

STATS WINDOW

The Pacific Business Review International has taken an initiative to start a section which will provide a snapshot of major Global & Indian economic indicators and industry review alternatively.

A snapshot of the section in upcoming issues is hereunder:

Nov 2014	Economy at a Glance (Global & Indian)
Dec 2014	Telecommunication Sector: Global Scenario
Jan 2015	Economy at a Glance (Global & Indian)
Feb 2014	Hospitality Sector: Global Scenario
March 2014	Economy at a Glance (Global & Indian)

INDIAN TEXTILE INDUSTRY

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The size of India's textile and apparel industry was \$94 billion in 2012. Out of this domestic industry was of \$63 billion and exports worth \$31 billion. India has an overwhelming presence in textiles from fiber to garments stage and the sector's importance in the economy can be seen from its contribution in GDP, industrial production, export earnings and employment. The sector contributes about 14% to country's industrial production, 4% to the GDP, 11% to country's export earnings and employs 45 million people in various activities. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17), envisages India's exports of Textiles and Clothing at USD 64.41 billion by the end of March, 2017.

The fundamental strength of this industry flows from its strong production base of wide range of fibres / yarns from natural fibres like cotton, jute, silk and wool to synthetic /man-made fibres like polyester, viscose, nylon and acrylic.

We can just track the strong multi-fibre strong base by highlighting the following important positions reckon by this industry across globe are:

- **Cotton** – Second largest cotton and cellulosic fibres producing country in the world.
- **Silk** – India is the second largest producer of silk and contributes about 18% to the total world raw silk production.
- **Wool** –India has 3rd largest sheep population in the world, having 6.15 crores sheep, producing 45 million kg of raw wool, and accounting for 3.1% of total world wool production. India ranks 6th amongst clean wool producer countries and 9th amongst greasy wool producers.
- **Man-Made Fibres**- the fourth largest in synthetic fibres/yarns globally.
- **Jute** – India is the largest producer and second largest exporter of the jute goods.

Indian Textiles Industry

Table 1.1 Indian Textiles at a Glance 1980-81 To 2002-2003

Item	Unit	1980-81	1990-91	2000-01	2001-02	2002-03
Mill units at the year end	No.	693	1,062	2,842	2,906	3,021
Of which : Spinning	No.	415	777	2,561	2,625	2,745
Composite	No.	278	285	281	281	276
Spindles installed at the year-end	Million	21.2	26.7	37.9	38.3	39.0
Rotors installed at the year end	000	5.0	66.9	454.0	480.0	468.0
Looms installed at the year end	000	207.9	177.8	130.9	141.0	137.0
Of which : Shuttleless	000	0.5	3.6	7.9	7.9	7.9
Workers on roll	000	1,179.0	1,108.0	998.0	999.0	1,003.0
Cotton production (Cotton season)	Lakh Bales	78.0	117.0	140.0	158.0	136.0
Cotton production (Cotton season)	Million Kgs.		1,989.0	2,380.0	2,686.0	2,312.0
Mill consumption of cotton	Million Kgs.	1,313.0	1,822.0	2,941.5	2,919.9	2,870.1
Production of man-made fibers	Million Kgs.	115.2	336.9	498.4	834.0	914.0
Production of man-made filament y	Million Kgs.		276.1	493.0	962.0	1,100.0
Production of spun yarn	Million Kgs.	1,298.0	1,824.0	2,485.0	3,101.0	3,081.0
Of which : Cotton yarn	Million Kgs.	1,067.0	1,510.0	1,894.0	2,212.0	2,177.0
Blended yarn	Million Kgs.	144.0	207.0	395.0	609.0	585.0
100% Non-Cotton Yarn	Million Kgs.	87.0	107.0	196.0	280.0	319.0
Production of cloth (All types)	Million Sq.Mts	10,988.0	20,354.0	31,460.0	42,034.0	41,973.0
Of which : Mills	Million Sq.Mts.	4,168.0	2,720.0	1,726.0	1,546.0	1,496.0
Decentralised sector	Million Sq.Mts	6,820.0	17,634.0	29,734.0	40,488.0	40,477.0
Per capita cloth availability	Mts.	14.9	23.7	28.4	32.0	31.4
Of which : Cotton cloth	Mts.	11.1	15.4	15.9	14.8	14.4
Blended & Man-made cloth	Mts.	3.9	8.3	12.5	17.2	17.0
Exports of all textiles	Rs. Crores	942.0	8,283.0	29,734.0	51,337.3	60,071.7
Imports of all textiles	Rs. Crores					7,642.1

All data are for Financial Year (1st April-31st March) unless specify.

Source: Textile Commissioner's Office, Mumbai

Table 1.2: Indian Textiles at a Glance 2003-04 To 2008-09

Item	Unit	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Mill units at the year end	No.	2,922	2,950	2,953	3,044	2,992	3,077
Of which : Spinning	No.	2,699	2,727	2,743	2,844	2,816	2,900
Composite	No.	223	223	210	200	176	177
Spindles installed at the year-end	Million	37.0	37.5	37.5	39.5	39.1	41.3
Rotors installed at the year end	000	482.0	500.0	520.0	601.0	621.0	659.0
Looms installed at the year end	000	105.0	103.0	92.0	69.0	56.0	57.0
Of which :	000	9.2	9.6	9.8	10.5	17.8	18.5
Shuttleless							
Workers on roll	000	888.0	877.0	863.0	853.0	793.0	806.0
Cotton production (Cotton season)	Lakh Bales	179.0	243.0	241.0	280.0	307.0	290.0
Cotton production (Cotton season)	Million Kgs.	3,043.0	4,131.0	4,097.0	4,760.0	5,219.0	4,930.0
Mill consumption of cotton	Million Kgs.	3,010.7	3,315.5	3,723.0	3,944.5	4,027.0	3,893.0
Production of man-made fibers	Million Kgs.	953.3	1,022.6	968.0	1,139.5	1,244.2	1,065.8
Production of man-made filament y	Million Kgs.	1,118.0	1,108.9	1,179.3	1,370.5	1,509.3	1,417.7
Production of spun yarn	Million Kgs.	3,052.0	3,223.0	3,458.0	3,813.0	4,003.0	3,912.0
Of which : Cotton yarn	Million Kgs.	2,121.0	2,272.0	2,521.0	2,824.0	2,948.0	2,896.0
Blended yarn	Million Kgs.	589.0	585.0	588.0	635.0	677.0	655.0
100% Non-Cotton Yarn	Million Kgs.	342.0	366.0	349.0	354.0	378.0	361.0
Production of cloth (All types)	Million Sq. Mts	42,383.0	45,378.0	49,577.0	53,389.0	56,025.0	54,966.0
Of which : Mills	Million Sq. Mts.	1,434.0	1,526.0	1,656.0	1,746.0	1,781.0	1,796.0
Decentralised sector	Million Sq. Mts	40,949.0	43,852.0	47,921.0	51,643.0	54,244.0	53,170.0
Per capita cloth availability	Mts.	31.1	33.5	36.1	39.6	41.9	39.0
Of which : Cotton cloth	Mts.	13.4	14.1	16.4	17.9	19.0	17.9
Blended & Man-made cloth	Mts.	17.6	19.4	19.7	21.7	22.8	21.1
Exports of all textiles	Rs. Crores	62,017.3	63,024.2	77,567.5	86,702.6	89,120.9	96,311.9
Imports of all textiles	Rs. Crores	9,260.8	10,182.2	12,102.1	12,856.3	13,387.3	16,219.4

All data are for Financial Year (1st April-31st March) Source: Textile Commissioner's Office, Mumbai

Table 1.3: Indian Textiles at a Glance 2009-10 To 2011-12

Item	Unit	2009-10	2010-11	2011-12
Mill units at the year end	No.	3,113	3,273	3,293
Of which : Spinning	No.	2,933	3,090	3,097
Composite	No.	180	183	196
Spindles installed at the year-end	Million	42.0	47.6	48.3
Rotors installed at the year end	000	675.0	749.0	771.0
Looms installed at the year end	000	57.0	52.0	52.0
Of which : Shuttleless	000	18.6	18.8	20.5
Workers on roll	000	811.0	841.0	858.0
Cotton production (Cotton season)	Lakh Bales	305.0	339.0	353.0
Cotton production (Cotton season)	Million Kgs.	5,185.0	5,763.0	6,001.0
Mill consumption of cotton	Million Kgs.	4,403.0	4,413.4	4,307.8
Production of man-made fibers	Million Kgs.	1,268.0	1,284.6	1,234.2
Production of man-made filament y	Million Kgs.	1,522.7	1,549.8	1,463.0
Production of spun yarn	Million Kgs.	4,193.0	4,713.0	4,372.0
Of which : Cotton yarn	Million Kgs.	3,079.0	3,490.0	3,126.0
Blended yarn	Million Kgs.	707.0	797.0	789.0
100% Non-Cotton Yarn	Million Kgs.	407.0	426.0	457.0
Production of cloth (All types)	Million Sq.Mts	60,333.0	62,559.0	61,364.0
Of which : Mills	Million Sq.Mts.	2,016.0	2,205.0	2,432.0
Decentralised sector	Million Sq.Mts	58,317.0	60,354.0	58,932.0
Per capita cloth availability	Mts.	43.1	44.0	45.0
Of which : Cotton cloth	Mts.	19.7	21.4	22.0
Blended & Man-made cloth	Mts.	23.4	22.6	23.0
Exports of all textiles	Rs. Crores	1,04,793.0	1,21,066.4	1,51,066.4
Imports of all textiles	Rs. Crores	16,275.0	19,020.5	23,020.5

All data are for Financial Year (1st April-31st March)

Source: Textile Commissioner's Office, Mumbai

Growth of Textile Industry in India

In the last eight years, the sector has shown an average growth of almost 5%. In 2005-06, after the end of Quota regime, the textiles sector in India grew by 10%. In 2008-09, the sector registered a de growth of 5.7% owing to weak global demand. Thereafter the sector started recovering and registered positive growth in next two years due to stimulus provided by Government of India. Though, the growth of 7% in 2012-13 is highest in the last five years but manmade filament yarn production registered a fall of 6% during

2012-13. Cotton yarn production grew by 14% and man-made fibre production by a miniscule 2% in 2012-13.

Fabrics production in the country has not grown to its true potential since 2000; fabric production has shown a Compound Annual Growth Rate (CAGR) of only 3.8% in the twelve year period. Production in handloom sector has been shrinking while in hosiery and mill sectors have been increasing. Powerloom sector has also seen growth in production owing to some technological upgradation and adoption of shuttleless looms but this is not adequate.

Table 2 : Growth of Textile Sector

Year	Growth rate (%)
2005-06	10.1
2006-07	11.7
2007-08	7.5
2008-09	-5.7
2009-10	4.8
2010-11	5.8
2011-12	-3.6
2012-13	7.3

Source:CSO

The Indian textiles industry is set for strong growth, buoyed by strong domestic consumption as well as export demand.

- The most significant change in the Indian textiles industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production recorded an increase of 10 per cent and filament yarn production grew by 6 per cent in the month of February 2014. MMF production increased by about 4 per cent during the period April 2013–February 2014.
- Cotton yarn production increased by about 10 per cent during February 2014 and by about 10 per cent during April 2013–February 2014. Blended and 100 per cent non-cotton yarn production increased by 6 per cent during February 2014 and by 8 per cent during the period April 2013–February 2014.
- Cloth production by mill sector registered a growth of 9 per cent in the month of February 2014 and of 6 per cent during April 2013–February 2014.
- Cloth production by power loom and hosiery increased by 2 per cent and 9 per cent, respectively, during February 2014. The total cloth production grew by 4 per cent during February 2014 and by 3 per cent during the period April 2013–February 2014.
- Textiles exports stood at US\$ 28.53 billion during April 2013–January 2014 as compared to US\$ 24.90 billion during the corresponding period of the previous year, registering a growth of 14.58 per cent. Garment exports from India are expected to touch US\$ 60 billion over the next three years, with the help of government support.
- The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted foreign direct investment (FDI) worth Rs 6,710.94crore (US\$ 1.11 billion) during April 2000 to February 2014.

Table 3: Growth of Indian Textile Mill Industry

GROWTH OF COTTON / MAN-MADE FIBRE TEXTILE MILLS (NON-SSI)						
MARCH END	NUMBER OF MILLS			SPINDLES INSTALLED (million)	ROTORs INSTALLED (thousand)	LOOMS INSTALLED (thousand)
	Spinning	Composite	Total			
1951	107	276	383	11.25	--	196
1961	196	285	481	13.83	--	199
1971	379	291	670	17.98	--	206
1981	415	278	693	21.23	--	208
1982	442	281	723	21.93	--	210
1983	561	280	841	22.91	--	210
1984	639	281	920	24.28	--	210
1985	674	281	955	25.57	--	210
1986	702	282	984	26.02	--	208
1987	744	283	1027	26.12	--	208
1988	752	283	1035	26.25	--	199
1989	769	282	1051	26.48	40	184
1990	770	281	1051	26.59	56	181
1991	777	285	1062	26.67	67	178
1995	1148	268	1416	30.7	186	139
1996	1294	275	1569	31.75	226	132
1997	1438	281	1719	33.15	276	124
1998	1504	278	1782	33.88	313	124
1999	1543	281	1824	34.72	383	123
2000	1565	285	1850	35.1	392	123
2001	1565	281	1846	35.53	394	123
2002	1579	281	1860	35.75	409	123
2003	1599	276	1875	36.1	379	119
2004	1564	223	1787	34.02	383	88
2005	1566	223	1789	34.24	385	86
2006	1570	210	1780	34.14	395	73
2007	1608	200	1808	35.61	448	69
2008	1597	176	1773	35.01	461	56
2009	1653	177	1830	37.03	485	57
2010	1673	180	1853	37.68	494	57
2011	1757	183	1940	42.69	518	52
2012	1761	196	1957	43.43	523	52

Note: Does not include data on exclusive weaving mills (Non-SSI).

Source: Textiles Commissioner's office ,Mumbai

Table 4: Production of Man-Made Fibre, Filament Yarn, Spun Yarn and Cloth

Figures in million

Period	Man-made fibre	Man-made filament yarn	Cotton yarn	Blended & 100% Non-cotton yarn	Total Spun Yarn	Cloth					
						Mill sector	Decentralized sector				Grand Total (incl. mill sector) (Exc. Khadi, Wool & Silk)
							Hand loom	Power loom	Hosiery	Total	
Kg	Kg	Kg	Kg	Kg	Sq. mtr	Sq. mtr	Sq. mtr	Sq. mtr	Sq. mtr	Sq. mtr	
2010-11	1285	1550	3490	1223	4713	2205	6907	38015	14634	59556	61761
2011-12	1234	1463	3126	1246	4372	2313	6901	37445	12946	57292	59605
2012-13	1263	1371	3583	1285	4868	2418	6952	38038	14541	59531	61949
2013-14 (P)	1307	1294	3928	1381	5309	2531	7104	36790	16199	60093	62624
Apr-July 14 (P)	446	434	1326	466	1792	872	2303	12706	5727	20736	21608
Apr-July 13 (P)	433	443	1281	443	1724	821	2388	12682	5302	20372	21193
% Variation Apr-July 14 over Apr-July 13	3.0	-2.0	3.5	5.2	3.9	6.2	-3.6	0.2	8.0	1.8	2.0

Man-made fibre production increased by 3% and filament yarn production decreased by about 2% during the year April- July 2014. Cotton yarn production increased by 4% during April- July 2014. Blended and 100% non-cotton yarn production increased by 5% during the year April- July 2014. Cloth production by mill sector increased by 6% during April- July 2014. Cloth production hosiery sector increased by 8% powerloom production remained at the same level and handloom production decreased by 4% during April- July 2014. The total cloth production during April- July 2014 increased by 2%.

Cotton and Yarn Scenario

Raw Cotton

Cotton arrivals stand at 348.18 lakh bales in the Cotton

Season 2013-14 till May, 2014 as against 342.08 lakh bales during Cotton Season 2012-13. Domestic cotton prices are ruling at 1.10 cent/lb below the International level as against 1.74 cent/lb below the International level during the same period last year. Cotton Corporation of India Ltd. (CCI) has procured 40,813 bales of cotton under Minimum Support Price (MSP) operations and 4,01,875 bales of cotton under

Commercial Operations in the Cotton Season 2013-14 till May, 2014 and has sold 17,985 bales of cotton under MSP operations and 70,572 bales of cotton under Commercial Operations in the Cotton Season 2013-14 till May, 2014.

Yarn price: The percentage change in yarn prices of following categories in May 2014 in comparison to May 2013 is as follows:

Table 5 : Yarn prices

Rs/Kg

Category of Yarn	May 2013	May 2014	Change(%)
Cotton Hank Yarn	227.76	251.03	10.2
Cone Yarn	214.99	212.40	-1.2
Hosiery Yarn	221.25	231.50	4.6
PSF	105.53	108.25	2.6
PFY (126D)	122.43	124.23	1.5
Texturised Yarn	115.64	125.80	8.8
Imported merino/wool	663.95	681.99	2.7

The yarn prices of all categories increased ranging from 1.5% to 10.2%, except the prices of Cone Yarn which showed a decrease of 1.2% during May 2014 in comparison to the prices of May 2013.

Trend in Textiles Production**Table 6: Trend in Textiles Production**

Figures in million

Category	Sub Category	Unit	2012-13	2013-14 (P)	April , 2013	April 2014	Rates of Growth (%)
Fibre	Man-made fibre	Kg	1263	1316	101	110	8.9
Yarn	Filament Yarn	Kg.	1371	1309	110	107	-2.7
	Cotton yarn	Kg.	3583	3936	321	326	1.6
	Blended and 100% non-cotton yarn	Kg.	1285	1380	114	108	-5.3
Cloth Production	Mill sector	Sq. mtr.	2418	2560	205	215	4.9
	Handloom	Sq. mtr.	6952	7116	595	557	-6.4
	Powerloom	Sq. mtr.	38038	37712	2912	3091	6.1
	Hosiery	Sq. mtr.	14541	15931	1326	1272	-4.1
	Total Cloth Production	Sq. mtr.	61949	63319	5038	5135	1.9

In April 2014 Filament Yarn, Blended and 100% non-cotton yarn production and cloth production under Handloom and Hosiery sector have recorded decrease in production by 2.7%, 5.3%, 6.4% & 4.1% respectively. All the other sub-

sectors have shown positive growth ranging from 1.6% to 8.9%. Total cloth production has increased by 1.8% during the period.

Production of cotton in India from 1950-51 onwards

Table7 : Area, production and productivity of cotton in India from 1950 -51 onwards

Year	Area in lakh hectares	Production in lakh bales of 170 kgs	Yield kgs per hectare
1950-51	58.82	34.30	99
1960-61	76.10	60.12	134
1970-71	76.05	56.64	127
1980-81	78.23	78.00	169
1990-91	74.39	117.00	267
2000-01	85.76	140.00	278
2001-02	87.30	158.00	308
2002-03	76.67	136.00	302
2003-04	76.30	179.00	399
2004-05	87.86	243.00	470
2005-06	86.77	241.00	472
2006-07	91.44	280.00	521
2007-08	94.14	307.00	554
2008-09	94.06	290.00	524
2009-10	103.10	305.00	503
2010-11	111.42	339.00	517
2011-12	121.78	353.00	493
2012-13	119.78	365.00	518
2013-14	115.53	375.00	552

Source: Cotton Advisory Board

**Cotton Consumption by Organized Sector Textile Mills (Non-SSI Mills)
and Small Scale Spinning Mills (SSI) Units**

Table8: Consumption of cotton (In lakh bales of 170 kgs each)

Year	Non-SSI mills		SSI mills	
	Avg consumption			
	Cotton consumption	Monthly consumption	Cotton consumption	Monthly consumption
2000-01	149.36	12.45	10.97	0.91
2001-02	147.00	12.25	11.70	0.98
2002-03	142.42	11.87	11.63	0.97
2003-04	150.39	12.53	12.99	1.08
2004-05	163.98	13.67	16.57	1.58
2005-06	180.00	15.00	20.00	1.67
2006-07	194.89	16.24	15.88	1.32
2007-08	195.67	16.31	19.13	1.59
2008-09	190.00	15.83	19.00	1.58
2009-10	207.00	17.25	20.00	1.67
2010-11	221.77	18.48	21.63	1.80
2011-	223.58	18.63	27.19	2.27

E: Estimated

Source: Office of the Textile Commissioner, Mumbai.

Trend in Textile Trade

Cotton Exports in India 1996-97 onwards

Table 9 :Cotton Exports From 1996-97 onwards

Year	Quantity in lakh bales of 170 kgs	Value in Rs/Crores
1996-97	16.82	1655.00
1997-98	3.50	313.62
1998-99	1.01	86.72
1999-00	0.65	52.15
2000-01	0.60	51.43
2001-02	0.50	44.40
2002-03	0.84	66.31
2003-04	12.11	1089.15
2004-05	9.14	657.34
2005-06	47.00	3951.35
2006-07	58.00	5267.08
2007-08	88.50	8365.98
2008-09	35.00	3837.13
2009-10	83.00	10270.21
2010-11	76.50	N.A.
2011-12	129.57	N.A.
2012-13	101.43	

Note: Value figures are estimated

Source: Cotton Advisory Board for Quantity figures

NA: Not applicable **(A):** Anticipated

Table 10: Trend in Textile exports

Item	Rs in Crore			US \$ Million		
	Apr – Mar. 2013	Apr – Mar 2014 (P)	% Growth	Apr – Mar. 2013	Apr – Mar 2014 (P)	% Growth
Textiles Exports	1,80,511.50	2,27,304.68	25.92	33,194.73	37,470.25 [§]	12.88
Handicraft Export	17,970.12	24,837.48	38.22	3,304.90	4,105.24 [#]	24.22
Total Textile Export	1,98,481.63	2,52,142.16	27.04	36,499.63	41,575.49	13.91
Total Exports	16,34,318.84	18,99,730.19	16.24	3,00,400.68	3,13,542.91	4.37
Share of Textile exports in India's Total exports (%)	12.14	13.27		12.15	13.26	

§: Sources: Foreign Trade Statistics of India (Principal Commodities Groups), DGCI&S, Department of Commerce (Internet) P – Provisional

#: Source of export statistics on Handicraft: Export Promotion Council for Handicraft, New Delhi.

As per DGCIS data, Textiles (incl. Handicrafts, Coir & Jute) exports during FY 2013-14 registered a growth of 13.91% in US\$ terms and 27.04% in Rupee terms. Textiles (incl. Handicrafts, Coir & Jute) exports have touched US\$ 41.58 billion 2013-14 as against US\$ 36.50

billion FY 2012-13. In Rupee terms, it is 2,52,142.16 crore in 2013-14 against 1,98,481.63 crore in 2012-13. The share of textiles export in the Indian Exports Basket significantly increased from 12.15% to 13.26% in USD during 2013-14 as against overall Indian export growth of 4.37%.

As per UN Comtrade data, in the Global exports of textiles, India's global ranking has improved in 2013 with India now replacing Germany as the second largest exporter after China.

India's top items of export in Textiles in 2013-14 consisted of Apparel (both knitted and not knitted), Cotton and made ups. While the top countries for export for Apparel and Madeups are USA, UAE, UK and Germany, the top countries for export of cotton are China, Bangladesh, Pakistan and Vietnam.

Table 11: Cotton imports in India - 1996-97 onwards

Year	Quantity in lakh bales of 170 kgs	Value in Rs. Crores
1996-97	0.30	56.42
1997-98	4.13	497.93
1998-99	7.87	772.64
1999-00	22.01	1967.92
2000-01	22.13	2029.18
2001-02	25.26	2150.01

2002-03	17.67	1789.92
2003-04	7.21	880.10
2004-05	12.17	1338.04
2005-06	5.00	695.77
2006-07	5.53	752.29
2007-08	6.38	978.54
2008-09	10.00	1377.80
2009-10	7.00	1195.64
2010-11	2.38	1709.11
2011-12	7.51	1059.20
2012-13	14.59	N.A

Note: Value figures are estimated

Source: Cotton Advisory Board for Quantity figures

NA: Not applicable **(A):** Anticipated

Table 12: Trend in Textile Imports

Item	Rs in Crore			US \$ Million		
	Apr – Mar. 2013	Apr – Mar 2014 (P)	% Growth	Apr – Mar. 2013	Apr – Mar 2014 (P)	% Growth
Textiles Imports	29,140.31	32,051.86	9.99	5,356.60	5,301.22 ^{\$}	-1.03
Total Imports	26,69,161.95	27,17,359.61	1.81	4,90,736.65	4,50,593.36 ^{\$}	-8.18
Share of Textile imports in total imports (%)	1.09	1.18		1.09	1.18	

^{\$}: Source Foreign Trade Statistics of India (Principal Commodities Groups), DGCI&S Department of Commerce (Internet) P – Provisional

As per DGCIS data, textiles imports during FY 2013-14 registered a decline of 1.03% in US\$ terms and a growth of 9.99% in Rupee terms. The share of textiles imports in the Indian imports basket increased from 1.09% to 1.18% in USD during 2013-14 as compared to the corresponding

period of previous year. Our major items of import in Textile consist of Man Made Filament Fibre, Impregnated or coated Textiles for Industrial use, Cotton and Man Made Staple fibre . Our major import partners in respect of the top imports in respect of the above commodities are China, Japan Taiwan, Korea, Thailand, Germany USA.

Export scenario of Indian textiles

Table 13 : Growth in Textile Exports of India

Year	Exports (\$ billion)	Share of Textiles in Total Exports (%)	Growth rate of Exports (%)
2001-02	11.6	24.5	-
2002-03	12.4	23.5	6.90
2003-04	13.5	21.1	8.9
2004-05	14	16.8	3.7
2005-06	17.5	16.9	25.0
2006-07	19.1	15.2	9.1
2007-08	22.2	13.6	16.2
2008-09	21	11.4	-5.2
2009-10	22.4	12.6	6.4
2010-11	27.8	11	24.1
2011-12	33.1	10.8	19.1
2012-13	31.2	10.4	-5.7

Source:Textile Ministry

Current Textiles & Clothing exports trend

The total textile exports during 2012-13 (P) were valued at Rs 172494.71 crore as

against Rs 159570.55 crore during the financial year 2011-12, registering an increase of 8.10 percent in rupee terms. In US dollar terms, the same was valued at US\$31705.53 million (2012-13, P) as against US\$33310.21 million during the corresponding period of financial year 2011-12 registering a decline of 4.82 percent.

Liberalized trading regime and emerging opportunities

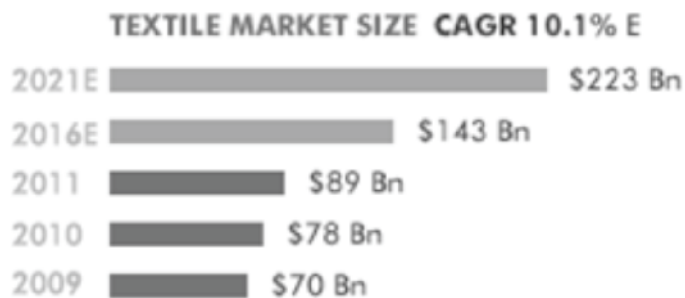
In the liberalized post-quota period, India has emerged as a major sourcing destination for buyers from all over the globe. As a measure of growing interest in the Indian textiles

and clothing sector, a number of reputed houses opened their sourcing / liaison office in India. These include Marks and Spencer, Hagggar Clothing, Kellwood, Little Label, Boules Trading Company, Castle, Alster International, Quest Apparel Inc., etc. Commercially the buoyant retailers across the world are looking for options of increasing their sourcing from the Indian

markets. Indian manufacturers are also pro-actively working towards enhancing their capacities to fulfill this increased demand.

India's textile market size

The size of India's textile market is expected to expand at a CAGR of 10.1 per cent over 2009-21.

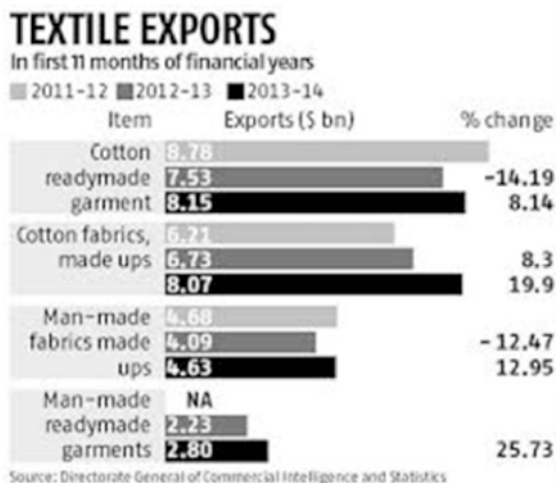


India's textile exports

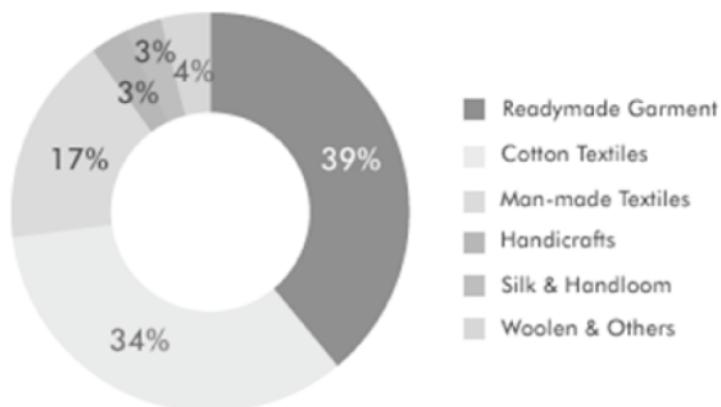
Exports grew to US\$ 33.3 billion in FY12 from US\$ 17.6 billion in FY06, implying a CAGR of 11.2 per cent.



India's textile exports share

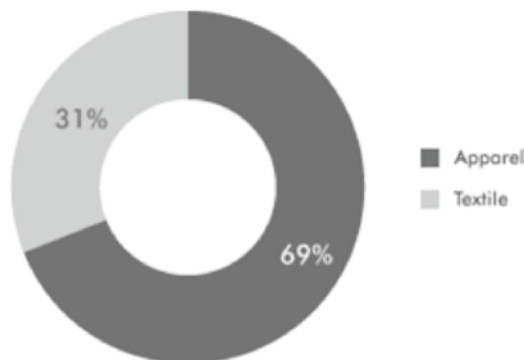


Readymade garments was the largest contributor to total textile and apparel exports from India in FY12P; the segment had a share of 39 per cent.



India's textile and apparel sector

In 2012, apparel had a share of 69 per cent of the overall market; textiles contributed the remaining 31 per cent.



India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to eight per cent and reach US\$ 80 billion by 2020. The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production increased by 9 per cent during April 2014.

Cotton yarn production increased by 2 per cent during April 2014. Cloth production by mill sector and powerloom sector increased by 5 per cent and 6 per cent respectively during April 2014. Total cloth production increased by about 2 per cent during the same month.

Further, the Government of India plans to launch US\$ 44.21 million missions for promotion of technical textiles, while the Ministry of Finance has cleared setting up of four new research centre's for the industry, which include products such as mosquito and fishing nets, shoe laces and medical gloves.

The global technical industry is estimated at US\$ 127 billion and its size in India is pegged at US\$ 11 billion.

Milestones of Indian textile industry

i) Exports of textiles and clothing products from India have increased steadily over the last few years, particularly after 2004 when textiles exports quota stood discontinued.

ii) India's Textiles & Clothing (T&C) exports registered a robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion over 2004-05 in value terms there by reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 with T&C exports of US\$19.15 billion recording an increase of 9.28% over the

previous year and reached USD 22.15 billion in 2007-08 denoting an increase of 15.7% but declined by over 5% in

2008-09. Exports of Textiles & Clothing grew from USD 21.22 billion in 2008-09 to USD 22.41 billion in 2009-10 and have touched USD 27.47 billion in 2010-11. In the financial year 2011-12(P), exports of textiles and clothing, has grown by 20.05% over the financial year 2010-11 to touch USD 33.31 billion. Textiles exports in the period 2012-13 are witnessing a

(-) 4.82 percent growth in dollar terms although there is 8.10 percent growth in rupee terms.

iii) During the year 2012-13, Readymade Garments account for almost 39% of the total textiles exports. Apparel and cotton textiles products together contribute nearly 74% of the total textiles exports.

v) India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two-thirds of India's textiles exports. The other major export destinations are China, U.A.E., Sri Lanka, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, Pakistan, Brazil, Hong-Kong, Canada and Egypt etc.

Foreign Direct Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted foreign direct investment (FDI) worth Rs 6,985.86 crore (US\$ 1.15 billion) during April 2000 to June 2014.

Some of the major investments in the Indian textiles industry are as follows:

- Private equity (PE) funds have planned to invest in ethnic wear firms, having observed Mr Kishore Biyani earn a 22-fold return on his investments in ethnic apparel major Biba.
- Kumar Mangalam Birla plans to purchase 16 per

cent stake in cement to garments maker, Century Textiles and Industries.

- Reliance Industries (RIL) has commissioned a polyester filament yarn (PFY) facility at Silvassa, Dadra and Nagar Haveli, giving boost to its position as the world's largest producer of polyester fibre and yarn.
- Arvind Ltd and Japan-based OG Corporation has inaugurated manufacturing facilities of their joint venture (JV)-Arvind OG Nonwovens Pvt Ltd-near Ahmedabad, Gujarat, at an investment of about Rs 50 crore (US\$ 8.26 million).
- Private Equity (PE) firm Everstone plans to invest Rs 100 crore (US\$ 16.53 million) for an undisclosed minority stake in the fashion label of designer Ritu Kumar.

Government Initiatives

The government has taken a lot of initiatives for the welfare and development of the weavers and handloom sector. Under revival, reform and restructuring (RRR) package, financial assistance to the tune of Rs 1,019 crore (US\$ 168.49 million) has been approved and the government has already released Rs 741 crore (US\$ 122.52 million).

Some of initiatives taken by the government to further promote the industry are as under:

- Encouraged by turnaround in the textile exports, the Government of India plans to set up a US\$ 60 billion target for the next financial year, a jump of over 30 per cent from the current financial year. For the current fiscal year, the government has set a target of US\$ 43 billion.
- As per the 12th Five Year Plan, the Integrated Skill

Development Scheme aims to train over 2,675,000 people within the next 5 years (this would cover over 270,000 people during the first two years and the rest during the remaining three years). This scheme would cover all sub-sectors of the textile sector, such as textiles and apparel, handicrafts, handlooms, jute and sericulture.

- The Government of Odisha plans to set up at least two textile parks under the Scheme for Integrated Textile Parks (SITP) of Union government during the 12th Five Year Plan.
- The Government of India plans to set up a Rs 100 crore (US\$ 16.53 million) venture capital fund to provide equity support to start-ups in the textiles sector, in order to encourage innovative ideas in this export intensive sector.
- The Government of India has allotted Rs 700 crore (US\$ 115.74 million) in the 12th Five Year Plan for the development of technical textiles. In 2012-13, the technical textiles industry reached Rs 7.48 trillion (US\$ 123.68 billion) at an annual growth rate of 3.5 per cent.

Road Ahead

The future outlook for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with several international players like Marks & Spencer, Guess and Next having entered Indian market. The organized apparel segment is expected to grow at a compound annual growth rate (CAGR) of more than 13 per cent over a 10-year period.