



Wazir Textile Index

H1 FY 2023

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Wazir Textile Index (WTI) – H1 FY23



List of Companies Included as Part of the Financial Analysis

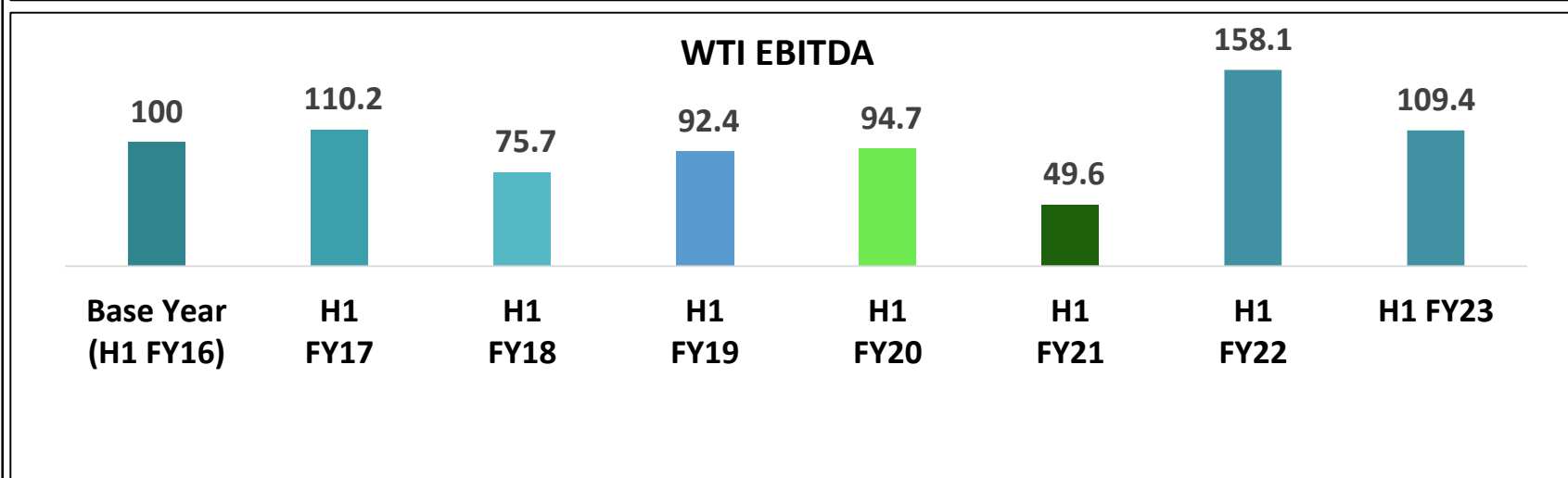
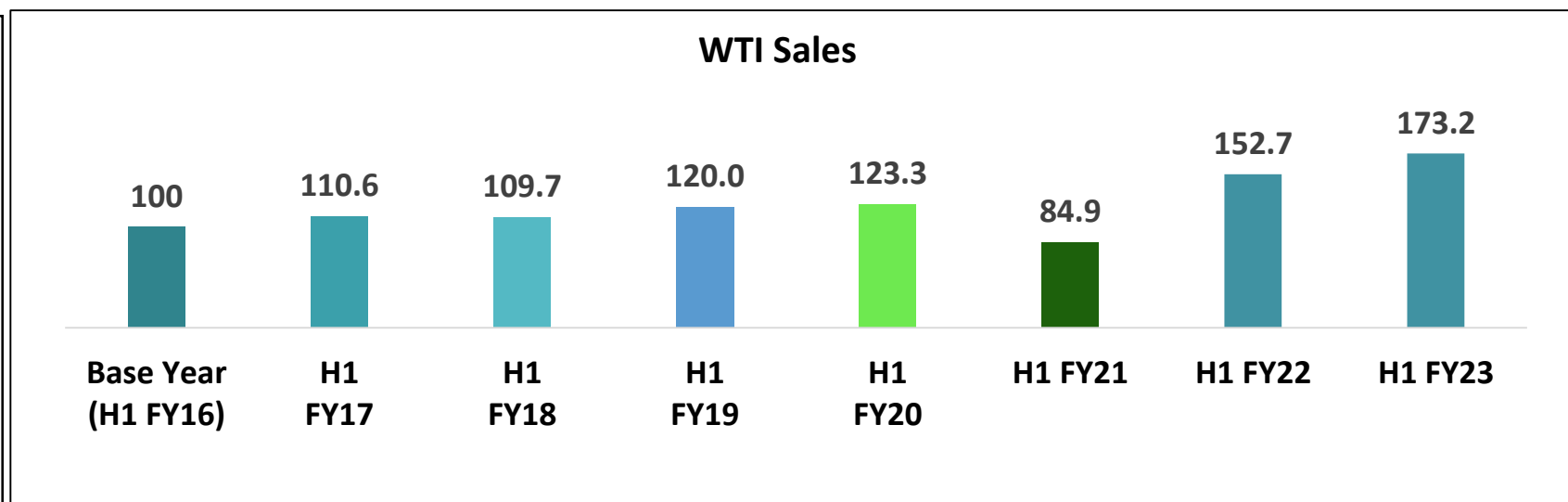
Top listed textile companies in terms of sales turnover in FY22 have been included for financial analysis.

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) – H1 FY23

- H1 FY23 sales index has seen a 14% growth from H1 FY22.
- EBITDA index has taken a sharp fall of 31% from H1 FY22. Increased raw material cost can be held accountable for the same.
- Raw Material Cost has increased by 13% during this period, negatively impacting the EBITDA.



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



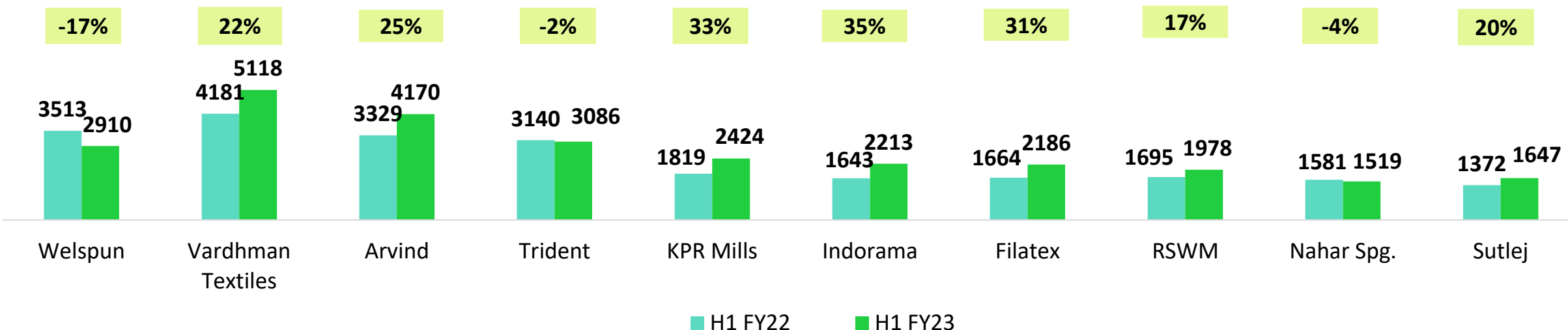
Half Yearly Financial Performance – H1 FY23



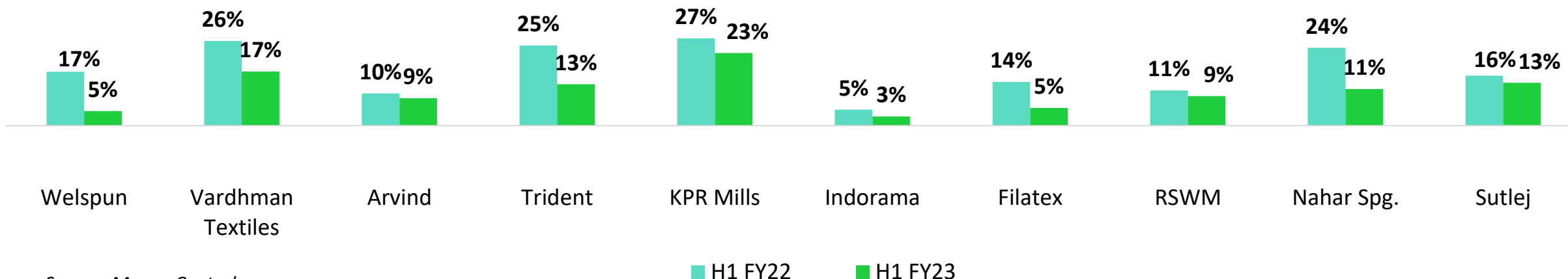
Half yearly Analysis for the Selected Top Players

Half yearly Sales Trend – H1 FY23 (Rs. Crore)

Growth %



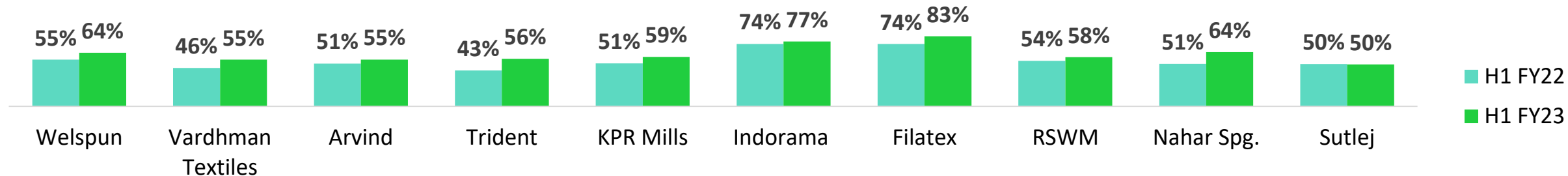
Half yearly EBITDA Margin Trend – H1 FY23



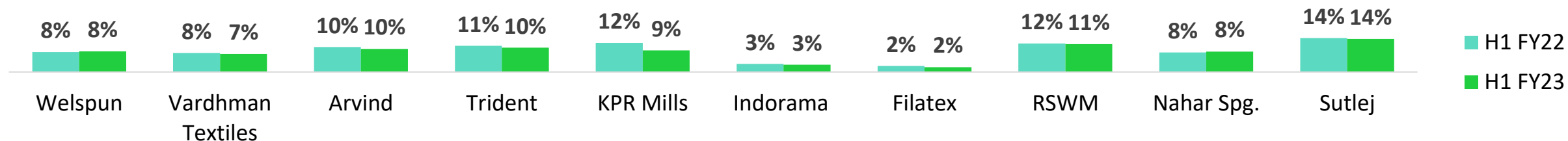
Source: Money Control

Half yearly Analysis - Major Expenses as % of Sales

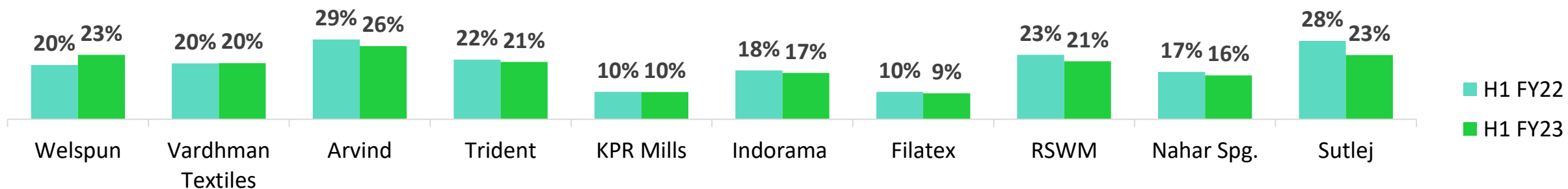
Raw Material Cost - % of Sales



Employee Cost - % of Sales



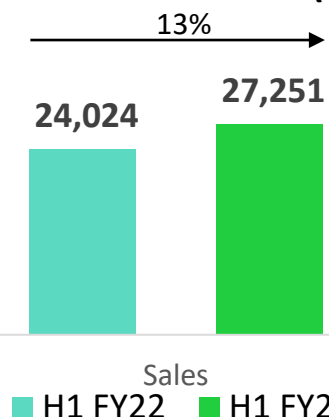
Other Costs - % of Sales



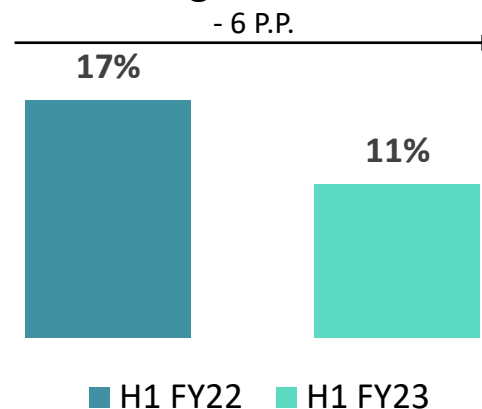
Consolidated Analysis for the Selected Top Players

On consolidated level, sales have grown by 13% in H1 FY23 since H1 FY22.

Consolidated Sales (Rs. Crore)

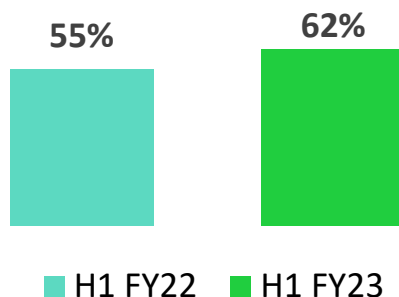


Average EBITDA %



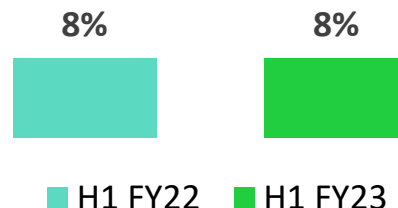
Consolidated EBITDA margin decreased by 6 percentage points for the selected top companies from H1 FY22 to H1FY23.

Average RM Cost - % of Sales



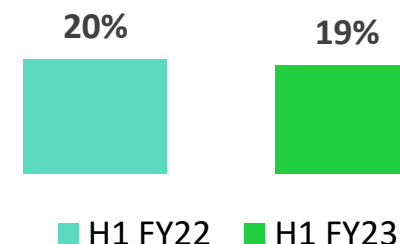
Average RM cost increased by 7 percentage points in H1 FY23 as compared to H1 FY22.

Average Employee Cost - % of Sales



Average employee cost remained same between H1 FY22 and H1 FY23.

Average Other Expenses - % of Sales



Other expenses in H1 FY23 decreased by 1 percentage point in H1 FY23 when compared to H1 FY22.

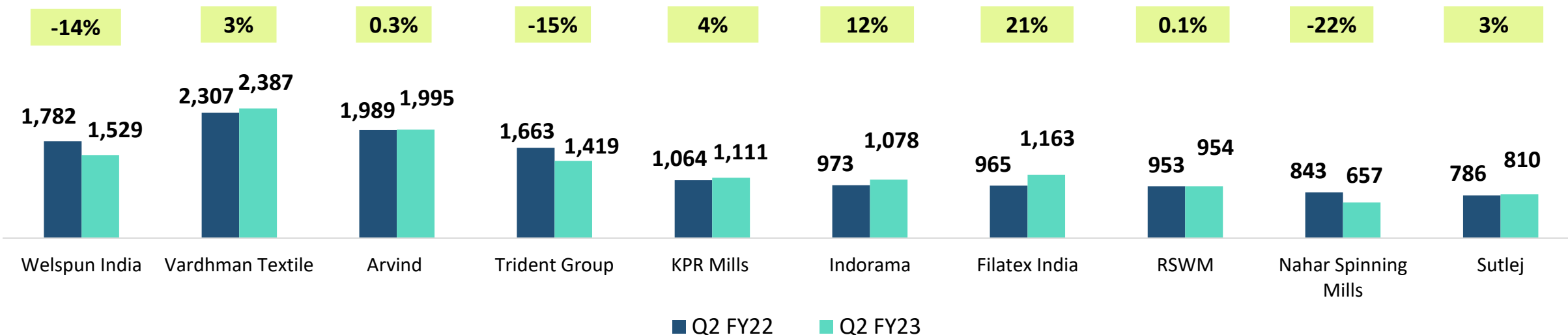


Quarterly Financial Performance – Q2 FY23

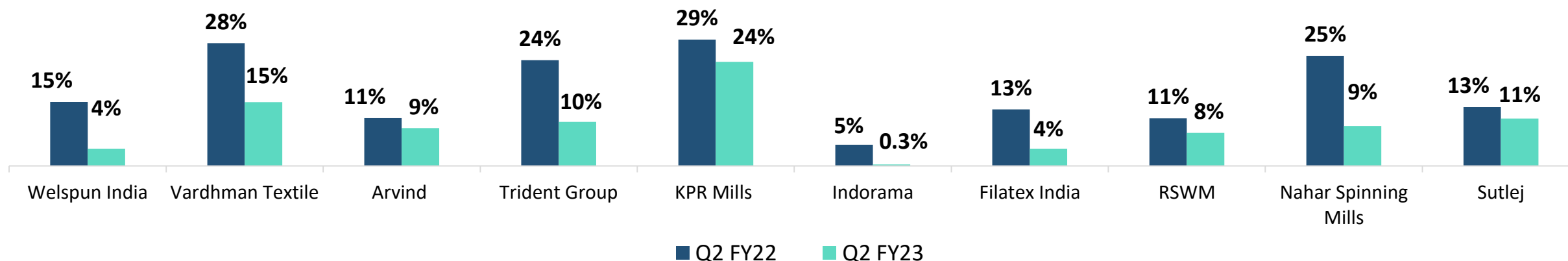


Quarterly analysis for the selected top players

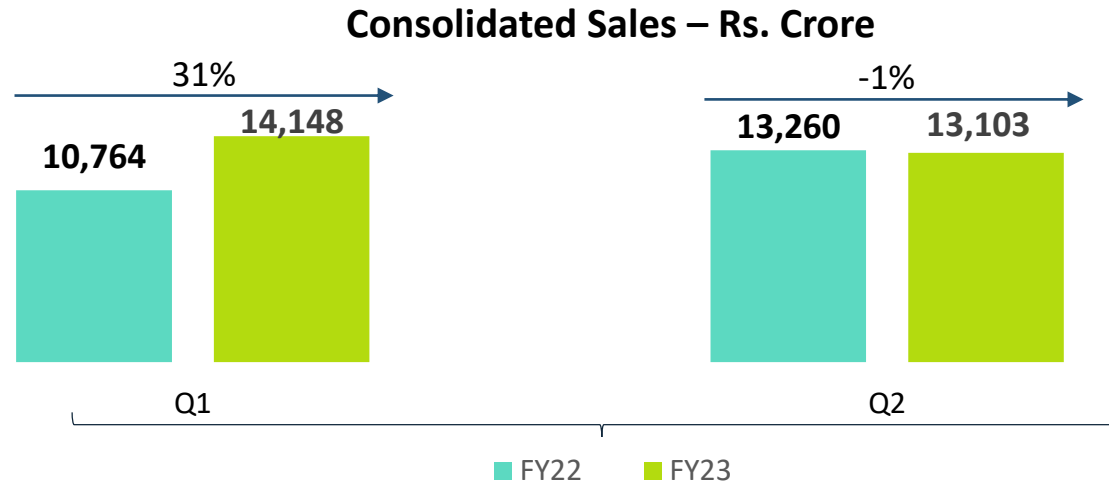
Quarterly Sales* Trend – FY23 (Rs. Crore)



Quarterly EBITDA Margin Trend – FY23

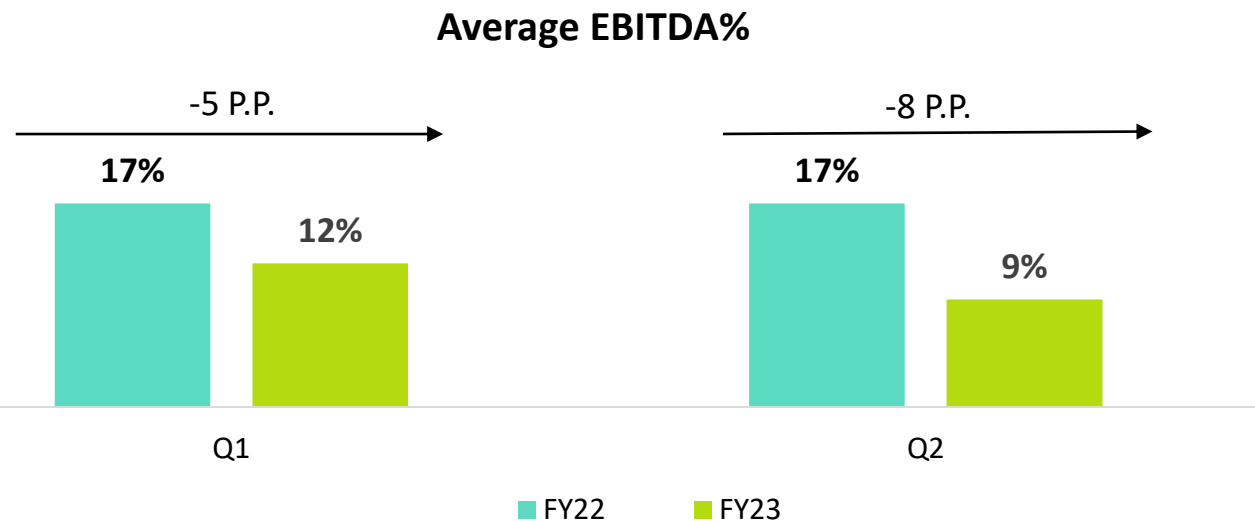


Consolidated sales decreased by 1% in Q2 FY23 when compared with Q2 FY22



Contrary to the 31% sales increase in Q1 FY23, Sales in Q2 have seen a decrease of 1.2% since Q2 FY22.

23%



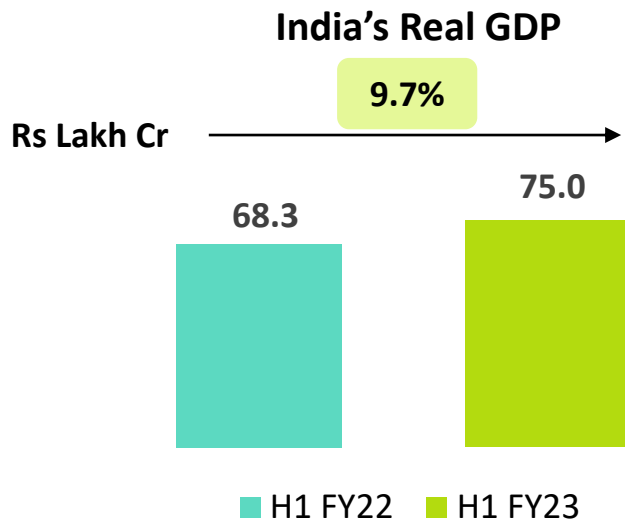
Average EBITDA decreased by 5 P.P. in Q1 FY23 and by 8 P.P. in Q2 FY23 when compared with respective quarters in FY23. EBITDA in Q2 FY23 is 2 P.P. lower than that in Q2 FY22.



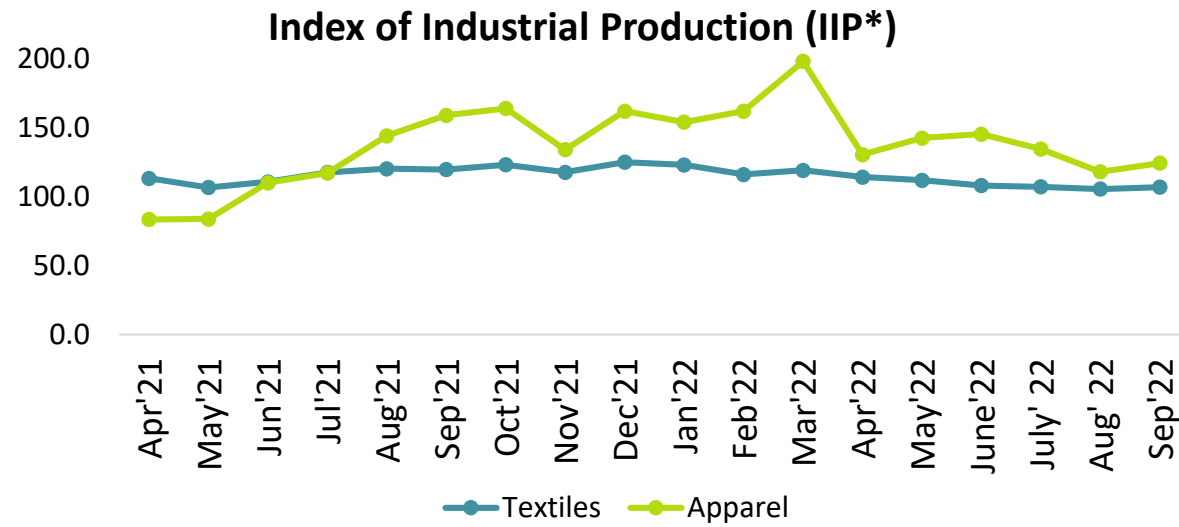
Market Update



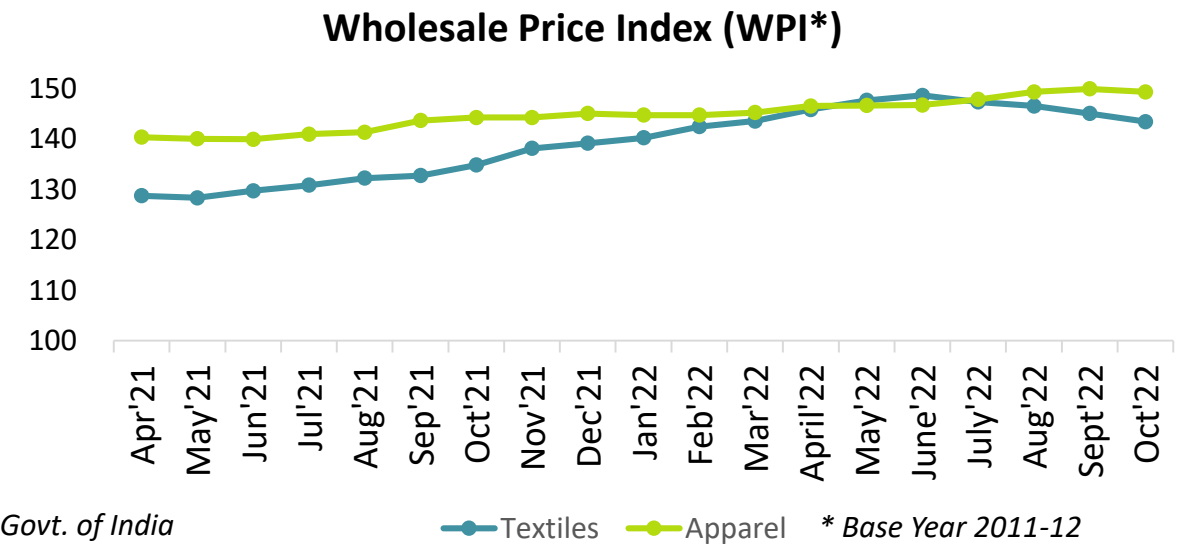
Key Economic Indicators



GDP of India in H1 FY23 has recovered significantly compared to H1 FY22. Growth rate in Q2 FY23 (6.3%) was lower than in Q1 FY23 (13.5%).



Average IIP for textiles in H1 FY23 has declined by 5%, however that for apparel has increased by 14% when compared with the values in H1 FY22.



Average WPI For textiles Increased by 13% and that of apparel increased by 5% when compared to the values in H1 FY22.

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

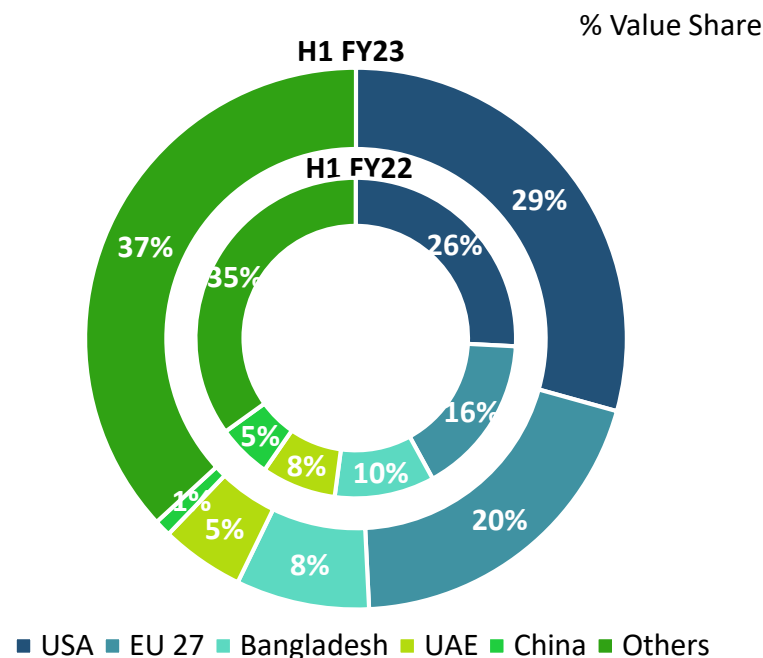
* Base Year 2011-12

India's Overall T&A* Exports

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

Category	Q1 FY22	Q1 FY23	Growth	Q2 FY22	Q2 FY23	Growth	H1 FY22	H1 FY23	Growth
Fibre	1086	582	-46%	689	284	-59%	1775	866	-51%
Filament	375	295	-21%	392	256	-35%	767	551	-28%
Yarn	1398	1093	-22%	1,612	758	-53%	3010	1851	-39%
Fabric	1290	1459	13%	1451	1315	-9%	2741	2774	1%
Apparel	3408	4493	32%	3929	3685	-6%	7337	8178	11%
Home Textile	1610	1634	1%	1918	1470	-23%	3528	3104	-12%
Others	531	611	15%	689	578	-16%	1220	1189	-3%
Total	9700	10167	5%	10680	8346	-22%	20380	18513	-9%

India's Top T&A Markets



- The growth of exports in Q1 FY23 has been 5%, whereas in Q2 FY23 a 22% decline is noticed. The resultant H1 FY23 growth has been negative 9%.
- Apparel witnessed the highest growth rate of 11% followed by fabric, other categories have shown a negative growth. Exports of Fibre decreased the highest by 51% in H1 FY23 when compared to H1 FY22.
- India's exports to USA have increased by 3% and to Europe by 4%, now accounting to approximately 50% of the total T&A Exports of India.

Source: DGCI&S

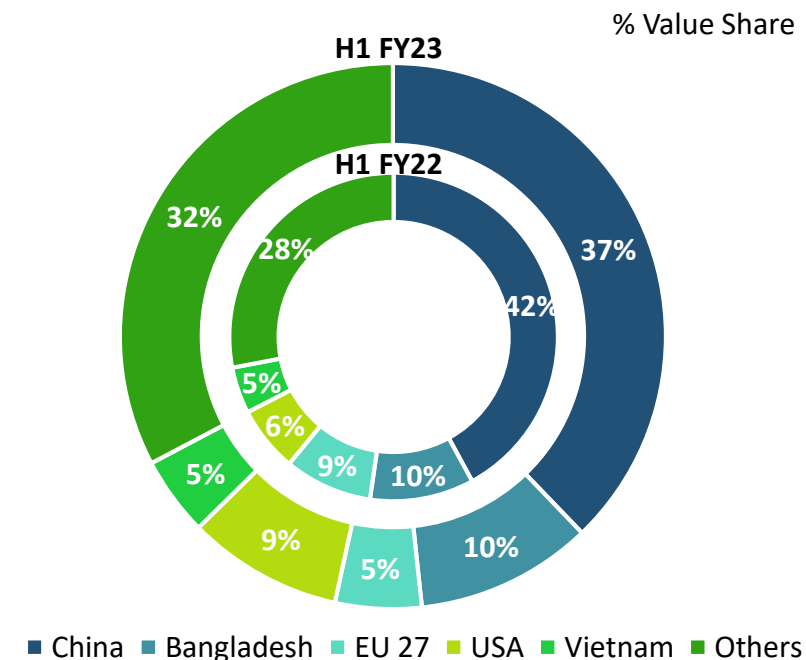
* Textile & Apparel

India's Overall T&A* Imports

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

Category	Q1 FY22	Q1 FY23	Growth	Q2 FY22	Q2 FY23	Growth	H1 FY22	H1 FY23	Growth
Fibre	391	615	57%	353	1204	241%	744	1819	144%
Filament	310	365	18%	267	377	41%	577	742	29%
Yarn	102	226	122%	135	199	47%	237	425	79%
Fabric	509	698	37%	568	726	28%	1077	1424	32%
Apparel	184	338	84%	356	590	66%	540	928	72%
Home Textile	46	68	48%	55	88	60%	101	156	54%
Others	102	241	136%	239	249	4%	341	490	44%
Total	1644	2551	55%	1973	3433	74%	3617	5984	65%

Top T&A Importers to India



- The overall T&A imports in H1 FY23 have increased by 65% from H1 FY22.
- Fibre Imports witnessed the highest growth of 144% since H1 FY22, followed by yarn with growth of 79%.
- China continues to be the largest import partner for India with a share 37% in H1 FY23 which has decreased by 5 percentage points when compared to H1 FY22.

Source: DGCI&S

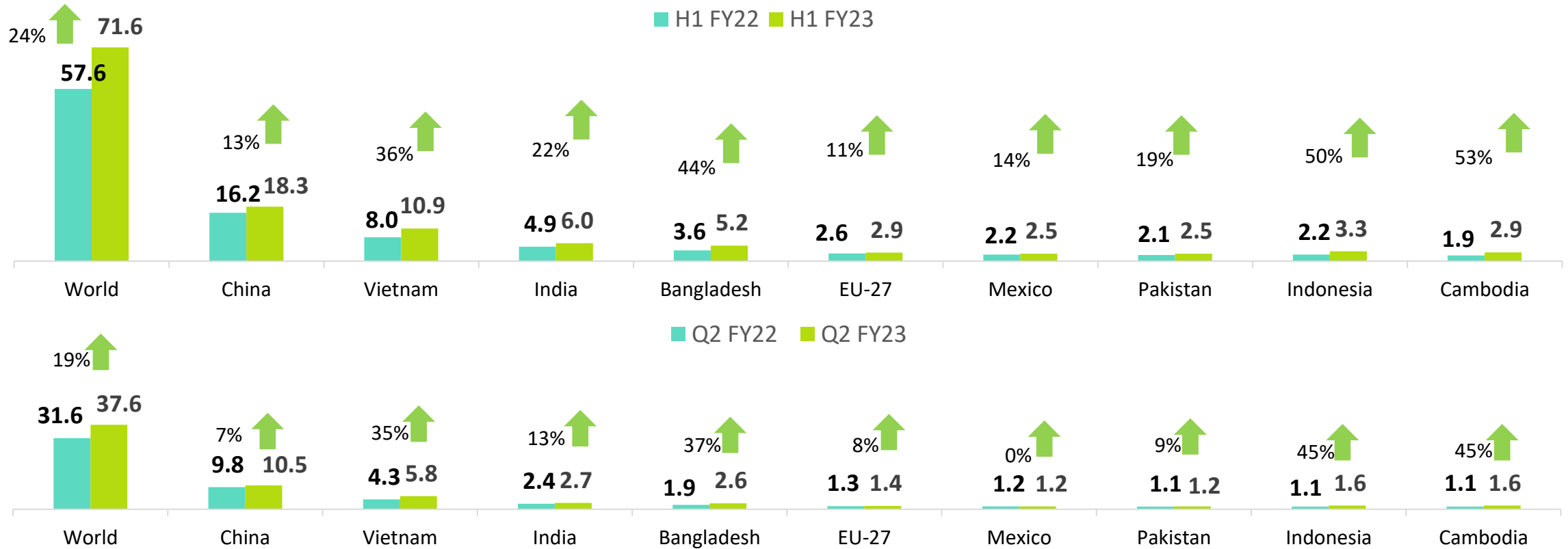
* Textile & Apparel

T&A Imports of USA have Grown Significantly From H1 FY22 to H1 FY23

Values in USD Bn

↑ ↓ Growth rate

Overall Imports and Top Import Countries of USA



- Total US imports increased by 24% in H1 FY23 from H1 FY22, India's exports to USA have grown by 22% in the same period.

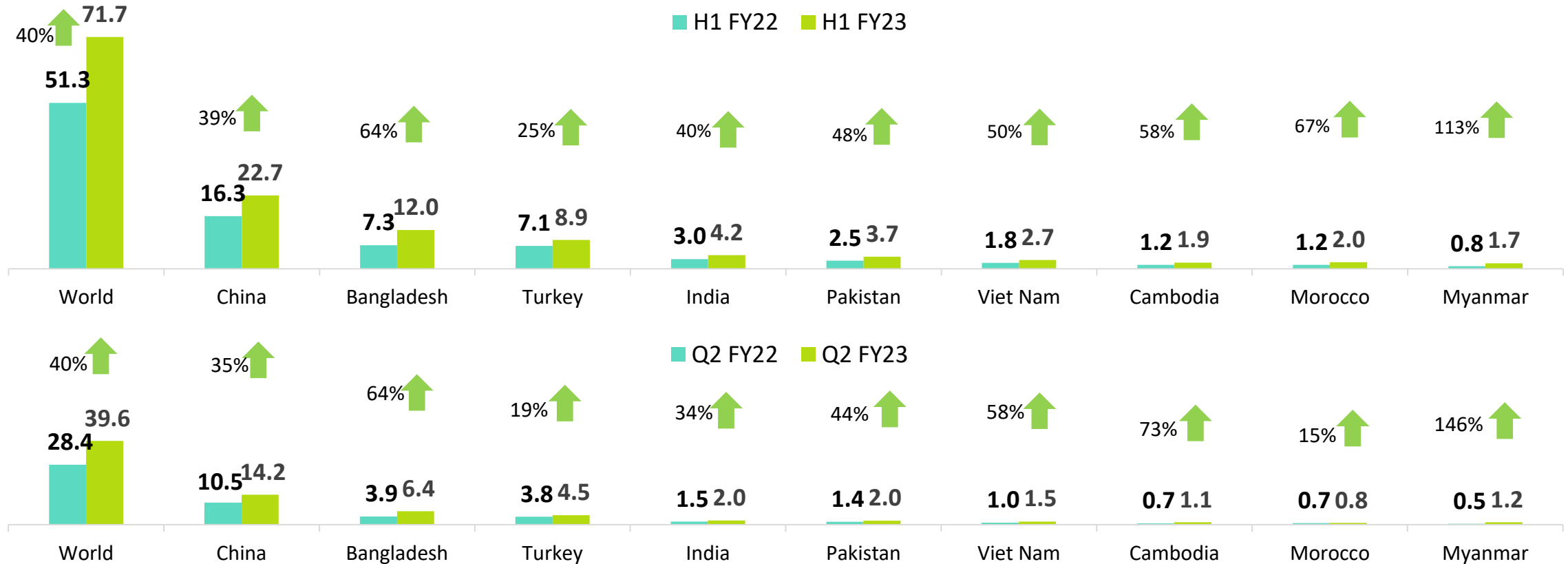
Source: OTEXA

T&A Imports of EU have Grown significantly From H1 FY22 to H1 FY23

Values in Bn Euros

↑ ↓ Growth rate

Overall Imports and Top Import Countries of EU-27



- EU imports from world increased by 40% in H1 FY23 compared to H1 FY22, India's exports to EU have grown by 40% in the same period.

Source: UN Comtrade



Annexure



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
- FY19 – April 2018 to March 2019
- FY20– April 2019 to March 2020
- GDP – Gross Domestic Product
- Q1 FY20 – April 2019 to June 2019
- Q1 FY21 – April 2019 to June 2019
- Q2 FY20 – July 2019 to September 2019
- Q2 FY21 – July 2019 to September 2019
- H1 FY20 – April 2019 to September 2019
- H1 FY21 – April 2020 to September 2020
- H1 FY22 – April 2021 to September 2021
- H1 FY23 – April 2022 to September 2022
- RM – Raw Material
- T&A – Textile & Apparel
- USA – United States of America
- UK – United Kingdom
- WTI – Wazir Textile Index
- YOY – Year on Year
- YTD – Year till date

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- 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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