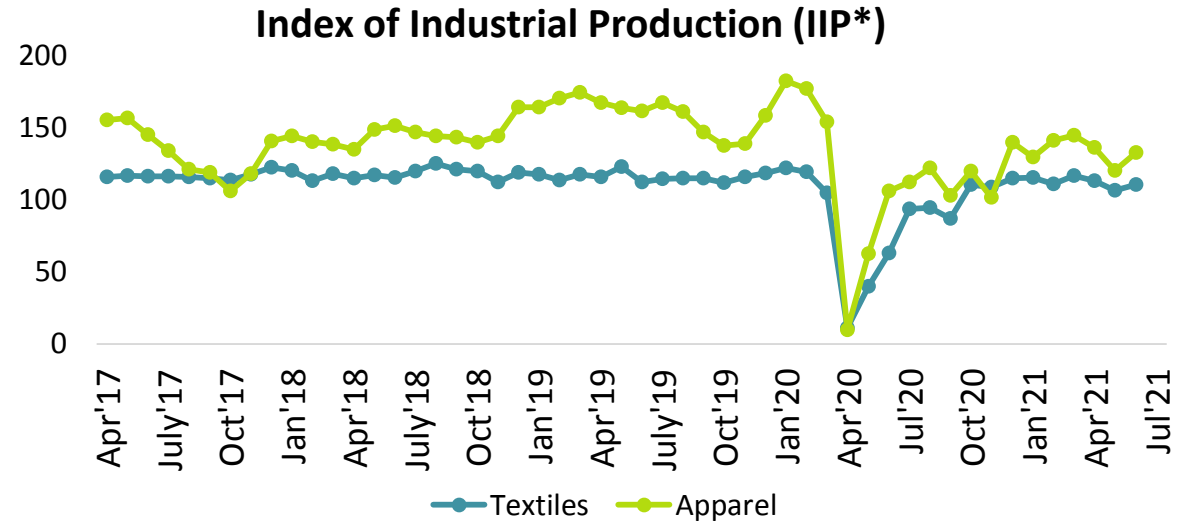
# Market Update



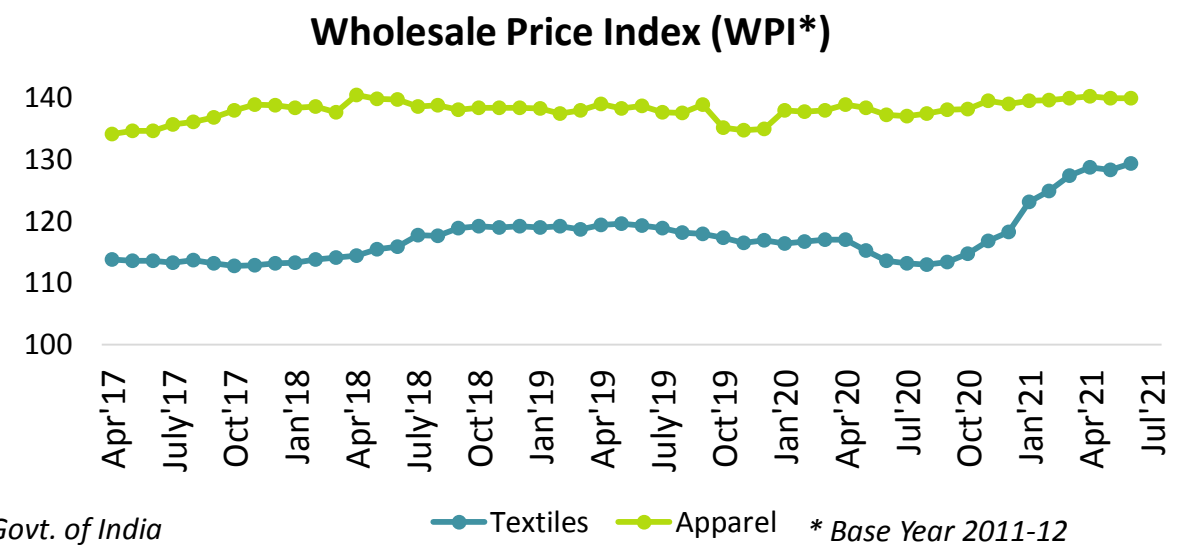
# Key Economic Indicators



GDP of India in Q1 FY22 has recovered significantly compared to Q1 FY21 but still the decline is 3% since the pre-covid levels of Q1 FY20.



Average IIP for textiles in Q1 FY22 has recovered to the pre-covid levels while the IIP for Apparels has recovered by 80% in Q1 FY22 when compared to the same period of Q1 FY20



Average WPI for textiles increased by 12% and apparel increased marginally by 1.4% each in Q1 FY22 as compared to Q1 FY20.

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

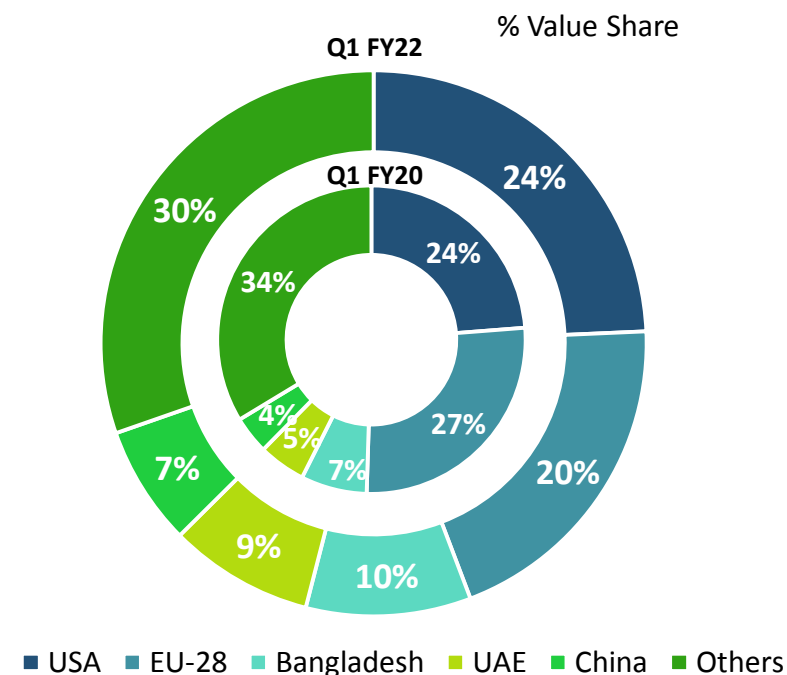
● Textiles ● Apparel \* Base Year 2011-12

# India's overall T&A\* Exports

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

Category	FY20	FY21	% Change	Q1 FY20	Q1 FY21	Q1 FY22	CAGR FY20-22
Fibre	1,892	2,686	42%	381	314	1,086	69%
Filament	1,162	827	-29%	299	97	375	12%
Yarn	3,501	3,408	-3%	886	533	1,398	26%
Fabric	5,065	4,102	-19%	1,189	504	1,290	4%
Apparel	15,509	12,289	-21%	4,172	1,448	3,408	-10%
Home Textile	5,272	5,728	9%	1,327	714	1,610	10%
Others	1,818	1,857	2%	449	245	531	9%
<b>Total</b>	<b>34,220</b>	<b>30,899</b>	<b>-10%</b>	<b>8,704</b>	<b>3,856</b>	<b>9,700</b>	<b>6%</b>

India's Top T&A Export Markets



- The T&A exports have shown a growth CAGR of 6% in the period of Q1 FY20 to Q1 FY22, recovering from the extreme low exports seen in Q1 FY21.
- Fibre and Yarn witnessed the highest CAGR of 69% and 26% respectively, this is largely driven by the recent increase in cotton fiber demand and due the impact of the recent ban by USA on Xinjiang, China cotton
- Exports of Home Textiles have also shown a significant growth CAGR of 10% from Q1 FY20 to Q1 FY22.
- Share of Bangladesh in India's exports has increased due to the rise in imports of cotton fiber and yarn.

Source: DGCI&S

\* Textile & Apparel

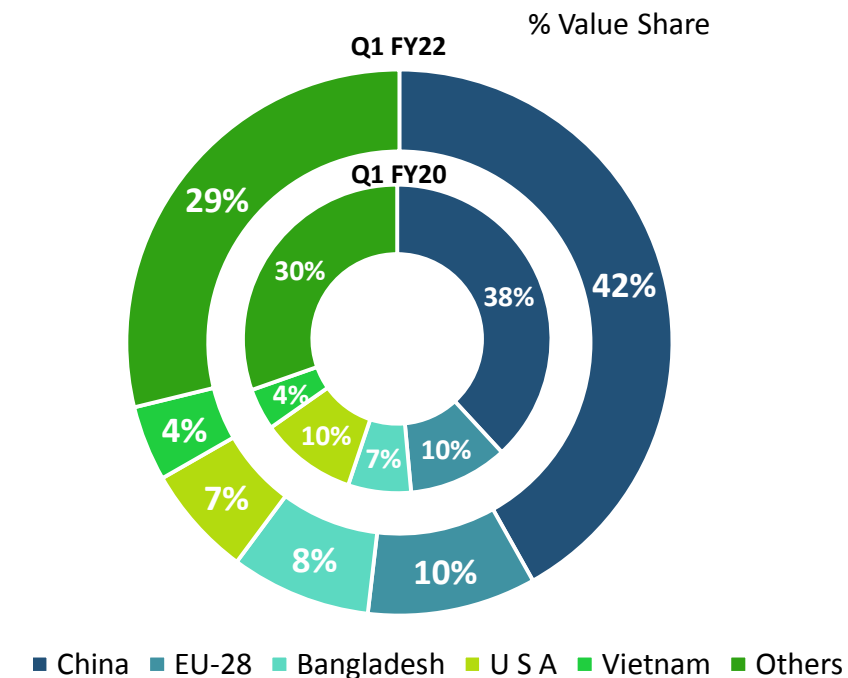


# India's overall T&A\* Imports

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

Category	FY20	FY21	% Change	Q1 FY20	Q1 FY21	Q1 FY22	CAGR FY20-22
Fibre	2,382	1,058	-56%	579	248	391	-18%
Filament	752	708	-6%	197	86	310	25%
Yarn	462	490	6%	112	46	102	-4%
Fabric	2,324	1,704	-27%	618	232	509	-9%
Apparel	1,144	881	-23%	232	132	184	-11%
Home Textile	298	188	-37%	63	37	46	-14%
Others	795	836	5%	185	228	102	-15%
<b>Total</b>	<b>8,157</b>	<b>5,863</b>	<b>-28%</b>	<b>1,985</b>	<b>1,009</b>	<b>1,786</b>	<b>-5%</b>

India's Top T&A Import Markets



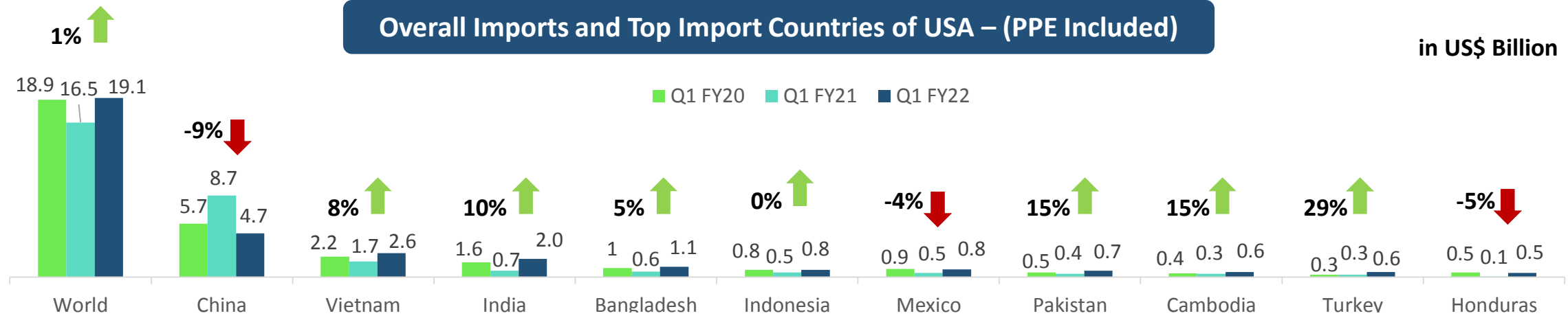
- The overall T&A imports has decreased by 5% in Q1 FY22 as compared to Q1 FY20.
- Filament imports witnessed the highest growth CAGR of 25% followed by others with an increase of 15%, during the same period.
- Imports of Apparel & Home Textiles have seen a decline of 11% and 14% respectively in Q1 FY22 compared to Q1 FY20.
- China continues to be the largest import partner for India with a share of 42% in Q1 FY22 ,However China's share has decreased by 4% as compared to Q1 FY21.

Source: DGCI&S

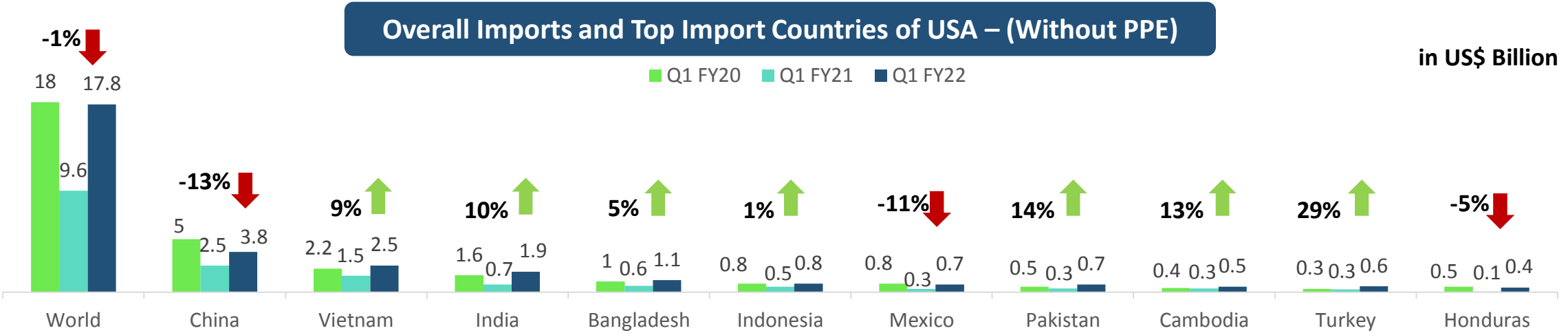
\* Textile & Apparel

# T&A Imports of USA has increased by 1% in Q1 FY22

## Overall Imports and Top Import Countries of USA – (PPE Included)



## Overall Imports and Top Import Countries of USA – (Without PPE)



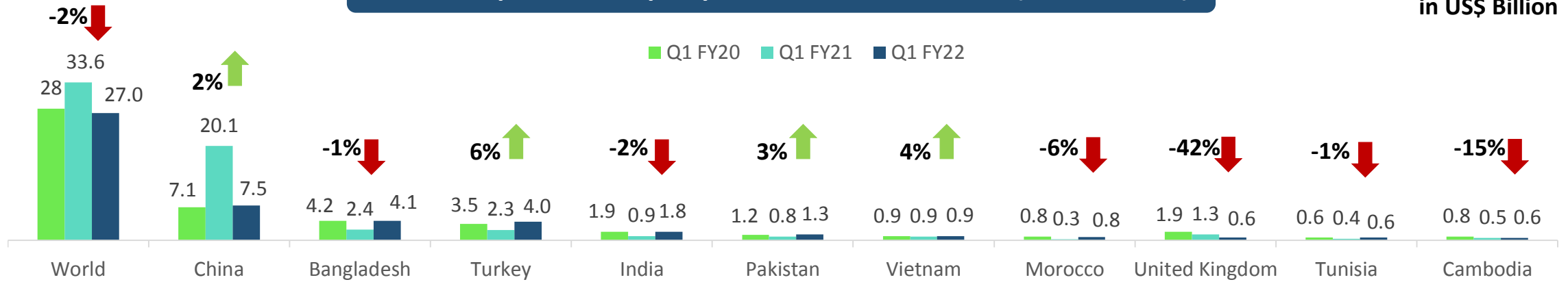
USA's overall T&A import trade has recovered significantly over Q1 FY 21, however the imports are still behind the pre-covid level of Q1 FY20 by 1%. India's export trade to USA has registered a growth CAGR of 10% during the same period.

Source: UN Comtrade

# T&A Imports of EU has declined by 2% in Q1 FY22

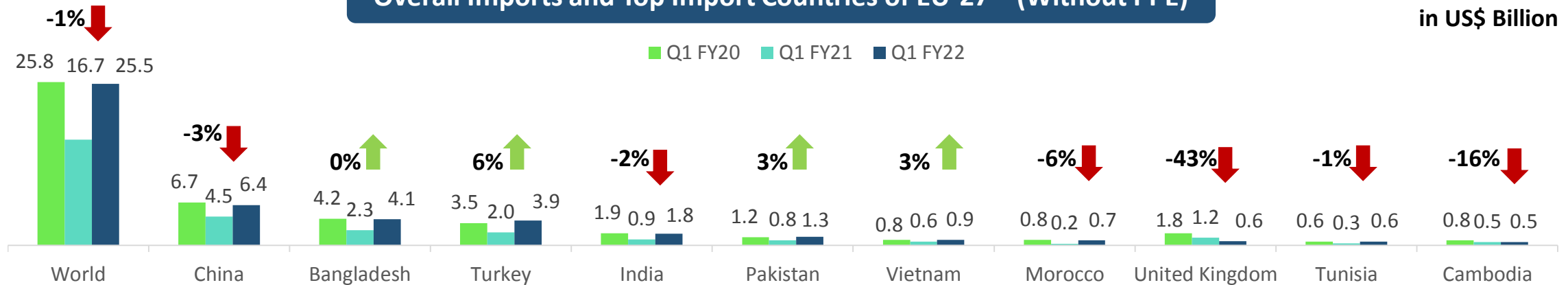
## Overall Imports and Top Import Countries of EU-27 – (PPE Included)

in US\$ Billion



## Overall Imports and Top Import Countries of EU-27 – (Without PPE)

in US\$ Billion

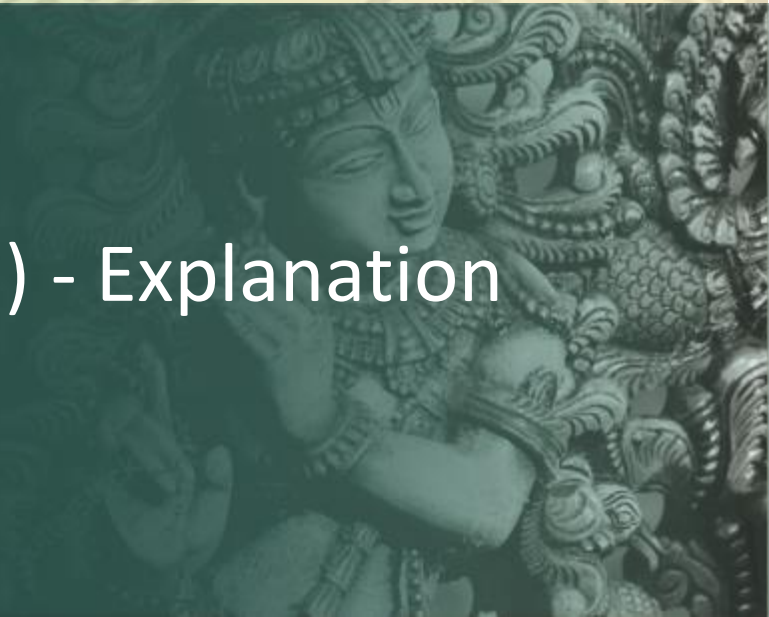


EU's T&A import trade has almost recovered to pre covid levels in Q1 FY22. India's export trade to EU-27 has declined by 2% in Q1 FY22 when compared to the Q1 FY20.

Source: Eurostat



## Annexure: Wazir Textile Index (WTI) - Explanation





# Measuring Financial Performance of Indian Textile Sector

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- 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

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- EBITDA – Earnings Before Interest Tax Depreciation & Amortization
- EU – European Union
- FY – Financial Year
- FY20 – April 2019 to March 2020
- FY21– April 2020 to March 2021
- FY22– April 2021 to March 2022
- GDP – Gross Domestic Product
- Q1 FY21 – April 2020 to June 2020
- Q1 FY22 – April 2021 to June 2021
- RM – Raw Material
- T&A – Textile & Apparel
- USA – United States of America
- UK – United Kingdom
- VSF – Viscose Staple Fibre
- WTI – Wazir Textile Index
- YoY – Year on Year
- YTD – Year till date

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