



Wazir Textile Index

Financial Year Update
FY - 21

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- Annexure: Wazir Textile Index – Explanation



Wazir Textile Index (WTI) –FY21



List of Companies Included as Part of the Financial Analysis

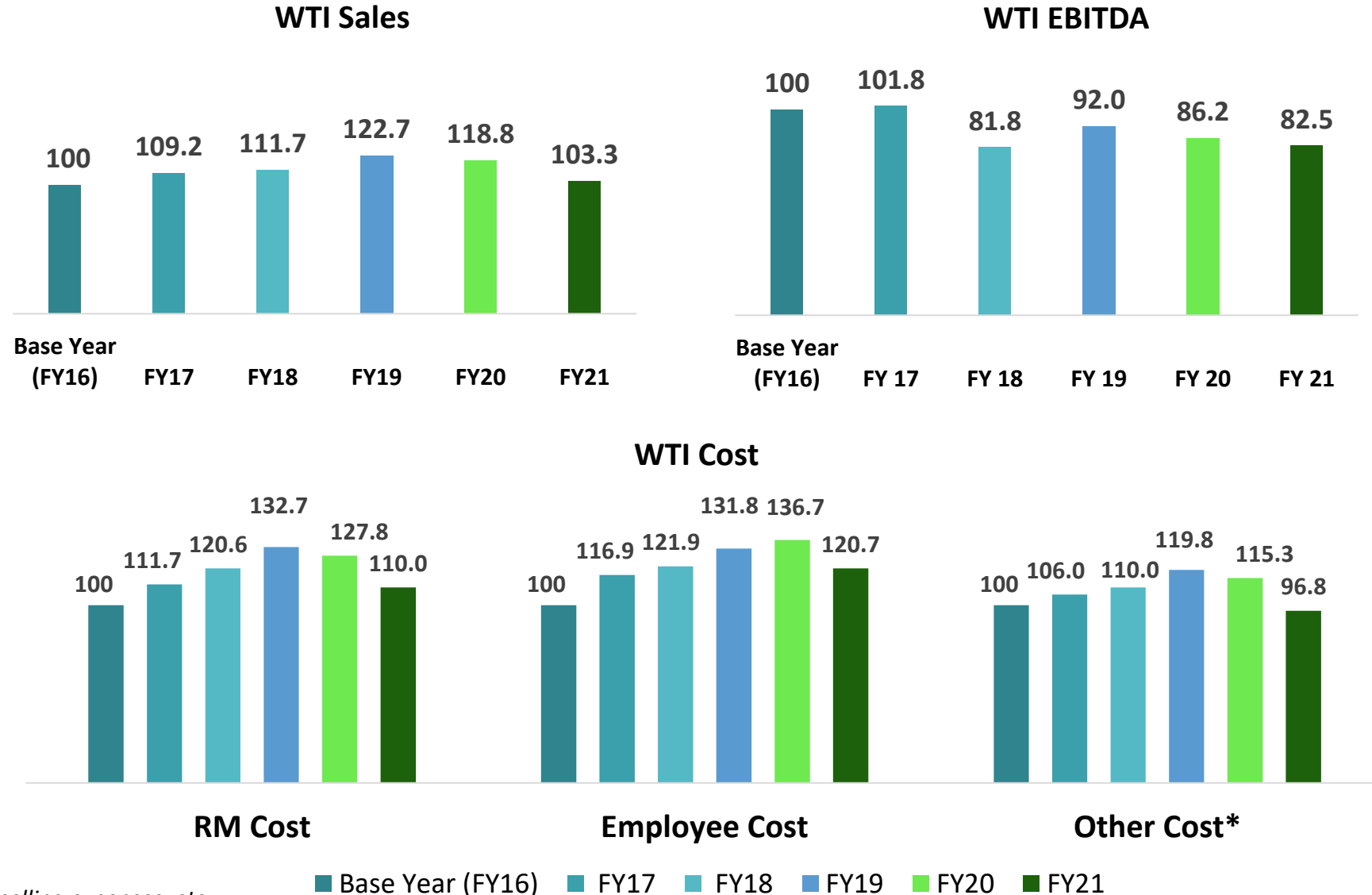
Top listed textile companies in terms of sales turnover in FY20 have been included for financial analysis.

S. No.	Company Name	Annual Sales* - FY20 (Rs. Crore)
1	Arvind	6,705
2	Vardhman	6,325
3	Welspun India	5,324
4	Trident	4,699
5	Raymond	3,186
6	KPR Mill	2,898
7	Filatex	2,782
8	RSWM	2,771
9	Sutlej	2,379
10	Nahar Spinning	2,083

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) – FY21

- The Textile Index has seen continuous drop in sales and EBITDA in FY 21 owing to the COVID-19 pandemic.
- In FY21, overall sales dropped by 13% as compared to that in FY20.
- The overall EBITDA showed a decline of 4% in FY21 as compared to FY20.
- Raw Material cost and manpower cost also decreased by 14% and 12%, respectively during the same period.



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



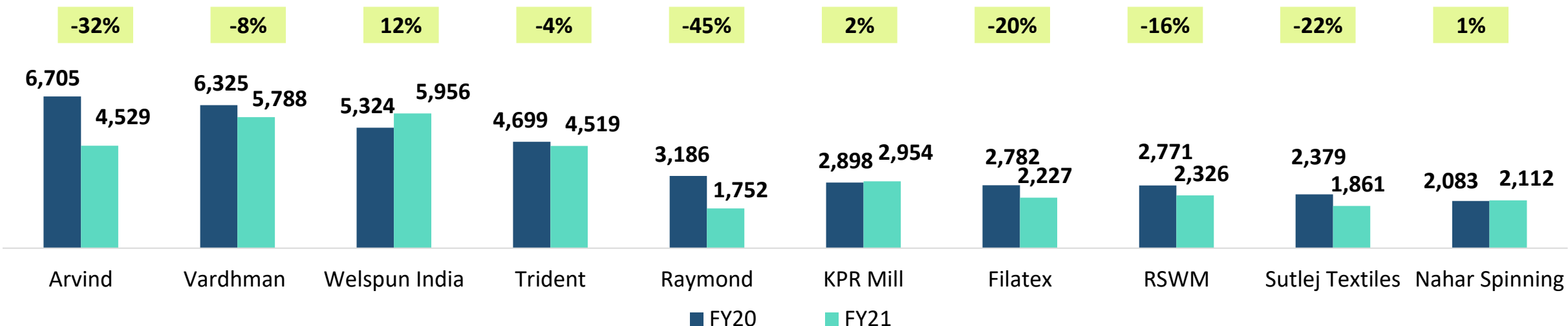
Financial Performance – FY21



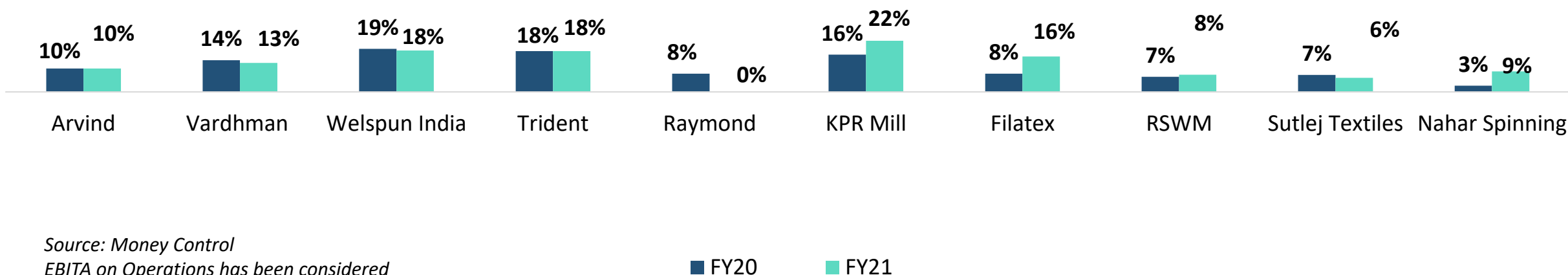
Financial Year Analysis for the Selected Top Players

FY sales trend – FY21 (Rs. Crore)

Growth %



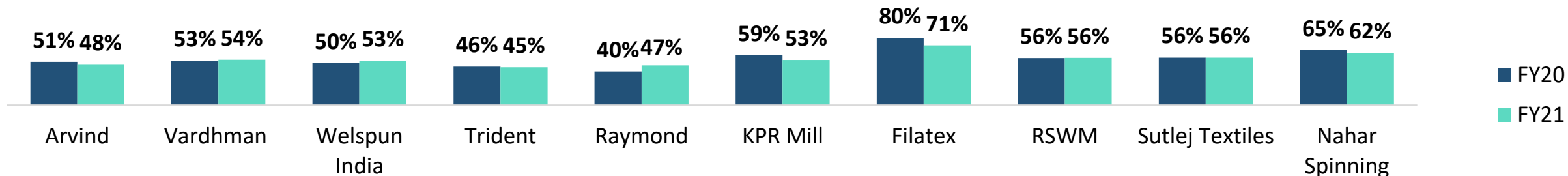
FY EBITDA Margin Trend – FY21



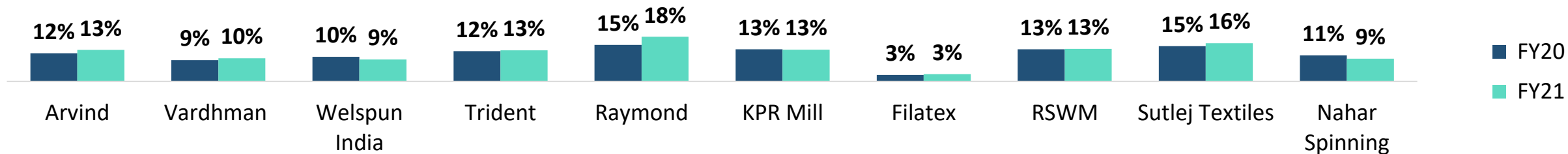
Source: Money Control
EBITA on Operations has been considered

Financial Year Analysis - Major Expenses as % of Sales

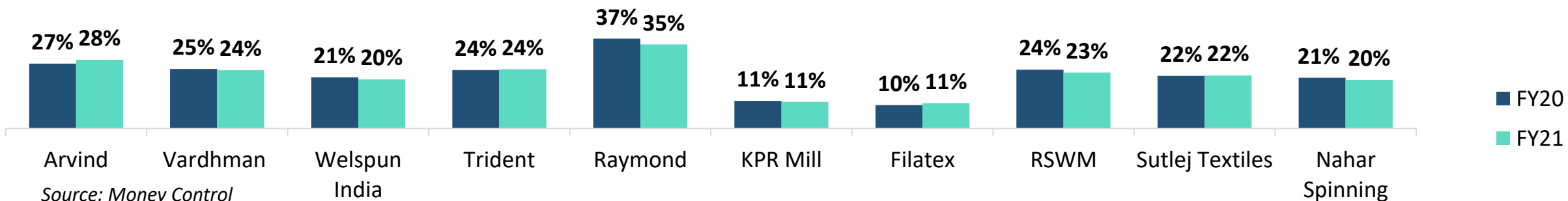
Raw Material Cost - % of Sales



Employee Cost - % of Sales



Other Costs - % of Sales

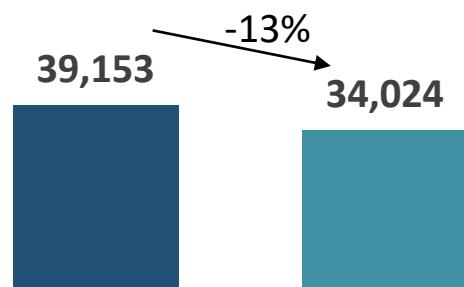


Source: Money Control

Consolidated Analysis for the Selected Top Players

On consolidated level, sales have decreased by 13% in FY21 as compared to FY20.

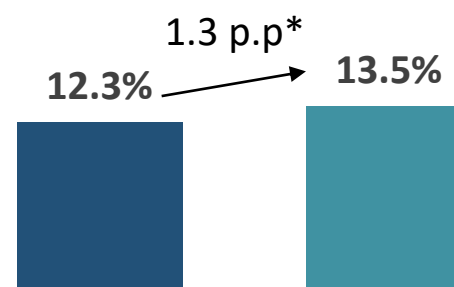
Consolidated Sales – Rs. Crore



Sales

■ FY20 ■ FY21

Average EBITDA %

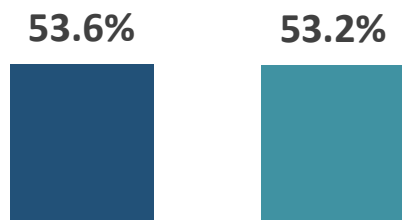


EBITDA %

■ FY20 ■ FY21

Consolidated EBITDA margin increased by 1.2 percentage points for the selected top companies.

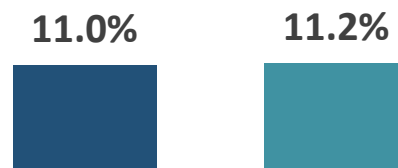
Average RM Cost - % of Sales



■ FY20 ■ FY21

Average RM cost decreased by 0.4 percentage points in FY21 as compared to FY20.

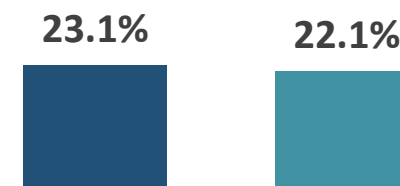
Average Employee Cost - % of Sales



■ FY20 ■ FY21

Average employee cost increased by 0.2 percentage points in FY21 as compared to FY20.

Average Other Expenses - % of Sales



■ FY20 ■ FY21

Other expenses decreased by 1.0 percentage points in FY21 as compared to FY20.

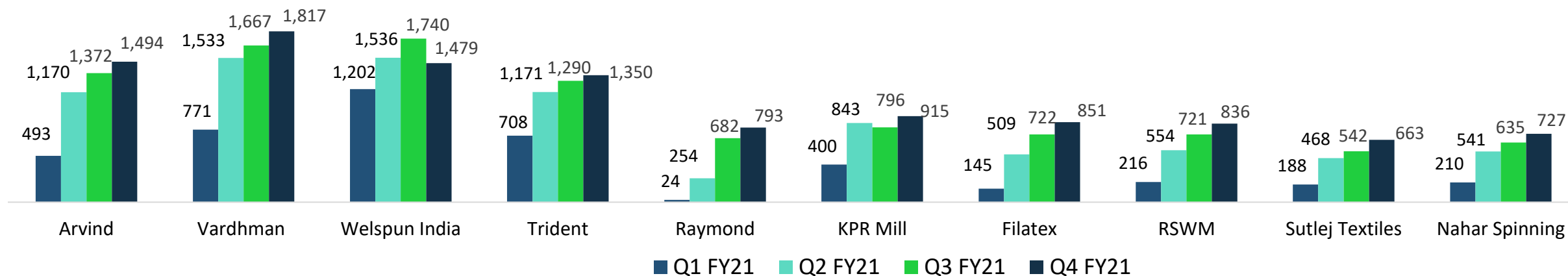


Quarterly Financial Performance – Q1 to Q4 FY21

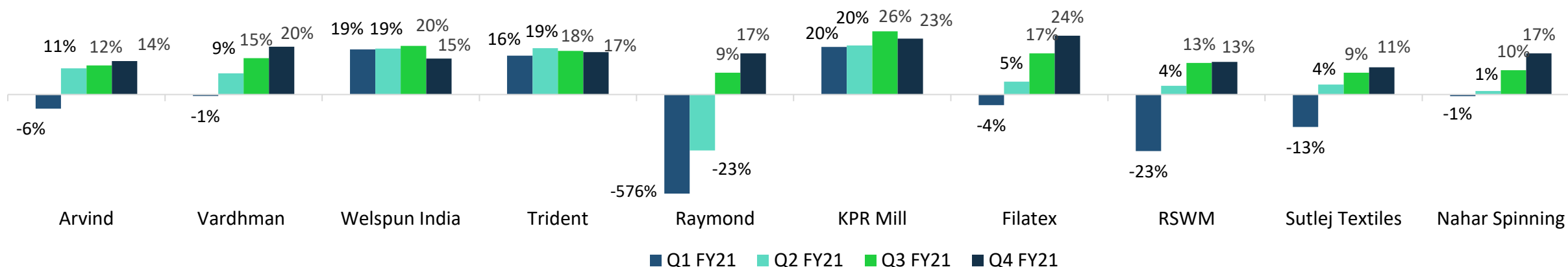


Quarterly analysis for the selected top players

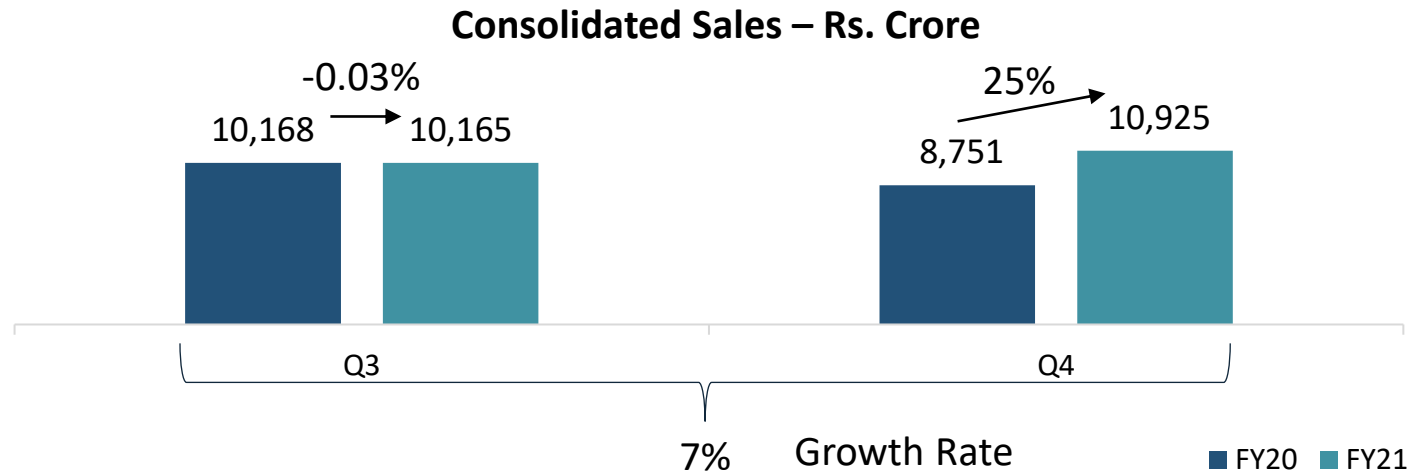
Quarterly Sales* Trend – FY21 (Rs. Crore)



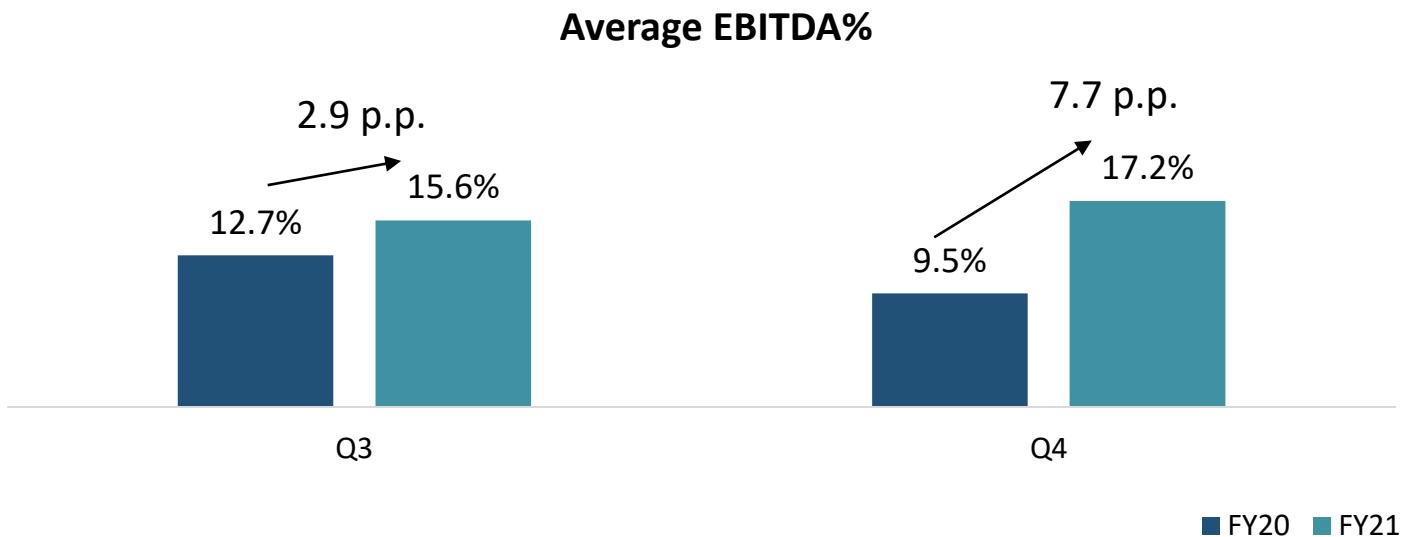
Quarterly EBITDA Margin Trend – FY21



Consolidated sales rebounded by 7% in Q4 FY21 when compared to Q3 FY21



On consolidated level, sales showed a significant recovery in Q4 FY21 when compared to same period, previous year.



Consolidated EBITDA margin showed a significant recovery Q4 FY21 when compared to same period, previous year.

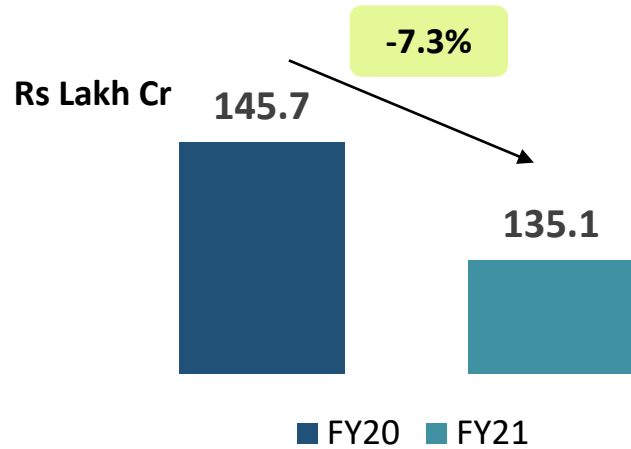


Market Update



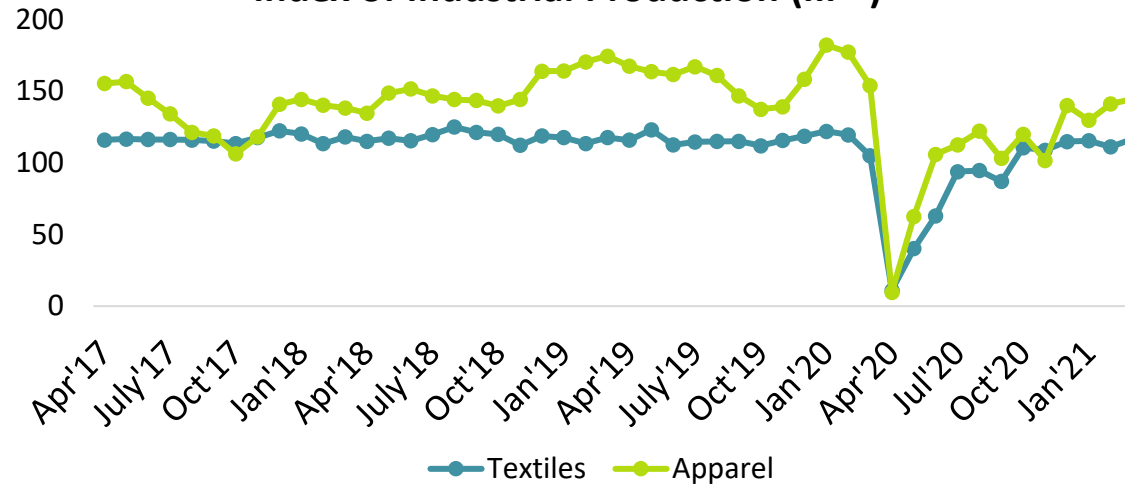
Key Economic Indicators

India's GDP (at constant prices)



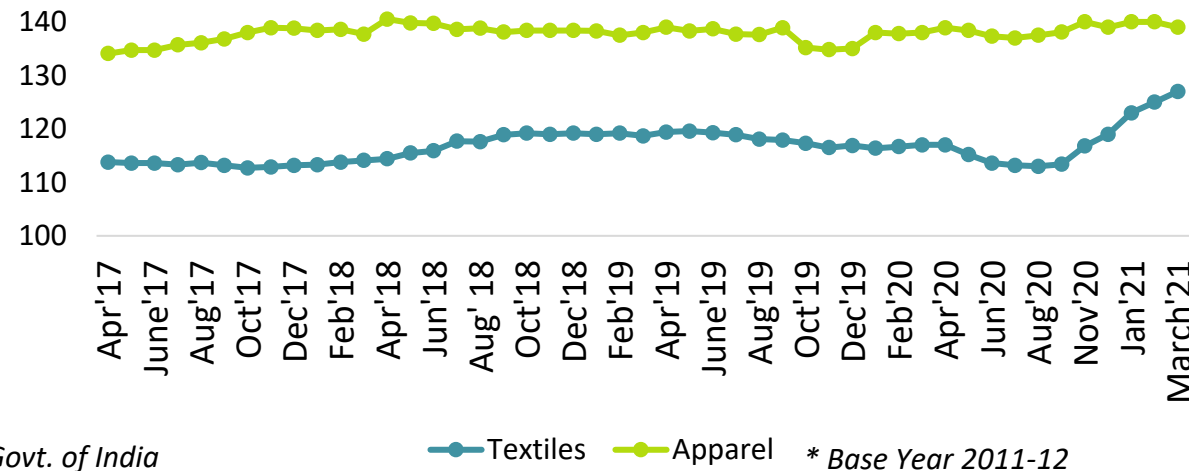
India's real GDP shrinks by 7.5% in FY21 as compared to a growth of 4.2 per cent during the same period last year.

Index of Industrial Production (IIP*)



Average IIP for apparel decreased by 32% in FY21 as compared to FY20, while that of textiles decreased of 23%.

Wholesale Price Index (WPI*)



Average WPI for textiles and Apparel decreased by 8% each in FY21 as compared to FY20.

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

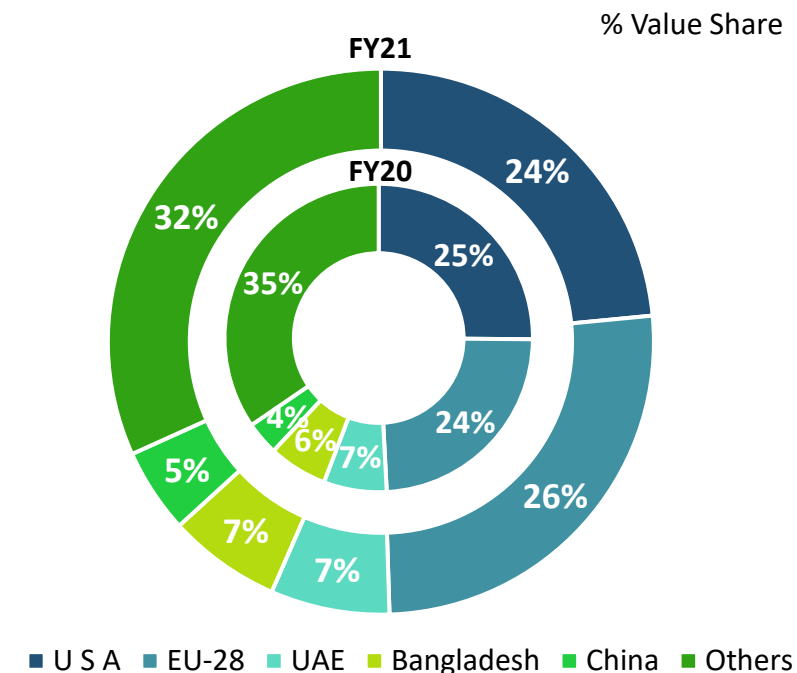
Textiles Apparel * Base Year 2011-12

India's overall T&A* Exports

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

Category	9M FY20	9M FY21	% Change	Q4 FY20	Q4 FY21	% change	FY20^	FY21^	% Change
Fibre	1,144	1,563	37%	572	660	15%	1,716	2,223	30%
Filament	879	537	-39%	196	185	-6%	1,075	722	-33%
Yarn	2,555	2,326	-9%	679	666	-2%	3,234	2,992	-7%
Fabric	3,757	2,798	-26%	946	834	-12%	4,703	3,632	-23%
Apparel	11,458	8,216	-28%	2,931	2,646	-10%	14,389	10,862	-25%
Home Textile	4,055	4,002	-1%	879	1,121	28%	4,934	5,123	4%
Others	1,390	1,266	-9%	300	384	28%	1,690	1,650	-2%
Total	25,238	20,708	-18%	6,503	6,496	-0.1%	31,741	27,204	-14%

India's Top T&A Markets



- The T&A exports have shown a decline of 14% in FY21 as compared to that in FY20, however the exports showed a recovery over 9M exports owing to increase in fibre and home textiles exports
- Filament witnessed the highest dip of 33%, followed by Apparel with a dip of 25%.
- Exports of fiber continues to show growth in Q4 FY21 as well with 15% as compared to that in Q4 FY20
- USA, EU -28 and UAE remains the top export destinations for India's T&A products with a combined share of 57%.

Source: DGCI&S

* Textile & Apparel

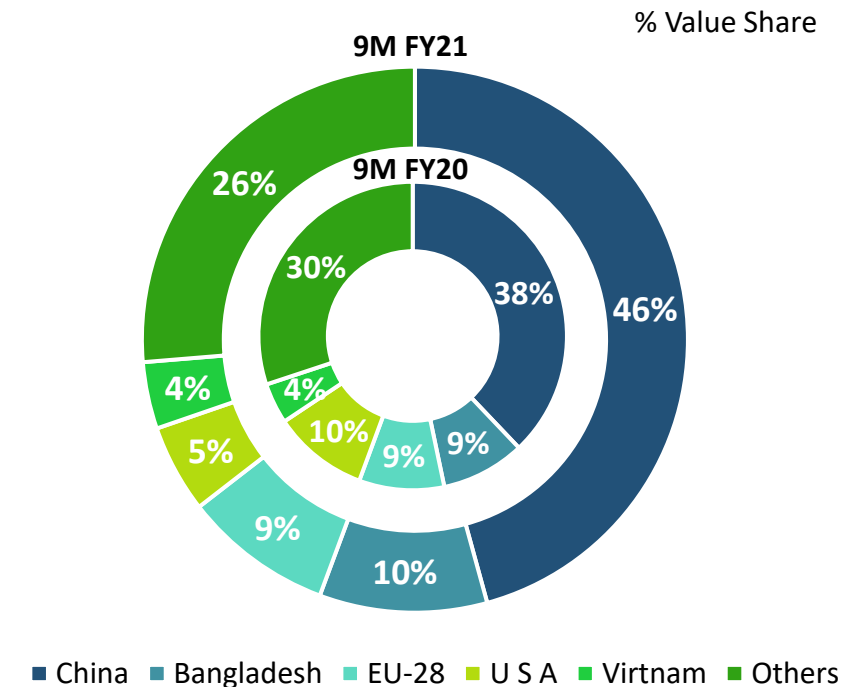
^April-Feb

India's overall T&A* Imports

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

Category	9M FY20	9M FY21	% Change	Q4 FY20	Q4 FY21	% change	FY20^	FY21^	% Change
Fibre	2,039	711	-65%	244	236	-3%	2,283	947	-59%
Filament	584	385	-34%	116	193	66%	700	578	-17%
Yarn	367	320	-13%	72	115	59%	439	435	-1%
Fabric	1,817	1,085	-40%	417	430	3%	2,234	1,515	-32%
Apparel	898	644	-28%	189	164	-14%	1,087	808	-26%
Home Textile	240	130	-46%	50	38	-24%	290	168	-42%
Others	610	625	2%	135	139	3%	745	764	3%
Total	6,555	3,900	-41%	1,223	1,315	8%	7,778	5,215	-33%

India's Top T&A Import Markets



- The overall T&A imports in FY21 have reduced by 33% as compared to FY20.
- Fibre imports witnessed the highest dip of 59% followed by Home Textile with a dip of 42%, during the same period.
- On the contrary, imports of Others have shown a slight growth of 3% in FY21 as compared to FY20 due to the heavy imports of PPE kits during initial months of FY21
- China continues to be the largest import partner for India with a share of 46% in FY21 which has increased by 8% as compared to FY20.

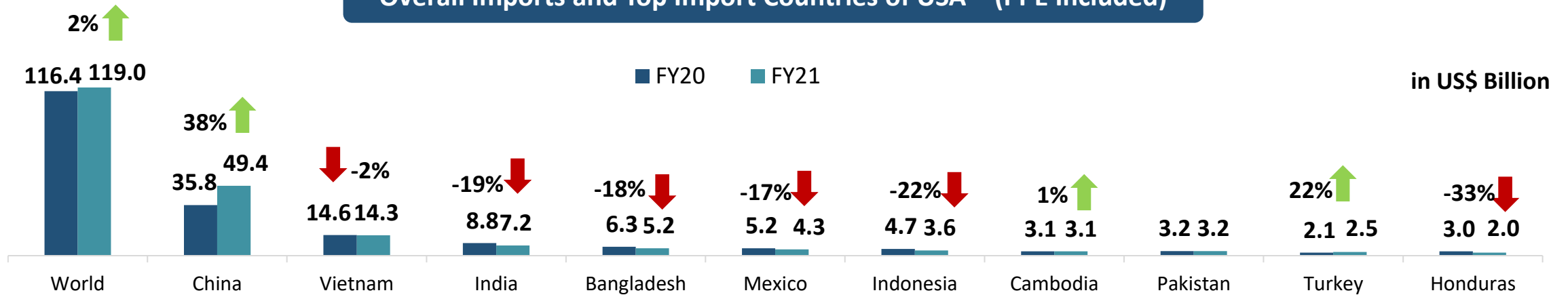
Source: DGCI&S

* Textile & Apparel

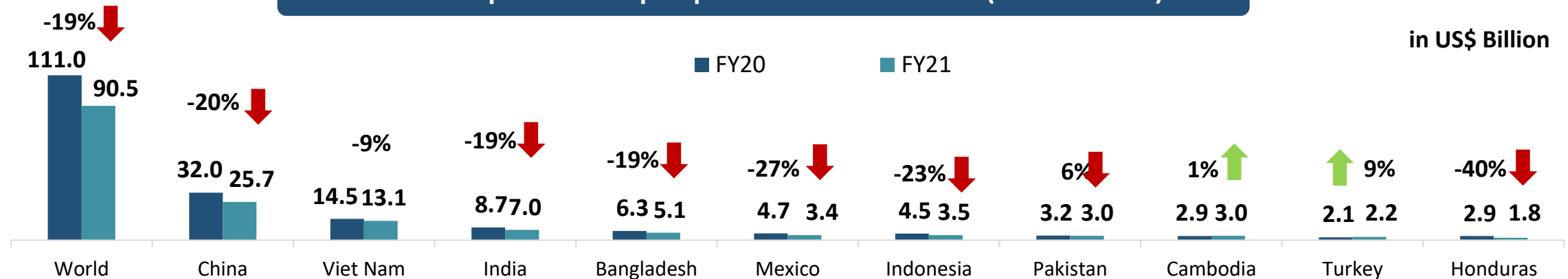
^April-Feb

T&A Imports of USA have declined by 19% in FY21* (Excluding PPE Imports)

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



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

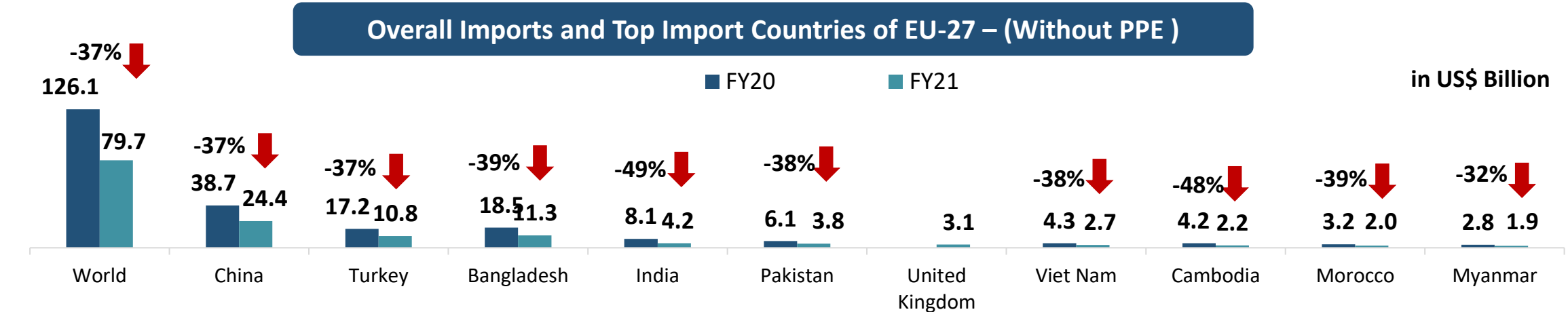
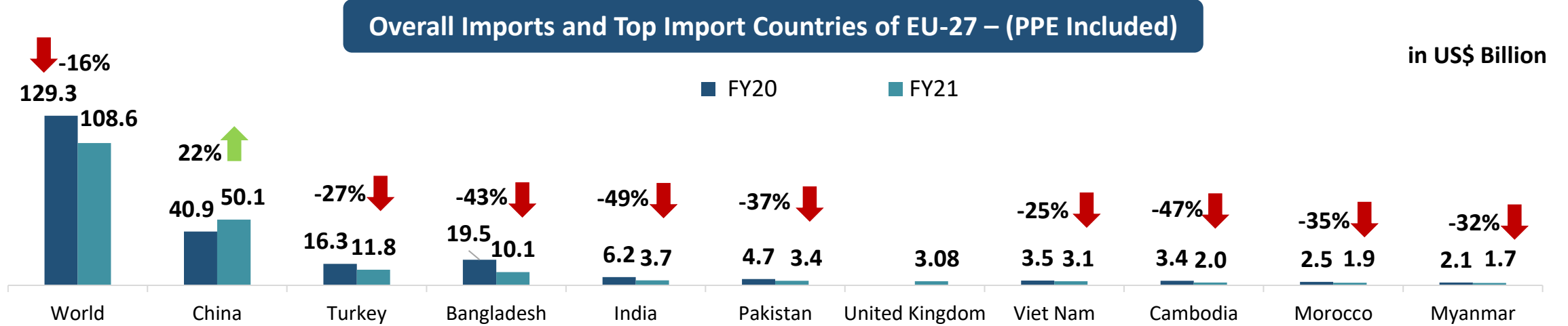


USA's overall imports have witnessed a decline of 19%(PPE excluding) in FY21, Considering with PPE imports, USA has shown a marginal growth of 2%

Source: UN Comtrade

* Data available from April 20 to Feb 21

T&A Imports of EU have declined by 37% in FY21 (Excluding PPE Imports)



EU's T&A imports have witnessed a decline of 37% (PPE Excluding) in FY21, however considering with PPE imports, EU has shown a decline of 16%

Source: UN Comtrade

UK imports have not been considered for FY 2020 as it was previously part of EU-28



Annexure: Wazir Textile Index (WTI) - Explanation



Measuring Financial Performance of Indian Textile Sector

- 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

- 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
- GDP – Gross Domestic Product
- Q1 FY20 – April 2019 to June 2019
- Q1 FY21 – April 2020 to June 2020
- Q2 FY20 – July 2019 to September 2019
- Q2 FY21 – July 2020 to September 2020
- H1 FY20 – April 2019 to September 2019
- H1 FY21 – April 2020 to September 2020
- Q3 FY20 – September 2019 to December 2019
- Q3 FY21 – September 2020 to December 2020
- Q4 FY20 – January 2020 to March 2020
- Q4 FY21 – January 2021 to March 2021
- 9M FY20 – April 2019 to December 2019
- 9M FY21 – April 2020 to December 2020
- 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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