Textiles SECTOR PROFILE
AGENDA

- Textile Industry: Global Scenario
- Textile Industry: Indian Scenario
- Textile Industry: Tamil Nadu Scenario
- Investment Opportunities
- Government Support
Textile Industry: Global Scenario

Asia accounts for more than 60% of the Global Textile Market

Consumption >60% - USA, Canada, China, Japan, Europe
Production >60% - China, India, Bangladesh, Vietnam, Vietnam, Indonesia, Turkey, EU
Global Textile and clothing Industry will be driven by the developing economies in the future.

Textile and Clothing Industry have grown consistently with CAGR of 11% in last decade.

It is estimated to cross USD 1000 bn by 2020 with steady growth prospects.

China, India, Bangladesh, Vietnam, Indonesia form the major Production hubs accounting for more than 50% of the Global Production.
India’s Position in Global Trade

Global Exports of Textiles and Apparel, 2002-12

- Textiles and apparels export growth in India has registered stable growth over the past 10 years; 10-year CAGR – 10%, 5-year CAGR – 8%.
- India is in top 10 exporting nations in the sector alone with China, Hong Kong, Germany, Turkey and Bangladesh, etc. It accounts for 3-4% of the global exports.
- Textiles and apparels is a sizable item in the national export basket amounting to 11%.
- 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 Apparel at USD 64.41 billion by the end of March, 2017.

India is set to target a Share of 8% by 2020
Indian Textile Industry

Market Size of Textile and Apparel Industries (in USD Billion)

India’s Market Size is estimated to reach USD 220 Bn by 2020

Installed Capacity (in Million Nos.)

<table>
<thead>
<tr>
<th></th>
<th>World</th>
<th>India</th>
<th>% Share in world</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spindles</td>
<td>220</td>
<td>49</td>
<td>22</td>
<td>2</td>
</tr>
<tr>
<td>Rotors</td>
<td>9</td>
<td>0.8</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Looms</td>
<td>9.7</td>
<td>4.85</td>
<td>50</td>
<td>1</td>
</tr>
</tbody>
</table>

Textiles and Apparel sector constitute ~17.5% of total employment
6.5% contribution to total industrial output
13% share in total Exports from country
4% share in India’s GDP
5.6% share in world market
2nd largest exporter of Textiles and Clothing
2nd Largest producer of Silk

FDI in Textile Sector in India (USD Bn)

May 2010 0.84  May 2011 0.97  May 2012 1.15  May 2013 1.25  May 2014 1.44
### Map of India showing Distribution of Textile & Clothing Industry

#### Major players

<table>
<thead>
<tr>
<th>Major Players</th>
<th>Product</th>
<th>Plant Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welspun India</td>
<td>Home Textiles, bath Robes, Towels</td>
<td>Gujarat</td>
</tr>
<tr>
<td>Vardhaman Group</td>
<td>Yarn, Fabric, Sewing threads, Acrylic fibre</td>
<td>Punjab, Himachal Pradesh, Madhya Pradesh, Tamil Nadu, Gujarat</td>
</tr>
<tr>
<td>Alok Industries</td>
<td>Home textiles, Woven &amp; Knitted apparel fabric, Garments and Polyester Yarn</td>
<td>UT-Dadra &amp; Nagar Haveli, Gujarat, Maharashtra</td>
</tr>
<tr>
<td>Raymond Ltd</td>
<td>Worsted Suiting, tailored Clothing, Denim, shirting, woollen Outerwear</td>
<td>Gujarat, Maharashtra</td>
</tr>
<tr>
<td>Arvind Mills Ltd.</td>
<td>Spinning, weaving, Processing, Garment Production</td>
<td>Gujarat, Maharashtra, Karnataka</td>
</tr>
<tr>
<td>Bombay Dyeing</td>
<td>Bed Linen, Towels, Furnishings, Cotton fabric, Polyester Blends</td>
<td>Maharashtra</td>
</tr>
<tr>
<td>Garden Silk Mills</td>
<td>Dyed &amp; Printed Fabric</td>
<td>Gujarat, Maharashtra</td>
</tr>
<tr>
<td>Mafatlal Industries</td>
<td>Shirting, poplins, Bottom Wear fabrics, Voiles</td>
<td>Gujarat, Maharashtra</td>
</tr>
<tr>
<td>ITC lifestyle</td>
<td>Lifestyle market</td>
<td></td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Fabric, Formal Menswear</td>
<td>Uttar Pradesh, Gujarat, Dafra &amp; Nagar Haveli</td>
</tr>
</tbody>
</table>
Textiles and Apparel sector is traditionally divided into manufacture of textiles and manufacture of wearing apparel.

Manufacture of textiles sub-segment is further divided into spinning, weaving and finishing of textiles and manufacture of other textiles.

Further segmentation is given reproduced on the chart above.
India’s Cost Competitiveness: Total Cost* per kg/meter in USD

*Total Cost includes: Raw Material, Waste, Labor, Power, Auxiliary material, & Capital cost
Policy support and tax benefits have been one of the key growth drivers...

| National Textile Policy - 2000 | The policy was introduced for the overall development of textile industry  
| Technology Upgradation Fund Scheme (TUF) | TUF infused an investment of more than USD 43 billion until June 2010; another USD 2.9 billion has been allocated in the 12th Five Year Plan  
| Delicensing | Investment was made to promote modernisation and upgradation of the textile industry by providing credit at reduced rates  
| Infrastructure Support | Budget provides USD 0.5 billion over 2013–14 for modernisation of the power loom sector  
| Tax Sops and Financial Package | FDI of up to 100% is allowed in the textile sector through the automatic route  
|  | Scheme for Integrated Textiles Parks (SITP) was set up in 2005 to provide necessary infrastructure to new textile units; under SITP, 40 projects (worth USD 900 million) have been sanctioned  
|  | Allocation of USD 10.4 million for apparel parks under SITP  
|  | A new Integrated Processing Development Scheme in the 12th Plan with an outlay of USD 1041.5 million to address environmental concerns of the industry  
|  | Development of Mega Clusters schemes to address various issues like Infrastructure, Technology  
|  | Zero excise duty for the cotton and man-made sector at yarn, fabric and garment stages  
|  | Reduction in duty for imported textile machinery and parts (to 5.0 per cent from 7.5 per cent)  
|  | Exemption on excise duty for hand-made carpets and textile floor  

Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements.
**Textile Industry in Tamil Nadu: Facts and Figures**

- Tamil Nadu houses more than 40% of total installed capacity of Spinning industry in India.
- Tirupur (Coimbatore District) is the biggest Knitting Cluster (90% exports of Knitwear from India) in the Country, located in Tamil Nadu.
- 35-40% contribution to total Yarn Production in India in last 5 years.
- There are 2614 Hand Processing Units (25% of total units in India) and 985 Power Processing units (40% of total units in India) in Tamil Nadu.

**Installed capacity as % of total capacity in India**

- Composite weaving
- Looms
- Knitting machines
- Rotors
- Spindles

- 20% contribution to India’s total Export of Readymade Garments.
- 58% of total textile Mills in India are present in Tamil Nadu (inclusive of SSI).
- Textile Industry in Tamil Nadu accounts for ~17% of Total Invested Capital in all the industries.
- Constitutes 28% of total employment in India’s textile and Apparel sector.
- Textile and apparel sector together provide employment to 35% of population in the State.
Textile Industry Ecosystem In Tamil Nadu: Presence Across Value Chain

- **Natural fibres**
  - Cotton, wool, silk, etc.
  - Yarn (ginning, spinning)
  - Fabric (weaving, knitting, finishing)

- **Synthetic fibres**
  - Oil, natural gas
  - Petrochemicals
  - Synthetic fibres

**Raw material networks**

**Component production networks**

**Textile companies**

**Apparel manufacturers**

**Retail outlets**

- Garment factories
  - Designing
  - Cutting
  - Sewing
  - Buttonholing
  - Ironing

- Brand-named apparel companies
- Overseas buying offices
- Trading companies
- Export networks
- Marketing networks

- Department stores
- Specialty stores
- Mass merchandise chains
- Discount chains
- Off-price, factory outlet, mail order, others

**Presence in Tamil Nadu**

- ✔️

- ✔️

- ✔️

- ✔️
Key Textile Players across Categories present in Tamil Nadu

PRODUCTS

- Yarn,
- knitwear,
- Fancy yarn,
- Polyester,
- Cotton fabrics
Tirupur is known as the Knitting City of India. It houses more than 6000 Textile units which predominantly consists of Knitting and Garments. Tirupur currently undertakes exports of over USD 3 Billion (90% of India’s Knitwear Exports). European countries are the major importers of Tirupur Textile Products (majorly Knitted variety). In order to strengthen and promote the Textile Industry, a number of initiatives have been undertaken by TEA (Tirupur Exporters Association):

- Tirupur Exports Knitwear Industrial Complex
- Inland Container Depot
- TEAKTEX: Garments Processing & Production Complex
- NIFT-TEA Knitwear Fashion Institute
- Nethaji Apparel park
- TEA-St John Logistics
- TEA-E-Readiness Center: Jointly with Microsoft
- India Knit fair

Exports from Tirupur (INR Crore)

Type of Units in Tirupur (100% = 6250)

Global Companies sourcing from Tirupur:

- Nike
- Adidas
- Gap
- Tommy Hilfiger
- Katzenberg
- Van Heusen
- Fila
- Arrow
- Walmart
- Sears
- Mother Care
- H&M
**Other Key Textile Clusters**

**Chennai & Coimbatore**

### Coimbatore
- Coimbatore cluster has around 919 spinning units which is more than 40% of total units in Tamil Nadu.
- Total Yarn production in Coimbatore is around 387 Million kgs which is 25% of Tamil Nadu’s Production.
- Textile Research Institutes like CICR (Central institute for Cotton research), SITRA (South Indian Textiles Research Association), Sardar Vallabhai Patel International School of Textiles and Management.
- Coimbatore City also houses two of the Centers Of Excellences (COE) for technical textiles proposed by Government of India, namely Meditech, a medical textile research centre based at SITRA, and InduTech based in PSG College of Engineering and Technology.

### Chennai
- Chennai is also a Predominant Cluster for Readymade Garments with exports worth USD 1.2 Billion.
- Chennai is also a center for Technical textile Industry with players present across categories like Agrotech, Buildtech, Clothtech, Indutech, Packtech.
Technical Textile Industry in Tamil Nadu

- Technical textile units are pre-dominantly situated in and around Chennai and Coimbatore.
- There are as many as 75 small-scale units manufacturing mosquito nets in Karur, Tamil Nadu itself producing around 170-180 MT of mosquito nets per annum (per unit).
- Ropes, Cordages, Silk, Coir products are manufactured in Tamil Nadu.
- The Centers Of Excellences (COE) for technical textiles proposed by Government of India, namely Meditech, a medical textile research centre based at SITRA, and InduTech based in PSG College of Engineering and Technology are based out in Coimbatore - Textile hub of Tamil Nadu.

<table>
<thead>
<tr>
<th>Sub Sector</th>
<th>Units</th>
<th>Legend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agrotech</td>
<td>16%</td>
<td><img src="#" alt="Orange" /></td>
</tr>
<tr>
<td>Buildtech</td>
<td>12%</td>
<td><img src="#" alt="Yellow" /></td>
</tr>
<tr>
<td>Indutech</td>
<td>21%</td>
<td><img src="#" alt="Green" /></td>
</tr>
<tr>
<td>Meditech</td>
<td>12%</td>
<td><img src="#" alt="Red" /></td>
</tr>
</tbody>
</table>

Key Players:
- Agrotech: As Wan Fishnet, Chidambaram, Evergreen, Rays
- Meditech: Glo Zife, G.R Pharma, KOB, TTK, Prescot
- Protech: BKS, Safety Knits, Southern Group
- Hometech: Hometech
- Clothtech: Sri Venkataram, Shri Shubham enterprises, V.S Tapas, Shakti Vinayasga
- Buildtech: Bharat Textiles, Hindustan canvas, J.K. Tarapaulins, Maoras Canvas, Orient Canvas
- Indutech: Blonded Textile, Bharath rubber, Elgi Ultra, Masterlai, Natural canvas,
- Packtech: Am Multi, Aumm, Salem Polypacks, Sree Minakshi, Soluthen Bags, Tulsyan, PR and PR Nonwovens
- Sportech: Esbee
The Handloom industry in Tamil Nadu, with its long tradition of excellence in craftsmanship, occupies a place of eminence in preserving the State’s heritage and plays an important role in the economy of the state.

Tamil Nadu has the pride for its unique handloom woven products like silk sarees, cotton sarees, furnishing materials, dhoties, lungies and towels.

As per the latest census, there are 1.49 lakh handlooms in Tamil Nadu and the sector provides employment to 3.19 lakh weavers and allied workers.

<table>
<thead>
<tr>
<th>Product</th>
<th>Presence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silk</td>
<td>Kancheepuram, Kumbakonam, Salem and Arni</td>
</tr>
<tr>
<td>Home Furnishing</td>
<td>Erode, Tiruppur, Karur</td>
</tr>
<tr>
<td>Sarees and Dhoti</td>
<td>Virudhunagar, Tirunelveli, Nagercoil</td>
</tr>
<tr>
<td>Cotton Sarees</td>
<td>Coimbatore, Madurai, Paramakudi</td>
</tr>
</tbody>
</table>
The powerloom sector in Tamil Nadu plays a pivotal role in meeting the clothing requirements of the people.

The powerloom sector in Tamil Nadu is next only to Maharashtra in terms of number of powerlooms.

This sector provides employment to around 1.012 Million workers.

As against 2.34 Million powerlooms in India, 0.405 Million powerlooms and 20000 shuttle less auto-looms are located.

The powerlooms are largely located in Namakkal, Erode, Salem, Coimbatore, Vellore, Madurai, Karur, Tiruppur, Tiruvallur, Tirunelveli and Virudhunagar districts of the state.
13000 hosiery units are present in Tamil Nadu with a majority located in the Tiruppur cluster.

The sector has attained a self-reliant position in the value chain.

The processing is the most important link in the value chain as it determines the value add and the quality.

There are about 2300 processing mills in India.

There are about 27000 manufacturers, 48000 contractors and 1000 manufacturer-exporters.
Tamil Nadu – List of all upcoming projects in Textile & Apparel

T&A SECTOR PROJECTS IN Tamil Nadu – ANNOUNCED AND UNDER IMPLEMENTATION

<table>
<thead>
<tr>
<th>Project менеджер+</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel park for Exports Scheme</td>
<td></td>
</tr>
<tr>
<td>Netaji Apparel park</td>
<td>Tirupur</td>
</tr>
<tr>
<td>Irunkattukottai Apparel park</td>
<td>Kancheepuram</td>
</tr>
<tr>
<td>Textile Centre Infrastructure Development Scheme</td>
<td></td>
</tr>
<tr>
<td>Textile Centre Infrastructure Development Scheme</td>
<td>Kancheepuram</td>
</tr>
<tr>
<td>Wind power project for TEKIC</td>
<td>Tirupur</td>
</tr>
<tr>
<td>Cauvery Hi-Tech Weaving park</td>
<td>Namakkal</td>
</tr>
<tr>
<td>Scheme for Integrated Textile Parks</td>
<td></td>
</tr>
<tr>
<td>Palladam Hi Tech weaving park, Palladam</td>
<td>Tiruppur</td>
</tr>
<tr>
<td>The Great Indian Linen &amp; Textile Infrastructure Company</td>
<td>Perundurai</td>
</tr>
<tr>
<td>Komarapalayam Hi-Tech weaving park, Komarapalayam</td>
<td>Namakkal</td>
</tr>
<tr>
<td>SIMA Processing textile park</td>
<td>Cuddalore</td>
</tr>
<tr>
<td>Karur integrated textile park</td>
<td>Karur</td>
</tr>
<tr>
<td>Madurai integrated textile park, Vadipatti</td>
<td>Madurai</td>
</tr>
<tr>
<td>Vaigai Hi-Tech weaving park, Andipatti</td>
<td>Theni</td>
</tr>
<tr>
<td>Kancheepuram Periarignar Anna silk park</td>
<td>Kancheepuram</td>
</tr>
<tr>
<td>Pallavada technical textile park</td>
<td>Erode</td>
</tr>
<tr>
<td>S. L. S Textile park, Bagalur</td>
<td>Krishnagiri</td>
</tr>
</tbody>
</table>
## Opportunities in Textile and Clothing Sector

### Yarns and fibres

- **Agrotech**
  - Agro shading net, packing net for agro products

- **Buildtech**
  - Scaffolding net

- **Clothtech**
  - Narrow width fabric as fashion accessories like belt

### Apparels

- **Geotech**
  - Woven & non-woven geotextiles

- **Hometech**
  - High quality upholstery fabric, narrow width fabric for furniture application, wipes for house hold use, fiber foam & wadding, fiberfill products

- **Indutech**
  - Glass fiber battery separator, fusing belts, high mesh filters. Industry felt, woolen felt, fire resistant fabric, slings for bulk handling

### Technical textiles

- **Meditech**
  - Nonwoven disposables like apron, mask, caps, draper etc

- **Mobiltech**
  - Interior carpets & NVH components

- **Oekotech**
  - PP nonwoven liners for land fill sites of MSW

### Infrastructure development (textile and apparel parks)

- **Packtech**
  - Jumbo bags, FIBC, coated fabric for soft luggage

- **Protech**
  - Fire retardant clothes

- **Readymade garments**

- **Technical textiles**

- **Indutech**

- **Meditech**

- **Mobiltech**

- **Oekotech**

- **Packtech**
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