



# Wazir Textile Index

Half Yearly Report  
H1 FY 2020

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# Wazir Textile Index (WTI) – H1 FY20



# List of companies included as part of the financial analysis

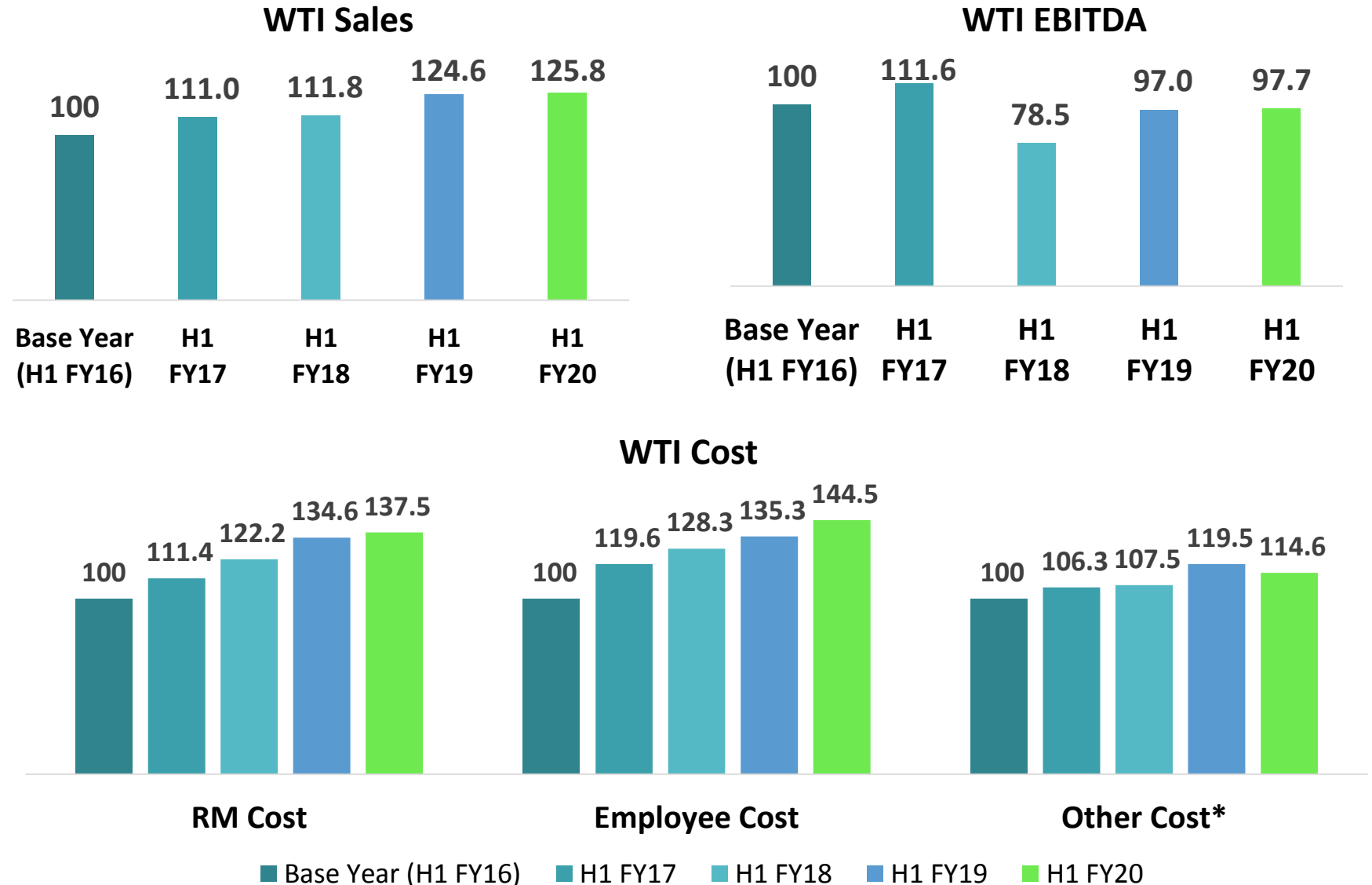
**Top listed textile companies in terms of sales turnover in FY19 have been included for financial analysis.**

S. No.	Company Name	Annual Sales* - FY19 (Rs. Crore)
1	Arvind	6,436
2	Vardhman	6,415
3	Welspun India	5,395
4	Trident	5,220
5	Raymond	3,276
6	KPR Mill	2,979
7	RSWM	2,961
8	Filatex	2,874
9	Sutlej	2,562
10	Nahar Spinning	2,305

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.  
SRF has been excluded as it's financials indicate performance of other business segments as well.

# Wazir Textile Index (WTI) – H1 FY20

- In H1 FY20, overall sales increased by 1% as compared to H1 FY19.
- The overall EBIDTA showed an increase of 1% in H1 FY20 as compared to H1 FY19.
- Employee cost index increased significantly by 7%, while raw material cost index increased by 2%, during the same period



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

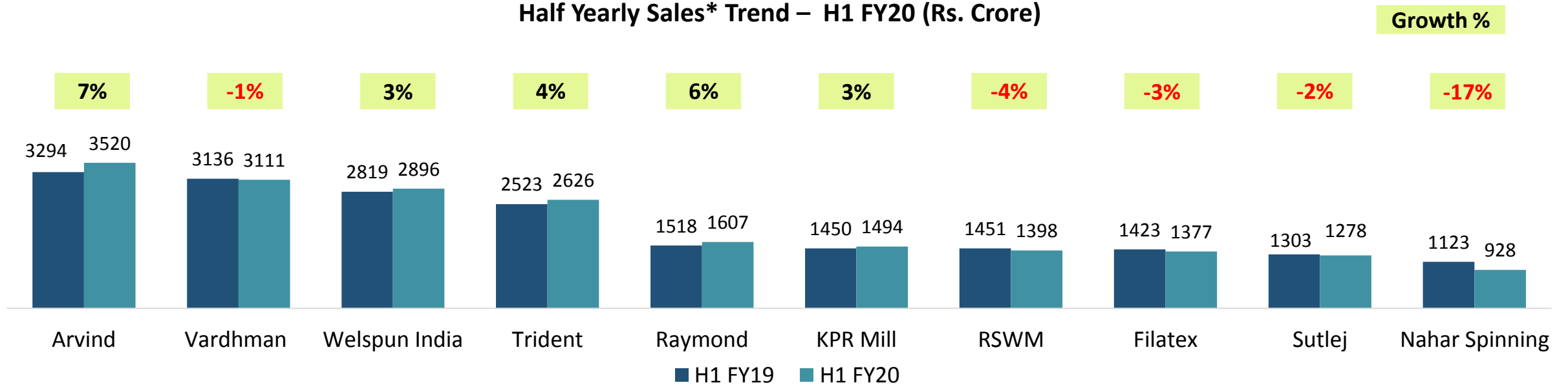


# Half Yearly Financial Performance – H1 FY20

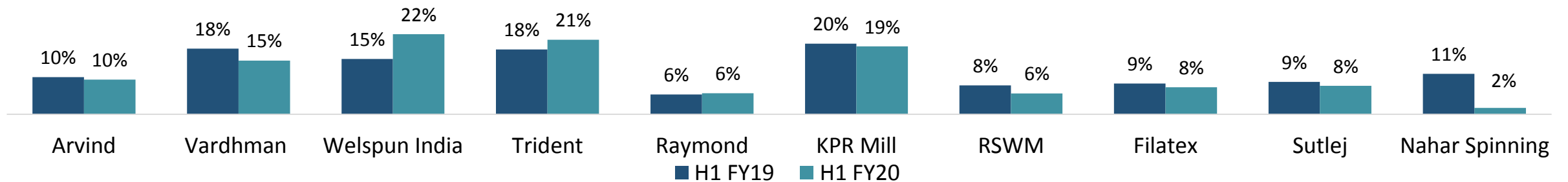


# EBITDA margins declined for majority companies

## Half Yearly Sales\* Trend – H1 FY20 (Rs. Crore)

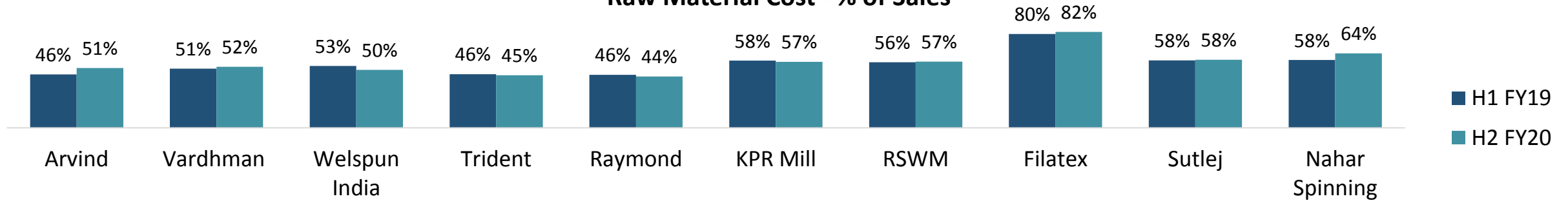


## Half Yearly EBITDA Margin Trend –H1 FY20

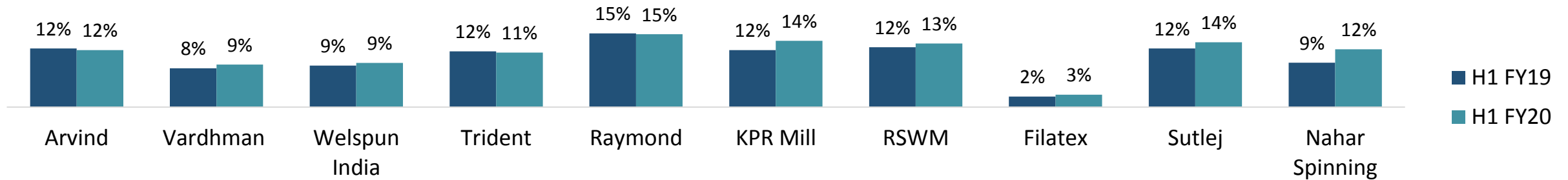


# Half Yearly Analysis - Major Expenses as % of Sales

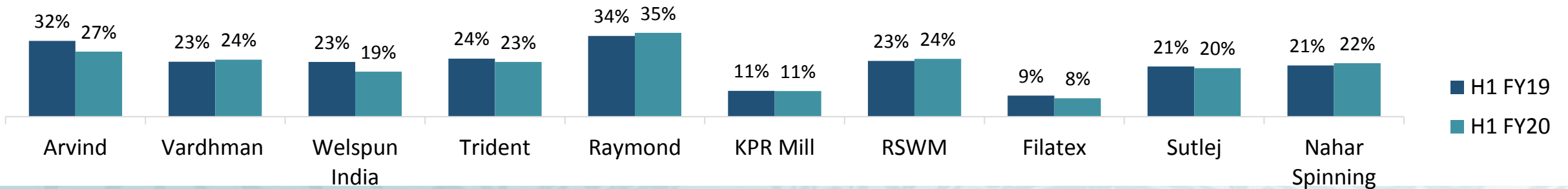
## Raw Material Cost - % of Sales



## Employee Cost - % of Sales



## Other Costs - % of Sales

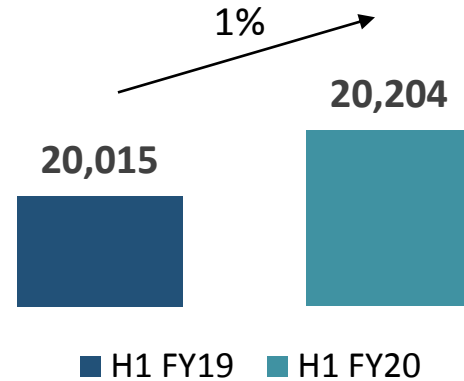




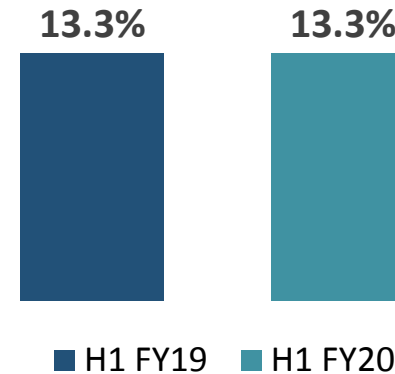
# Consolidated Analysis for the Selected Top Players

On consolidated level, sales have increased by 1% in H1 FY20 as compared to H1 FY19.

Consolidated Sales – Rs. Crore

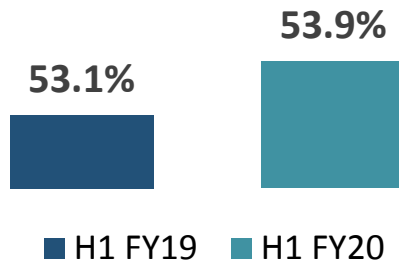


Average EBITDA %



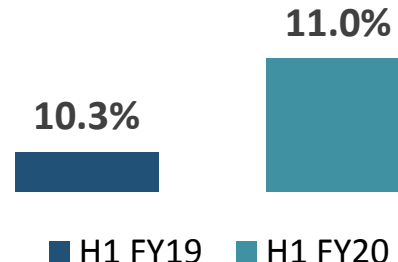
Consolidated EBITDA margin remained stagnant at 13.3% for the selected top companies.

Average RM Cost - % of Sales



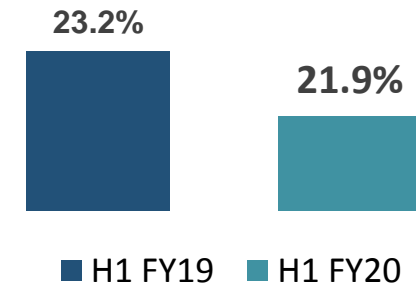
Average RM cost increased by 0.8 percentage points in H1 FY20 as compared to H1 FY19.

Average Employee Cost - % of Sales



Average employee cost increased by 0.7 percentage points in H1 FY20 as compared to H1 FY19.

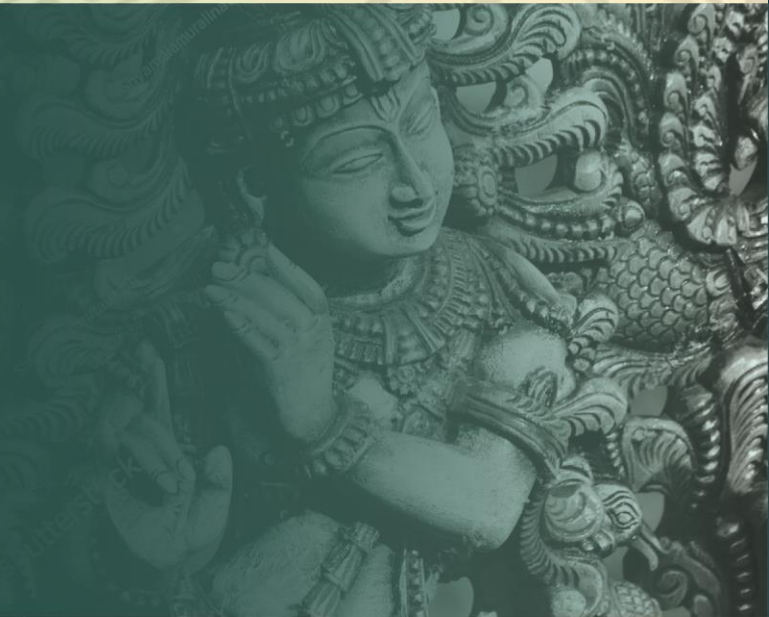
Average Other Expenses - % of Sales



Other expenses decreased by 1.3 percentage points in H1 FY20 as compared to H1 FY19.

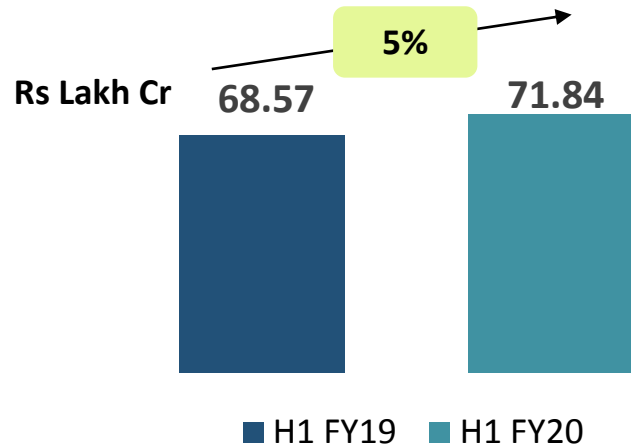


# Market Update



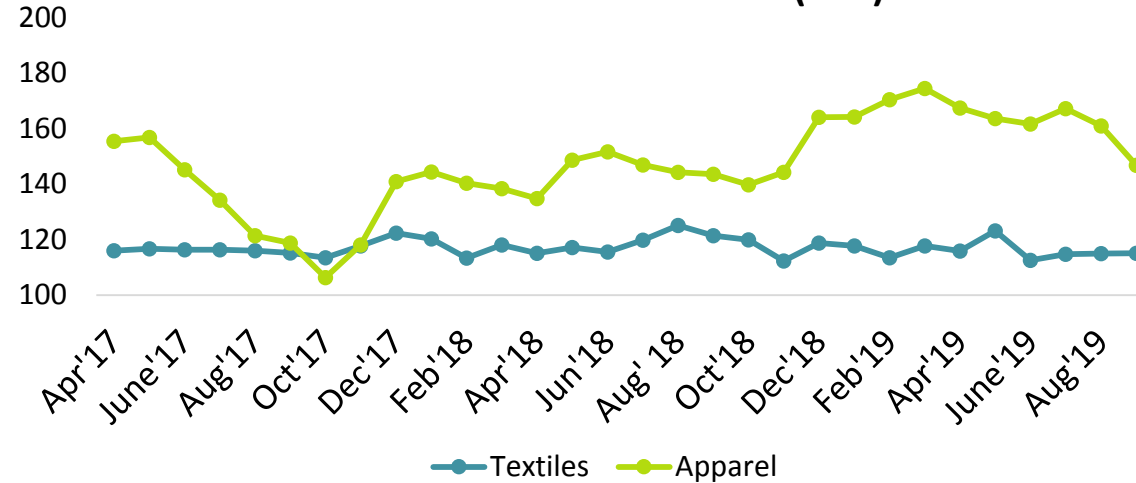
# Key Economic Indicators

India's GDP (at constant prices)



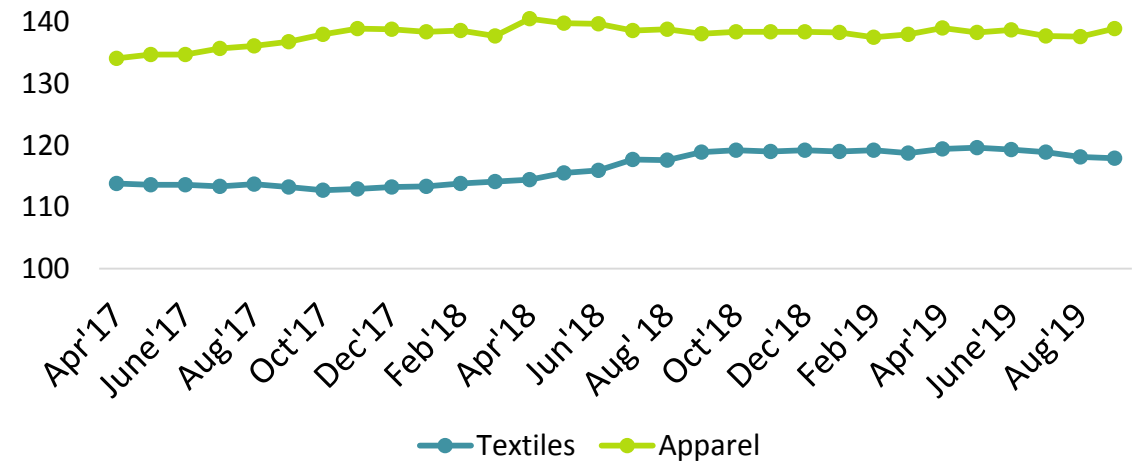
India's real GDP has grown by 5% in H1 FY20 as compared to H1 FY19.

Index of Industrial Production (IIP\*)



Average IIP for apparel increased significantly by 11% in H1 FY20 as compared to H1 FY19, while that of textiles showed a decrease of 2%.

Wholesale Price Index (WPI\*)



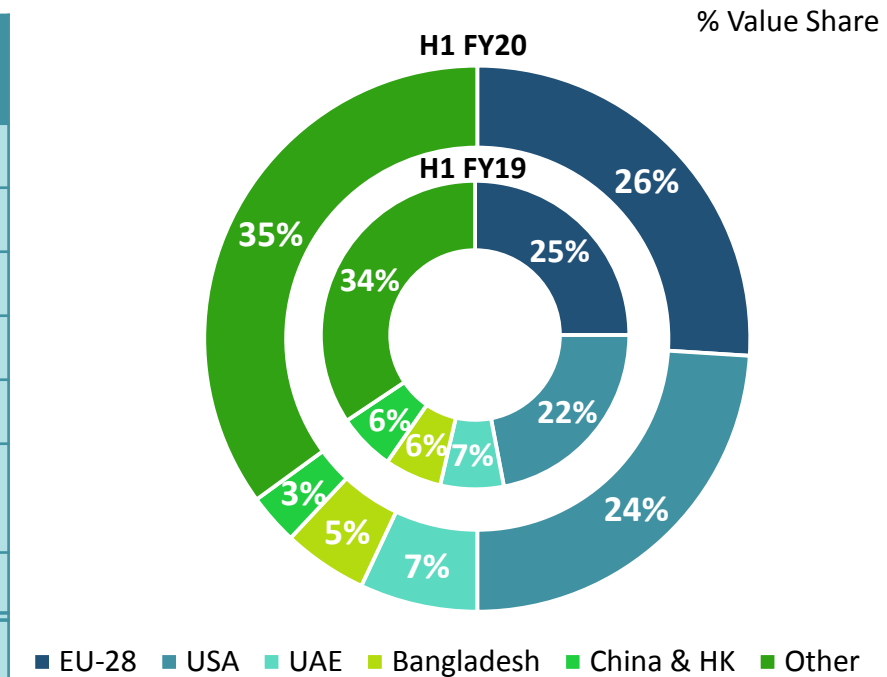
Average WPI for textiles increased by 2% in H1 FY20 as compared to H1 FY19, while that of apparel decreased by 1%.

# India's overall T&A\* Exports

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

Category	Q1 FY19	Q1 FY20	% change	Q2 FY19	Q2 FY20	% change	H1 FY19	H1 FY20	% change
Fibre	857	381	-56%	541	284	-47%	1,398	665	-52%
Filament	352	299	-15%	335	288	-14%	686	587	-15%
Yarn	1,298	886	-32%	1241	762	-39%	2,539	1,648	-35%
Fabric	1,147	1,189	4%	1182	1253	6%	2,329	2,442	5%
Apparel	4,050	4,172	3%	3673	3708	1%	7,723	7,880	2%
Home Textile	1,294	1,327	3%	1438	1382	-4%	2,732	2,709	-1%
Others	491	449	-9%	527	473	-10%	1,017	922	-9%
<b>Total</b>	<b>9,488</b>	<b>8,703</b>	<b>-8%</b>	<b>8937</b>	<b>8150</b>	<b>-9%</b>	<b>18,424</b>	<b>16,853</b>	<b>-9%</b>

India's Top T&A Markets



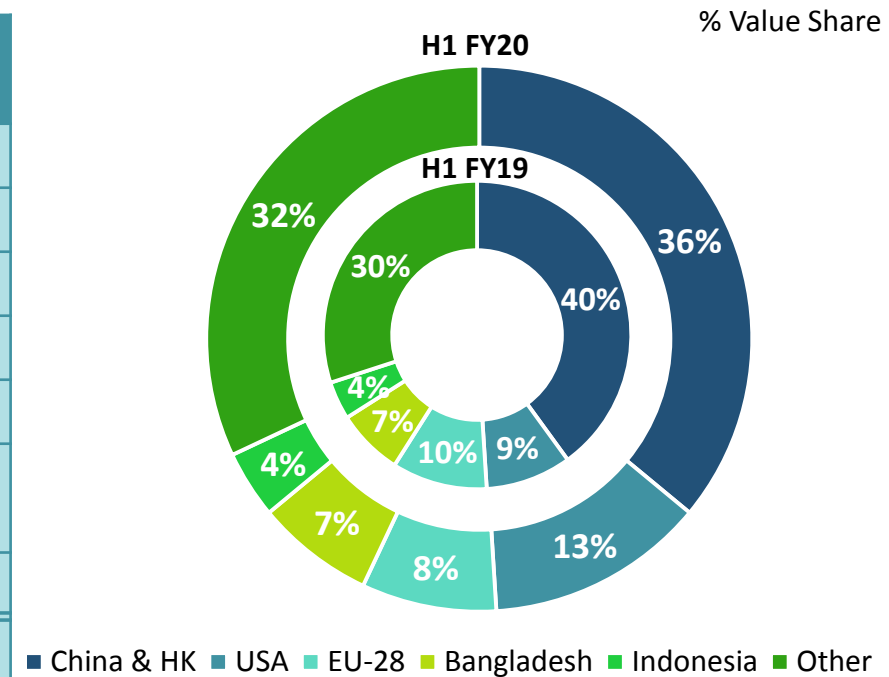
- India's exports of textile & apparel commodities have shown a decline of 9% in H1 FY20 as compared to H1 FY19. The exports of fibre and yarn have shown a significant decline of 52% and 35%, respectively.
- Fabric exports showed a growth of 5%; exports of apparel witnessed a growth of 2%.
- EU and USA are the largest markets for India's T&A commodities accounting for 50% of the market share. The share of USA has increased by 2% in H1 FY20 as compared to that of H1 FY19, while that of China has declined by 3%.

# India's overall T&A\* Imports

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

Category	Q1 FY19	Q1 FY20	% change	Q2 FY19	Q2 FY20	% change	H1 FY19	H1 FY20	% change
Fibre	503	579	15%	467	984	111%	970	1,563	61%
Filament	167	197	18%	182	214	18%	349	411	18%
Yarn	114	112	-2%	103	144	40%	217	256	18%
Fabric	662	618	-7%	614	614	0%	1,276	1,232	-4%
Apparel	196	232	18%	346	354	2%	541	585	8%
Home Textile	58	63	8%	90	93	4%	148	156	6%
Others	171	185	8%	171	214	25%	342	399	17%
<b>Total</b>	<b>1,871</b>	<b>1,985</b>	<b>6%</b>	<b>1973</b>	<b>2616</b>	<b>33%</b>	<b>3,843</b>	<b>4,602</b>	<b>20%</b>

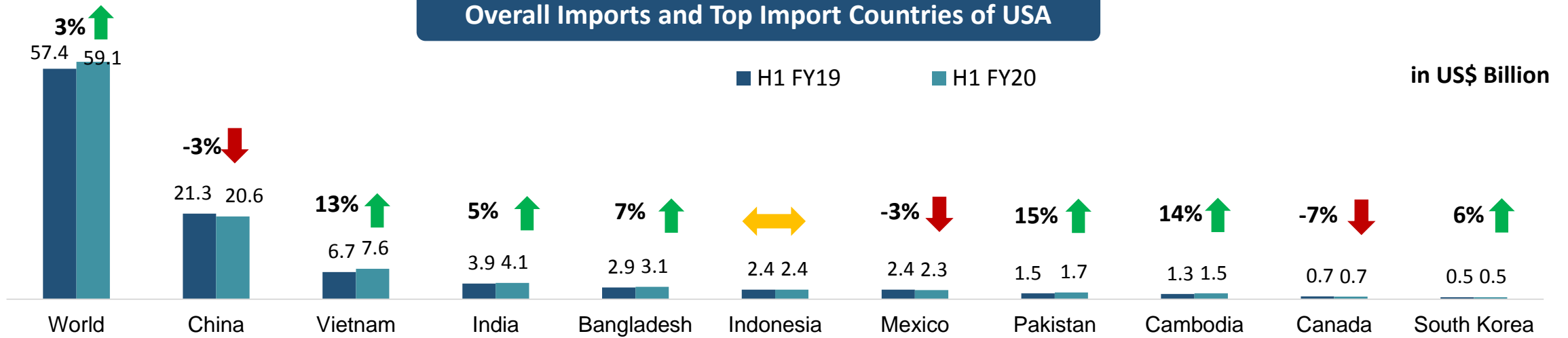
India's Top T&A Suppliers



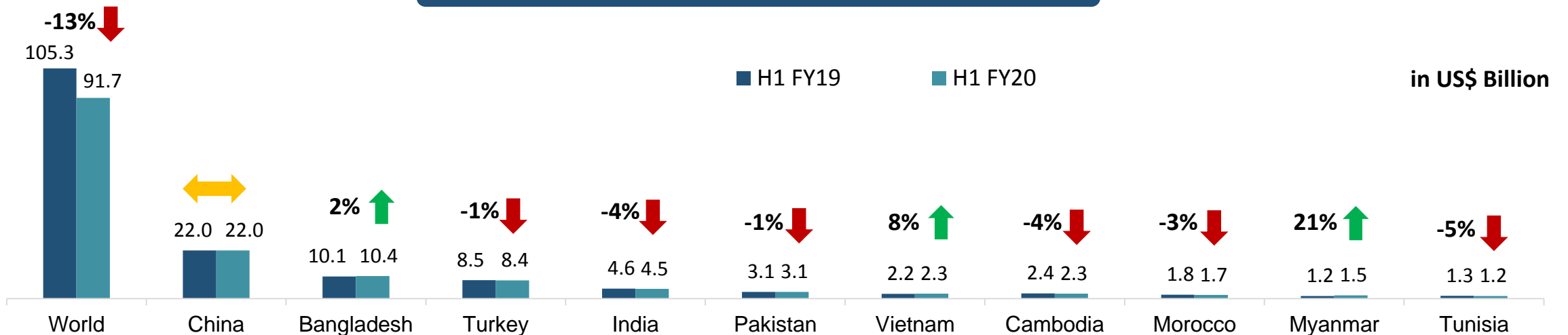
- India's imports of textile & apparel commodities have shown an increase of 20% in H1 FY20 as compared to H1 FY19. The imports of fibre has shown the most significant increase of 61% in its imports.
- Imports of fabric have shown a decline of 4% in H1 FY20 as compared to that in H1 FY19.
- China & HK is the largest supplier for India's textile & apparel commodities with a share of 36%, followed by USA with a share of 13%.

# T&A imports of USA increased by 3%, while that of EU showed a decline of 13%

## Overall Imports and Top Import Countries of USA



## Overall Imports and Top Import Countries 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 (Q2), 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
- FY16 – April 2015 to March 2016
- FY17 – April 2016 to March 2017
- FY18 – April 2017 to March 2018
- FY19 – April 2018 to March 2019
- FY20 – April 2019 to March 2020
- GDP – Gross Domestic Product
- Q1 FY19 – April 2018 to June 2018
- Q1 FY20 – April 2019 to June 2019
- Q2 FY19 – July 2018 to September 2018
- Q2 FY20 – July 2019 to September 2019
- H1 FY16 – April 2015 to September 2015
- H1 FY17 – April 2016 to September 2016
- H1 FY18 – April 2017 to September 2017
- H1 FY19 – April 2018 to September 2018
- H1 FY20 – April 2019 to September 2019
- RM – Raw Material
- T&A – Textile & Apparel
- USA – United States of America
- UK – United Kingdom
- WTI – Wazir Textile Index
- YTD – Year till date

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