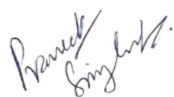


Textiles and fabrics industry report

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1 Overview of global and Indian macroeconomics

1.1 India's GDP is projected to grow at an average rate of approximately 6.5% between Calendar Year 2025 and Calendar Year 2030P, significantly outpacing the global average of 3.1%

India's real GDP grew by 6.6% in Calendar Year 2025 and is projected to expand at a CAGR of 6.4% over Calendar Year 2025-2030P, compared with global growth of 3.2% in Calendar Year 2025 and an average of 3.1% over the forecast period. Global growth remained moderate in Calendar Year 2025 amid higher interest rates, tighter financial conditions, and geopolitical tensions. Within the comparison set, China and Africa are also expected to post relatively higher growth, while the USA, UK, Japan, and Germany are projected to grow at comparatively lower rates. The projected trend reflects the combined effect of domestic consumption, infrastructure spending, a rising working-age population, and expanding middle-class incomes.

Fig 1: Real GDP growth – India, China, UAE, Africa, USA, World
(Y-o-Y growth %, CY20-30P)

Top economies	 World	 USA	 China	 Germany	 India	 Japan	 UK	 Africa
CY20	-2.7%	-2.1%	2.3%	-4.1%	-5.8%	-4.2%	-10.3%	-2.3%
CY21	6.6%	6.2%	8.6%	3.9%	9.7%	2.7%	8.6%	4.1%
CY22	3.8%	2.5%	3.1%	1.8%	7.6%	1.0%	4.8%	4.5%
CY23	3.5%	2.9%	5.4%	-0.9%	9.2%	1.2%	0.4%	3.4%
CY24	3.3%	2.8%	5.0%	-0.5%	6.5%	0.1%	1.1%	3.4%
CY25	3.2%	2.0%	4.8%	0.2%	6.6%	1.1%	1.1%	4.2%
CY26E	3.1%	2.1%	4.2%	0.9%	6.2%	0.6%	1.4%	4.3%
CY27P	3.2%	2.1%	4.2%	1.5%	6.4%	0.6%	1.5%	4.4%
CY28P	3.2%	2.1%	4.0%	1.2%	6.5%	0.6%	1.5%	4.4%
CY29P	3.2%	1.9%	3.7%	1.0%	6.5%	0.5%	1.4%	4.5%
CY30P	3.1%	1.8%	3.4%	0.7%	6.5%	0.5%	1.4%	4.5%

Source(s): International Monetary Fund, 1Lattice analysis

1.1.1 India's per capita income is expected to grow at a CAGR of 9.0% between Calendar Year 2025 and Calendar Year 2030P, outpacing major economies like China and the USA

India's GDP per capita has shown steady growth between Calendar Year 2020 and Calendar Year 2025, increasing from US\$ 1,907.0 in Calendar Year 2020 to US\$ 2,818.0 in Calendar Year 2025, supported by expanding manufacturing activity, improving agricultural output, and sustained government spending. India's per capita income is projected to reach US\$ 4,346.8 by Calendar Year 2030P, growing at a CAGR of 8.1% during Calendar Year 2020 to Calendar Year 2025 and 9.0% during Calendar Year 2025-2030P. Compared with other major economies, India is expected to witness one of the fastest growth rates in per capita income, ahead of China (5-6%), the UAE (approximately 5%), the USA (approximately 3%), and Africa (4-5%) over the forecast period.

Fig 2: Global GDP per capita – World, USA, China, Germany, India, Japan, UK, Africa
(US\$, CY20-30P)

Top economies		CY20	CY25	CY30P	CAGR CY20-25	CAGR CY25-30P
World		11,163.1	14,613.2	17,860.2	5.5%	4.1%
USA		64,518.1	89,598.9	1,05,498.6	6.8%	3.3%
China		10,695.5	13,806.0	18,984.7	5.2%	6.6%
Germany		47,953.7	59,925.3	71,683.5	4.6%	3.6%
India		1,907.0	2,818.0	4,345.8	8.1%	9.1%
Japan		40,159.9	34,713.2	42,701.9	-2.9%	4.2%
UK		40,230.5	56,660.9	72,339.7	7.1%	5.0%
Africa		2,036.6	2,075.0	2,599.1	0.4%	4.6%

Source(s): International Monetary Fund, 1Lattice analysis

1.1.2 Global inflation is expected to fall to 3.2% by Calendar Year 2030P, while India's inflation rate is projected to stabilise at 4.0% during Calendar Year 2026 to Calendar Year 2030P

Global inflation moderated to 4.2% in Calendar Year 2025 from 5.8% in Calendar Year 2024, following a volatile period driven by supply chain disruptions, elevated energy prices, and geopolitical tensions including Russia-Ukraine war and the Middle Eastern conflicts, notably the Israel-Gaza conflict and Red Sea disruptions. In India, inflation remained relatively contained compared to many other economies, declining from 5.4% in Calendar Year 2023 to 2.8% in Calendar Year 2025. India's annual average All-India General CPI index (Base 2012 = 100) increased from 153.5 in Calendar Year 2020 to 190.9 in Calendar Year 2024 and further to 195.1 in Calendar Year 2025, indicating a sustained rise in the overall consumer price level over the period. It is expected to stabilise at 4.0% during Calendar Year 2026E to Calendar Year 2030P, aligning with the Reserve Bank of India's target band, although it remains influenced by global commodity price movements.

Fig 3: Inflation rate, avg. consumer prices – World, USA, China, Germany, India, Japan, UK, Africa
(Y-o-Y growth %, CY20-30P)

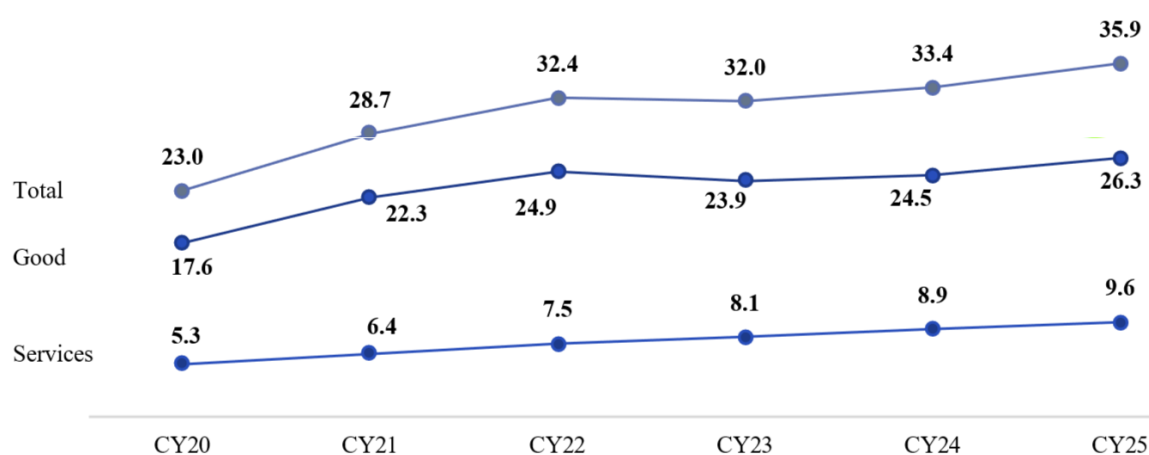
Top economies								
	World	USA	China	Germany	India	Japan	UK	Africa
CY20	3.3%	1.3%	2.5%	0.4%	6.2%	0.0%	0.9%	11.9%
CY21	4.7%	4.7%	0.9%	3.2%	5.5%	-0.2%	2.6%	12.8%
CY22	8.7%	8.0%	2.0%	8.7%	6.7%	2.5%	9.1%	14.9%
CY23	6.7%	4.1%	0.2%	6.0%	5.4%	3.3%	7.3%	19.4%
CY24	5.8%	3.0%	0.2%	2.5%	4.6%	2.7%	2.5%	21.3%
CY25	4.2%	2.7%	0.0%	2.1%	2.8%	3.3%	3.4%	13.6%
CY26E	3.7%	2.4%	0.7%	1.8%	4.0%	2.1%	2.5%	10.4%
CY27P	3.4%	2.2%	1.4%	2.0%	4.0%	2.0%	2.0%	8.6%
CY28P	3.3%	2.2%	1.8%	2.1%	4.0%	2.0%	2.0%	7.4%
CY29P	3.2%	2.2%	1.9%	2.2%	4.0%	2.0%	2.0%	6.5%
CY30P	3.2%	2.2%	2.0%	2.2%	4.0%	2.0%	2.0%	6.0%

Source(s): International Monetary Fund, 1Lattice analysis

1.1.3 Global trade reached US\$ 35.9 trillion in Calendar Year 2025, driven by a resilient recovery in goods and services, following the pandemic related disruption and the Middle Eastern crisis

Global trade has shown a strong recovery between Calendar Year 2020 and Calendar Year 2025, from US\$ 23.0 trillion in Calendar Year 2020 to US\$ 28.7 trillion in Calendar Year 2021, and further expansion to US\$ 35.9 trillion in Calendar Year 2025, reflecting a recovery in global demand and the reopening of major economies. However, the Middle East crisis, particularly disruptions in the Red Sea, continues to pose downside risks to goods trade by increasing freight costs and extending transit times, with textile and apparel remaining among the more exposed segments as export movement has been disrupted. Growth has been driven by both goods trade, which increased from US\$ 17.6 trillion to US\$ 26.3 trillion, and services trade, which expanded from US\$ 5.3 trillion to US\$ 9.6 trillion during Calendar Year 2020-2025, indicating continued normalisation of global supply chains and cross-border trade activity.

Fig 4: Global trade – by value
(US\$ Trillion, CY20-25)



Source(s): UNCTAD, 1Lattice analysis

Potential Impact of US Tariffs on the Indian textile and fabrics industry

On July 31, 2025, the United States announced additional tariffs of approximately 25% on most Indian goods. Effective August 27, 2025, this new tariff brought the total duty on Indian products to 50%. In early February 2026, India and the United States announced an interim trade arrangement that reportedly reduced tariffs on several Indian goods. However, on February 20, 2026, the U.S. Supreme Court invalidated the underlying IEEPA-based tariff regime pursuant to which such reductions had been implemented. Following this decision, the United States introduced a new tariff framework under Section 122 of the U.S. Trade Act of 1974, imposing a uniform 10% surcharge on imports from most countries effective February 24, 2026. Accordingly, the earlier tariff rates announced under the interim arrangement are no longer operative, and the effective tariff burden on Indian exports was determined by the applicable product-specific most favoured nation (MFN) duty, together with any additional tariffs imposed under prevailing U.S. trade measures. After international negotiations and changes in United States policy, products from India were subject to U.S. tariffs that vary based on the product, from approximately 20% to 40%.

On June 2, 2026, the Office of the United States Trade Representative (the “USTR”) issued the notice of determinations and proposed responsive actions in the Section 301 investigations of “Acts, Policies, and Practices of Various Economies Related to the Failure to Impose and Effectively Enforce a Prohibition on the Importation of Goods Produced with Forced Labor,” covering 60 economies, including India. The USTR determined that the identified acts, policies, and practices are unreasonable and burden or restrict U.S. commerce and are thus actionable under Section 301(b) of the U.S. Tariff Act of 1930, for all 60 economies subject to the investigations. On July 23, 2026, the USTR announced that it was imposing additional Section 301 tariffs on imports from the affected economies. For India, the additional tariff was set at 10%. With the imposition of this additional 10% tariff, products from India are currently subject to U.S. tariffs that vary based on the product, from approximately 10% to 40%.

On September 18, 2026, the United States enacted legislation authorising tariffs of up to 100% on imports from countries purchasing Russian oil and gas, with India among the major economies potentially affected. The measure adds uncertainty for India’s exports to the United States, although the tariff is not automatically imposed and its implementation remains subject to U.S. policy decisions. It is too early to comment on the exact impact on the export opportunities to the United States for the Indian textile and fabrics manufacturers. In response, the Indian government may also implement administrative or regulatory actions that affect manufacturers’ access to imported raw materials. Any restrictions on sourcing, whether through higher import

costs, supply shortages, or the need to reorganise supply chains, could adversely affect the business, operations, financial performance, and overall resilience of Indian textile and fabric manufacturers.

1.2 Overview of India's economic and demographic landscape

1.2.1 Key drivers of GDP growth in India

India has emerged as one of the fastest-growing major economies, supported by a large domestic market, rising investment, increasing integration with global supply chains and continued structural transformation across sectors. India's nominal GDP is projected to increase from US\$ 3.9 trillion in Calendar Year 2025 to US\$ 6.2 trillion by Calendar Year 2030, reflecting a CAGR of 9.5%.

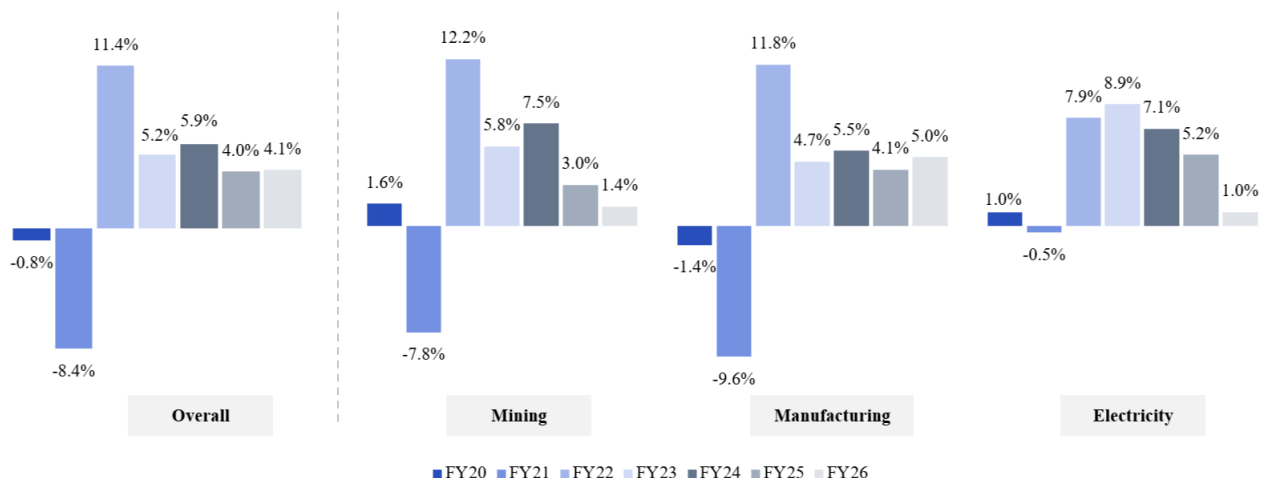
This expansion is expected to be supported by favourable demographic trends, rising consumer spending, sustained infrastructure investments, increasing foreign direct investment, supply-chain diversification and rapid technological advancements.

- **Population growth & expanding middle class:** India's growing population, especially the expanding middle class, is increasing consumer-driven growth. India's middle class is, further, expected to increase from 173 million in Fiscal 2026 to 208 million in Fiscal 2031.
- **Rising consumer spending:** As per the World Economic Forum (WEF), India's private consumption, which accounts for approximately 57% of GDP, continues to grow, projected to exceed approximately ₹ 344 trillion by Calendar Year 2030, driving broader economic expansion.
- **Infrastructure investments:** Government focus on infrastructure, including roads, railways, and urban development, enhances productivity and supports long-term economic growth. In the Fiscal 2027 budget, the government has allocated ₹ 12.2 trillion towards capital expenditure.
- **Foreign Direct Investment (FDI) & 'Make in India':** FDI inflows, supported by initiatives like 'Make in India', boost industrial growth, employment, and exports, strengthening the economy. Since the inception of "Make in India", the nominal GDP of India has increased from ₹ 105 trillion in Fiscal 2014 to ₹ 345 trillion in Fiscal 2026.
- **Technological advancements & digital economy:** Digital transformation, fuelled by internet growth, 5G, and rapid tech adoption, is boosting productivity, efficiency, and market access across sectors from e-commerce and fintech to healthcare, education, manufacturing, and emerging areas like defence, space, thereby driving GDP growth and global competitiveness.
- **China+1 and supply-chain diversification:** The global shift towards diversifying manufacturing and sourcing beyond China is creating opportunities for India to attract investments, expand manufacturing capacity and strengthen its participation in global supply chains. India's large domestic market, growing manufacturing capabilities and government incentives are supporting its position as an alternative production and sourcing destination.

1.2.2 India's Index of Industrial Production (IIP) grew by 4.1% in Fiscal 2025, up from -0.8% in Fiscal 2020

The Index of Industrial Production (IIP) is an index that indicates the performance of various industrial sectors of the Indian economy. The industrial production index tracks how well industries are performing. India's Industrial Production (IIP) growth rate had a strong growth driven by rising domestic demand, import substitution, China + 1 strategy adoption by MNCs and growth in capital goods and infrastructure/construction sectors.

Fig 5: India's IIP growth – Sector-wise
(Y-o-Y growth %, FY20-26)

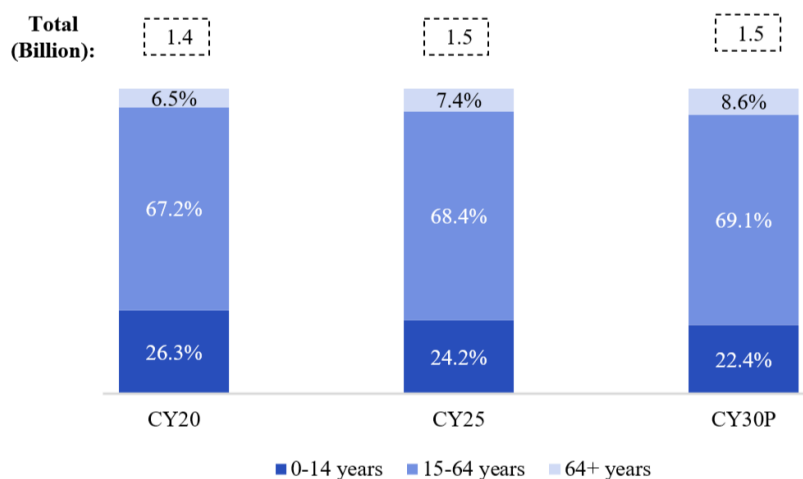


Source(s): Ministry of Statistics and Programme Implementation (MoSPI), 1Lattice analysis

1.2.3 The working-age group remains dominant, making up 68.4% of the population in Calendar Year 2025 and is projected to reach 69.1% by Calendar Year 2030P

India continues to benefit from a favourable demographic profile, with the working-age population (15–64 years) rising from 67.2% in Calendar Year 2020 to 68.4% in Calendar Year 2025 and projected to reach 69.1% by Calendar Year 2030P. Over the same period, the population aged 0–14 is expected to decline from 26.3% to 24.2%, reflecting a gradual demographic transition. This expanding working-age base supports labour availability, productivity, and consumption growth.

Fig 6: Age-wise population breakdown – India
(%, CY20-30P)



Source(s): Population Pyramid, 1Lattice analysis

1.2.4 India's median age is expected to reach 30.8 years by Calendar Year 2030P from 28.8 years in Calendar Year 2025, while countries like China and the USA have higher median ages at 40.1 years and 38.5 years in Calendar Year 2025

India remains one of the youngest major economies, with median age rising from 27.0 years in Calendar Year 2020 to 28.8 years in Calendar Year 2025 and projected to reach 30.8 years by Calendar Year 2030P. In comparison, China and the USA stood at 40.1 years and 38.5 years, respectively, in Calendar Year 2025. India's relatively younger population supports workforce availability, productivity, and long-term consumption growth.

Fig 7: Median age - Top economies
(Years, CY10-30P)

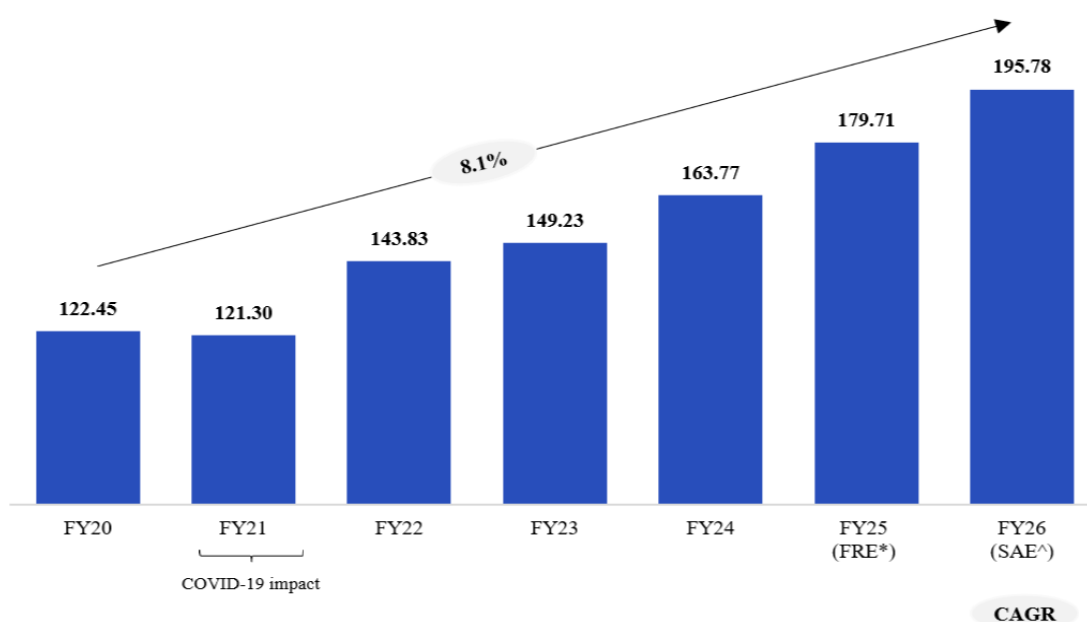
Top economies		CY10	CY15	CY20	CY25	CY30P
India		23.6	25.3	27.0	28.8	30.8
China		34.1	35.7	37.5	40.1	42.9
USA		35.9	36.4	37.2	38.5	39.6
UAE		30.7	30.8	30.9	31.6	31.8
Africa		17.9	18.2	18.6	19.3	20.2
World		27.2	28.3	29.6	30.9	32.0

Source(s): United Nations, 1Lattice analysis

1.2.5 Private Final Consumption Expenditure (PFCE) increased to ₹ 179.71 trillion in Fiscal 2025, up from ₹ 163.77 trillion in Fiscal 2024, indicating a rebound in household spending

Private Final Consumption Expenditure (PFCE) increased to ₹ 179.71 trillion in Fiscal 2025 from ₹ 163.77 trillion in Fiscal 2024, reflecting a rebound in household spending. As a key component of GDP, PFCE captures household expenditure on goods and services and is a key indicator of domestic demand. In Fiscal 2026, PFCE is projected to reach ₹ 195.78 trillion, growing at a CAGR of 8.1% during Fiscal 2020-2026. This sustained expansion in domestic consumption is expected to drive demand for discretionary categories, including lifestyle, fashion, and high-quality textile products.

Fig 8: PFCE at current prices - India
(₹ Trillion, FY20-26)



Note(s): *First Revised Estimates, ^Second Advance Estimates
Source(s): Ministry of Statistics and Programme Implementation,

1.3 Key government initiatives such as Production Linked Incentive, National Technical Textiles Mission, and Make in India, are driving India's transition into a global manufacturing and infrastructure hub

- **Production Linked Incentive (PLI):** The PLI scheme strengthens India's manufacturing base by offering incentives tied to incremental domestic production and sales. Covering 14 strategic sectors, PLI schemes had attracted over ₹ 2.2 trillion in investments as at 31st December 2025, resulting in incremental production and sales of over ₹ 20.4 trillion and generating more than 1.44 million direct and indirect jobs. The textile-focused PLI scheme, with an outlay of ₹ 10,683 Cr, supports Man Made Fibre (MMF) apparel, MMF fabrics, and technical textiles. As at 31st December 2025, 96 approved companies had committed ₹ 316.9 billion, with ₹ 79.7 billion invested and 31,283 jobs created. Recent amendments have further widened participation and expanded the eligible product basket.
- **National Technical Textiles Mission (NTTM):** Launched in 2020, NTTM aims to boost research, innovation, and domestic manufacturing in technical textiles and position India as a global hub for the segment. With an outlay of ₹ 14.8 billion for Fiscal 2021-2026, the mission focuses on R&D, market development, exports, and skill building, and has supported 168 research projects worth ₹ 5.1 billion by Fiscal 2025. It enables growth in value-added and specialised textile segments.
- **Make in India:** Launched in 2014, Make in India aims to position India as a global manufacturing hub by boosting domestic production, attracting FDI, and easing regulations. Under Make in India 2.0, the programme now focuses on 27 sectors, including textiles and apparels, electronics, pharmaceuticals, and automotive components, with action plans spanning 15 manufacturing and 12 service sectors. Supporting reforms improved India's Ease of Doing Business ranking from 142 in 2014 to 63 in the World Bank's Doing Business 2020 report, while the manufacturing sector attracted US\$ 184.4 billion in FDI equity inflows between April 2014 and March 2025.
- **National Handloom Development Programme (NHDP):** NHDP supports the sustainable development of the handloom sector and weaver welfare through need-based assistance across Fiscal 2020-2026, covering raw materials, design, technology upgradation, infrastructure, marketing, cluster development, and concessional credit support. The scheme has assisted approx. 2.3 million weavers, including SHGs, during the last five years, contributing to the strengthening of India's traditional textile ecosystem.
- **National Infrastructure Pipeline (NIP):** Announced in 2019, NIP aims to strengthen India's infrastructure and connectivity through planned investments of approximately ₹ 111 trillion across Fiscal 2020-2025. Spanning key sectors such as energy, transport, urban infrastructure, and logistics, it complements initiatives like PM Gati Shakti, Bharatmala, Sagarmala, and the Dedicated Freight Corridor to enhance multimodal connectivity and logistics efficiency.
- **Atmanirbhar Bharat:** Launched in Fiscal 2020, Atmanirbhar Bharat aims to strengthen economic resilience by boosting local manufacturing, reducing import dependence, and building stronger supply chains. It serves as an umbrella framework for policy reforms and investment promotion, while supporting programmes such as PLI and Make in India to enhance India's manufacturing competitiveness.

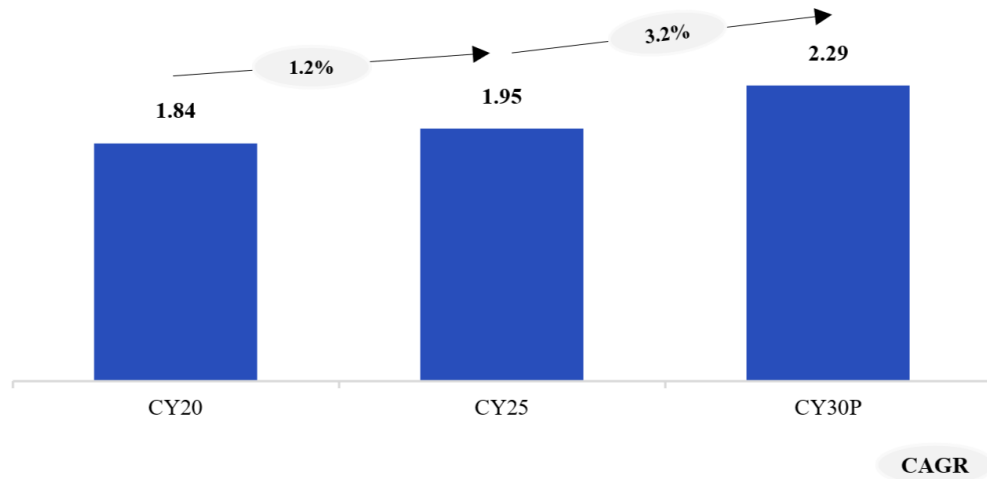
India's strong economic growth, rising household consumption and favourable demographics are expanding the addressable market for textiles, while manufacturing-led policies and supply-chain diversification are strengthening its position as a global sourcing base, creating opportunities for capacity expansion and greater value addition across fabrics and textile segments.

2 Overview of the global apparel and fabric market

2.1 The global apparel market is expected to reach US\$ 2.29 trillion by Calendar Year 2030P, driving upstream growth in the fabric market from US\$ 430.02 billion in Calendar Year 2025 to US\$ 503.37 billion by Calendar Year 2030P and supporting broader processing value chains

The global apparel industry is one of the largest end-use markets for processed fabrics and textiles worldwide. The market was valued at US\$ 1.84 trillion in Calendar Year 2020 and reached US\$ 1.95 trillion in Calendar Year 2025, reflecting a CAGR of 1.2% over the period, shaped by pandemic-related demand disruptions in the early part of the decade and more recently by tariff-related trade realignments including the imposition of reciprocal tariffs by the United States. The market is projected to grow to US\$ 2.29 trillion by Calendar Year 2030P at a CAGR of 3.2% during Calendar Year 2025-2030P, driven by rising disposable incomes, expansion of value retail formats, increasing penetration of e-commerce, and ongoing sourcing diversification. The global fabric market, a critical upstream input to the apparel industry, is expected to grow in tandem, supported by increasing demand for blended and performance fabrics, shorter product cycles, and higher value addition within dyeing, printing, and finishing activities.

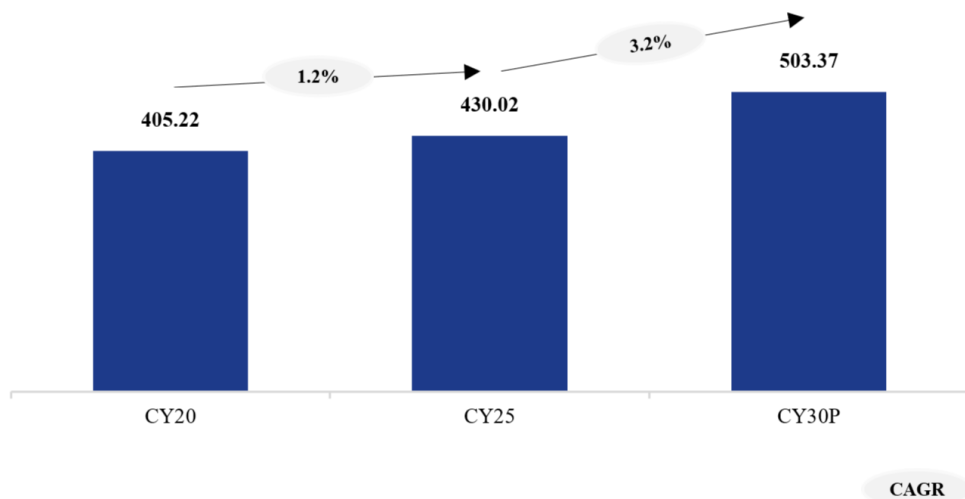
Fig 9: Global apparel market by value
(US\$ Trillion, CY20-30P)



Source(s): 1Lattice analysis

Global apparel market's growth translates directly into fabric demand, with the global fabric market growing from US\$ 405.22 billion in Calendar Year 2020 to US\$ 430.02 billion in Calendar Year 2025, reflecting a CAGR of 1.2% over the period. The market is projected to reach US\$ 503.37 billion by Calendar Year 2030P, growing at a CAGR of 3.2% during Calendar Year 2025-2030P, outpacing apparel market growth as rising per-garment fabric value, increasing adoption of blended and performance constructions, and higher processing intensity across dyeing, printing, and finishing operations drive a structural expansion in fabric value relative to end retail prices. Shorter product cycles, greater design customisation, and increasing sourcing from compliance-oriented processors are further reinforcing demand for value-added and differentiated fabric categories across key apparel manufacturing geographies.

Fig 10: Global fabric market by value
(US\$ Billion, CY20-30P)

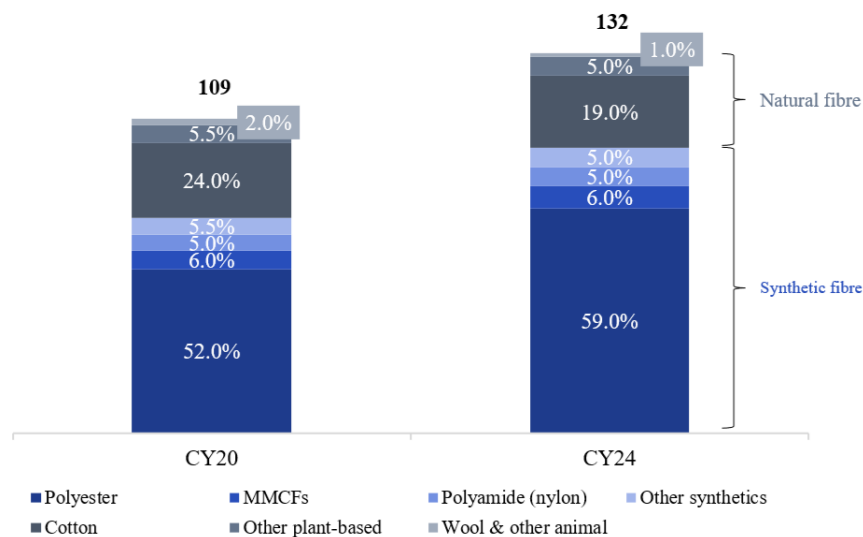


Source(s): 1Lattice analysis

2.1.1 Natural fibres, led by cotton, continue to anchor global textile production across quality-driven apparel and home textile segments

Global fibre production reached approximately 132 million tonnes in Calendar Year 2024, with cotton remaining the world's leading natural fibre and the second-largest fibre overall by production volume. Cotton's absolute output has remained broadly stable at 24-26 million tonnes annually over Calendar Year 2020-2024, reflecting sustained underlying demand across apparel and home textile applications. While polyester has expanded its share to approximately 59% of total production on the basis of cost and versatility, cotton retains its primacy in quality-driven end uses, where handle, breathability, and consumer preference continue to support its positioning. Man-made cellulosic fibres including viscose, lyocell, and modal, which are often positioned as cotton-adjacent alternatives, held a stable approximately 6% share. Across premium apparel, branded retail, and institutional segments, cotton-based fabrics remain the material of choice, with increasing adoption of certified and sustainably sourced cotton further strengthening its long-term demand outlook.

Fig 11: Global fibre production by volume
(Million Tonnes, %, CY20-24)



Source(s): Textile exchange reports, 1Lattice analysis

2.1.2 Fabric forms the backbone of the global apparel and home textiles value chain, linking raw materials to finished products and driving performance, value addition and sustainability across end markets

Fabric is a key intermediate product that influences the quality, utility, and marketability of the final apparel. The textile value chain begins with natural and man-made fibres being converted into yarn through spinning operations. This yarn is subsequently woven or knitted into greige fabric – an unfinished textile material that has not yet undergone colouration or treatment.

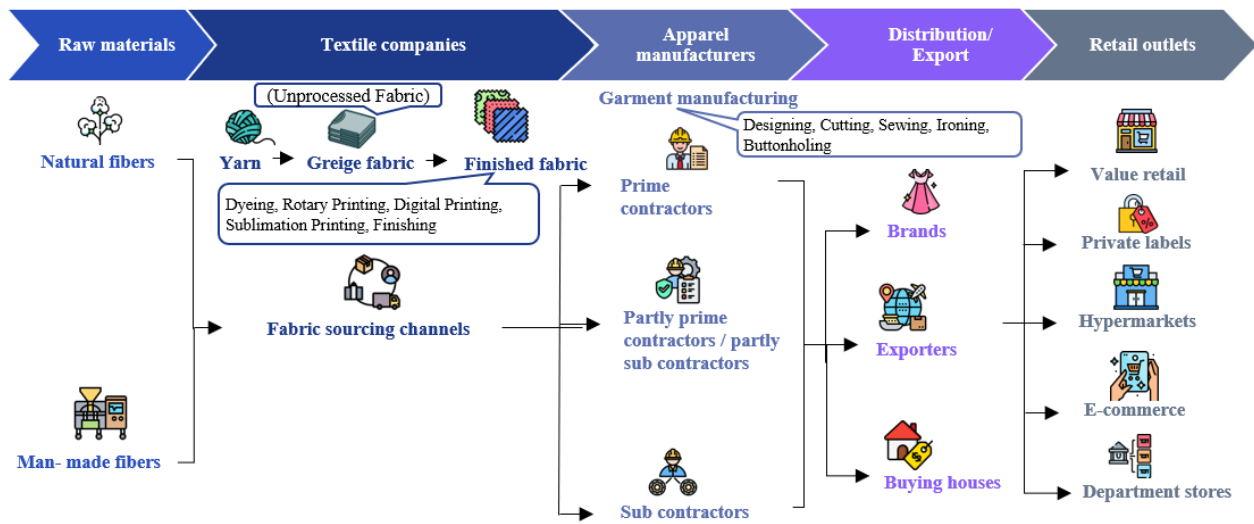
The greige fabric stage transitions into finished fabric through dyeing, printing, and finishing processes, representing a critical value-added segment within the textile ecosystem where technical execution determines the colour application, design execution, texture, durability, while also setting the cost structure, shaping the final product's marketability and influencing its price positioning and premium realisation within end markets.

- **Consumer apparel:** Processing determines the 'handle', 'drape', and 'colour fastness', which are the primary drivers of consumer preference and brand positioning in the garment sector.
- **Institutional and workwear:** Emphasis is placed on durability standards, colour retention, compliance with safety norms, and performance finishes such as stain resistance or moisture management, which are critical for contract-driven and specification-led procurement.

Once the greige fabric is transformed into finished fabric, it is supplied to garment manufacturers, where garment manufacturing transforms flat fabric into wearable clothing through a series of structured phases: pre-production; cutting; sewing, and finishing. The final products then flow through a network of exporters, buying houses, and global trading companies before reaching diverse retail outlets. Ultimately, the precision of the dyeing and printing performed during the processing stage influences product performance across end markets. This precision rests on a multi-stage technical conversion process comprising pre-processing operations such as bleaching, mercerization, and singeing, followed by dyeing or printing, and finishing operations such as ageing, steaming, washing, and stentering. Each stage is governed by proprietary recipes that balance chemical composition, temperature, and moisture content. The requirement to consistently achieve colour application, colour fastness, and design sharpness across diverse fabrics spanning pure cotton and cotton-dominant blends such as cotton-viscose and cotton-

linen, through to multi-fibre tri-blends, positions fabric processing as one of the most know-how intensive segments within the textile value chain.

Fig 12: Textile and apparel value chain



Source(s): 1Lattice analysis

2.1.3 Fast fashion drives growth intensity, while institutional and home textiles provide structural stability in global fabric demand

Fabric demand across key end-use segments is shaped by differences in consumption cycles and application requirements. While slow fashion and classic retail formats are characterised by stable and predictable demand, fast fashion drives higher fabric intensity due to shorter product lifecycles and faster design turnover. Institutional segments such as workwear and uniforms provide steady, recurring demand, supported by large-scale procurement and standardised requirements. Together, these segments influence overall volume trends, production planning, and the technical requirements within the fabric processing value chain.

Fig 13: Key demand drivers

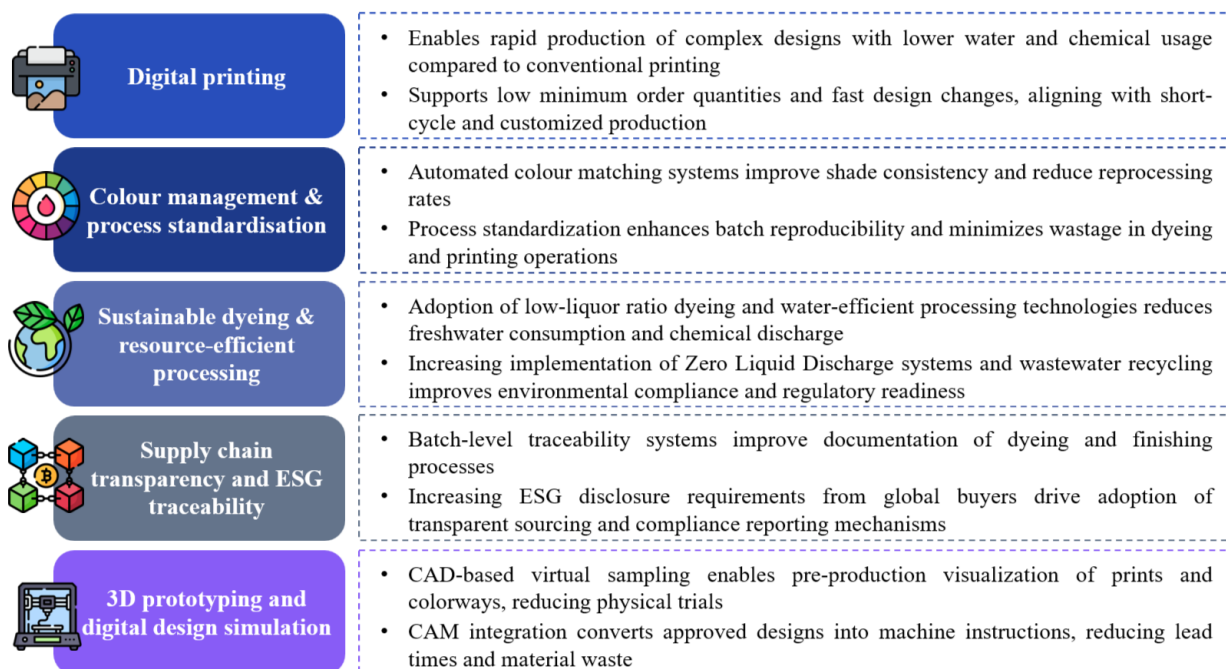
Segment	Growth momentum	Key demand drivers
 Slow Fashion / Classic Retail		- Longer product cycles seasonal collections support stable and predictable fabric demand - Growth is supported by steady replacement-driven purchases and consumers increasingly prioritizing premium quality and durability over frequent style or design changes
 Fast Fashion		- The most dynamic segment, driven by frequent trend updates and shorter product lifecycles - Low minimum order quantities, shorter lead times, and high assortment turnover increase the need for regular production runs and continuous demand for new prints and colour variations
 Institutional / Workwear & Uniforms		- Demand is based on bulk and specification-led procurement, with buyers placing strong emphasis on durability and color consistency - Expansion in manufacturing, logistics, healthcare, and services sectors, along with increasing workplace formalization, is steadily raising uniform usage and recurring fabric demand

Very high       Very low

2.1.4 Digitalisation, automation, and other technology-led innovations are reshaping textile manufacturing, driving efficiency, transparency, and sustainability

Technological advancements within the textile industry are increasingly concentrated in the fabric processing stage, particularly in dyeing, printing, and finishing operations. As environmental regulations tighten and global buyers demand faster turnaround and greater customisation, processing units are adopting resource-efficient technologies, advanced colour management systems, digital printing capabilities, and enhanced compliance frameworks. Increasing adoption of digital printing and advanced colour-management systems is enabling fabric processors to cater to shorter production runs, higher design variability, faster sampling cycles, and rapid inventory refresh requirements across fashion-oriented apparel categories. Innovation at this stage influences product quality, sustainability performance, cost efficiency, and speed-to-market, making fabric processing an important segment within the textile value chain. As demand grows for sustainable, multifunctional, and smart textiles, competition is expected to evolve. Companies that invest in research and development and maintain consistent quality standards are likely to remain competitive.

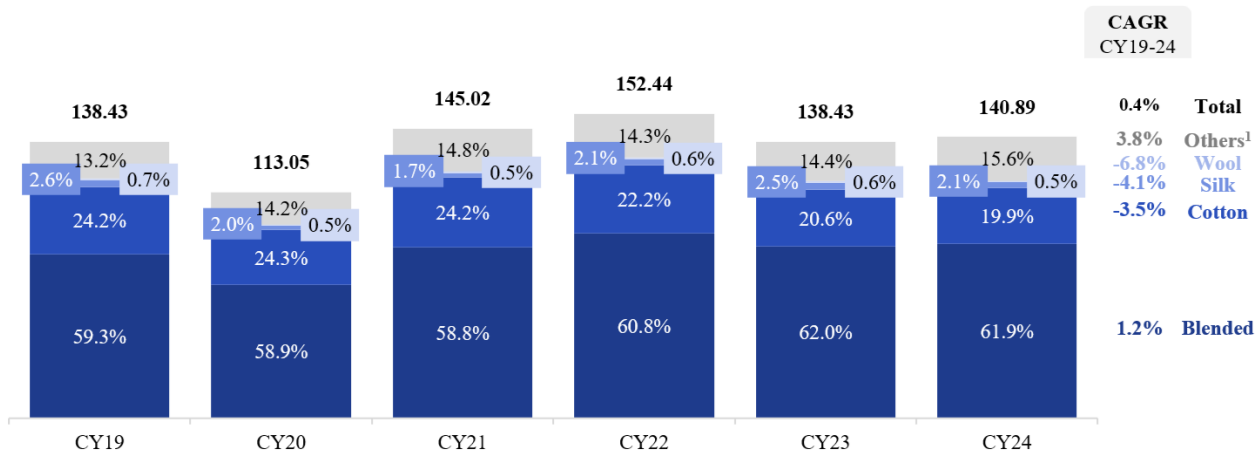
Fig 14: Technology trends and digitalisation in fabric manufacturing



2.1.5 Blended fabrics are driving growth in global fabric exports, while cotton, wool, and silk face structural declines

The global fabric exports market stood at US\$ 138.43 billion in Calendar Year 2019 and reached US\$ 140.89 billion by Calendar Year 2024, reflecting a CAGR of 0.4% over the period. Within this, blended fabrics continue to dominate global trade flows, increasing from US\$ 82.07 billion in Calendar Year 2019 to US\$ 87.19 billion in Calendar Year 2024, registering a CAGR of 1.2%, supported by sustained demand for cost-efficient and performance-oriented textiles. In contrast, cotton fabric exports declined from US\$ 33.49 billion to US\$ 28.04 billion during the same period, reflecting a negative CAGR of 3.5%, while silk and wool recorded further contractions with CAGRs of -4.1% and -6.8% respectively. The evolving trade composition suggests a structural shift toward blended fabrics, while traditional natural fibre categories face demand moderation across global markets.

Fig 15: Global fabric exports
(US\$ Billion, %, CY19-24)



Notes(s): Others¹: include flax fabric, Jute fabric, Terry towel, Special woven fabric, Non-cotton gauze, Spandex mix knitted fabric, Crocheted, etc.
Source(s): ITC Trademap, 1Lattice analysis

2.1.6 India records improving export positioning across both textile and apparel, with textile exports growing at 4.8% CAGR and apparel exports at 6.5% CAGR during Calendar Year 2020-2024, outpacing overall global trade growth of 0.5% and 5.9% respectively

India operates within a gradually diversifying global sourcing landscape shaped by the China+1 strategy and sustained price sensitivity across major consumption markets. Global textile exports grew marginally from US\$ 364.6 billion in Calendar Year 2020 to US\$ 371.4 billion in Calendar Year 2024, at a CAGR of 0.5%. China, while remaining the largest exporter at US\$ 145.8 billion in Calendar Year 2024, saw its share decline from 42.8% to 39.3% over the period. India recorded textile exports of US\$ 21.0 billion in Calendar Year 2024, growing at a CAGR of 4.8% from US\$ 17.4 billion in Calendar Year 2020, with its share improving from 4.8% to 5.7%.

Fig 16: Global textile exports: By country

Exporting countries		CY20		CY24		CAGR (CY20-24)
		US\$ Billion	% share in total trade	US\$ Billion	% share in total trade	
China		156.0	42.8%	145.8	39.3%	-1.7%
India		17.4	4.8%	21.0	5.7%	4.8%
USA		18.7	5.1%	18.7	5.0%	0.0%
Türkiye		12.3	3.4%	14.6	3.9%	4.2%
Germany		14.4	3.9%	14.0	3.8%	-0.7%
RoW*		145.8	40.0%	157.4	42.4%	1.9%
Total		364.6	-	371.4	-	0.5%

Notes: *Rest of the World; HS codes used for analysis include: 50,51,52,53,54,55,56,57,58,59,60,63
Source(s): ITC Trademap, 1Lattice analysis

Global apparel exports increased from US\$ 429.1 billion in Calendar Year 2020 to US\$ 540.1 billion in Calendar Year 2024. While China's share declined from 30.0% to 29.5%, Bangladesh increased its share from 8.6% to 9.7% and Vietnam maintained a stable 6.3% share, reflecting continued presence of alternative manufacturing hubs. India's apparel exports increased from US\$ 12.3 billion in Calendar Year 2020 to US\$ 15.8 billion in Calendar Year 2024, recording a CAGR of 6.5%, with its share at 2.9% of global apparel exports.

Fig 17: Global apparel exports: By country

Exporting countries		CY20		CY24		CAGR
		US\$ Billion	% share in total trade	US\$ Billion	% share in total trade	(CY20-24)
China		128.5	30.0%	159.2	29.5%	5.5%
Bangladesh		36.7	8.6%	52.3	9.7%	9.3%
Viet Nam		27.5	6.4%	34.3	6.3%	5.7%
Italy		21.4	5.0%	28.7	5.3%	7.7%
Germany		23.2	5.4%	28.7	5.3%	5.5%
India		12.3	2.9%	15.8	2.9%	6.5%
RoW*		179.5	41.8%	221.0	40.9%	5.3%
Total		429.1	-	540.1	-	5.9%

Notes: *Rest of the World; HS codes used for analysis include: 61,62,65
Source(s): ITC Trademap, 1Lattice analysis

Across both textiles and apparel, India has been among the few major exporting countries to record share gains during Calendar Year 2020–2024, reflecting improving competitiveness on the back of cost advantages, raw material availability, and a conducive policy environment. Supported by the PLI Scheme for Textiles, Prime Minister Mega Integrated Textile Region and Apparel (PM MITRA) Parks, and the RoSCTL scheme, and with recently concluded trade agreements with the EU and USA expected to improve market access and reduce tariff barriers, India is strengthening its positioning as a stable and cost-competitive sourcing destination within global textile and apparel supply chains.

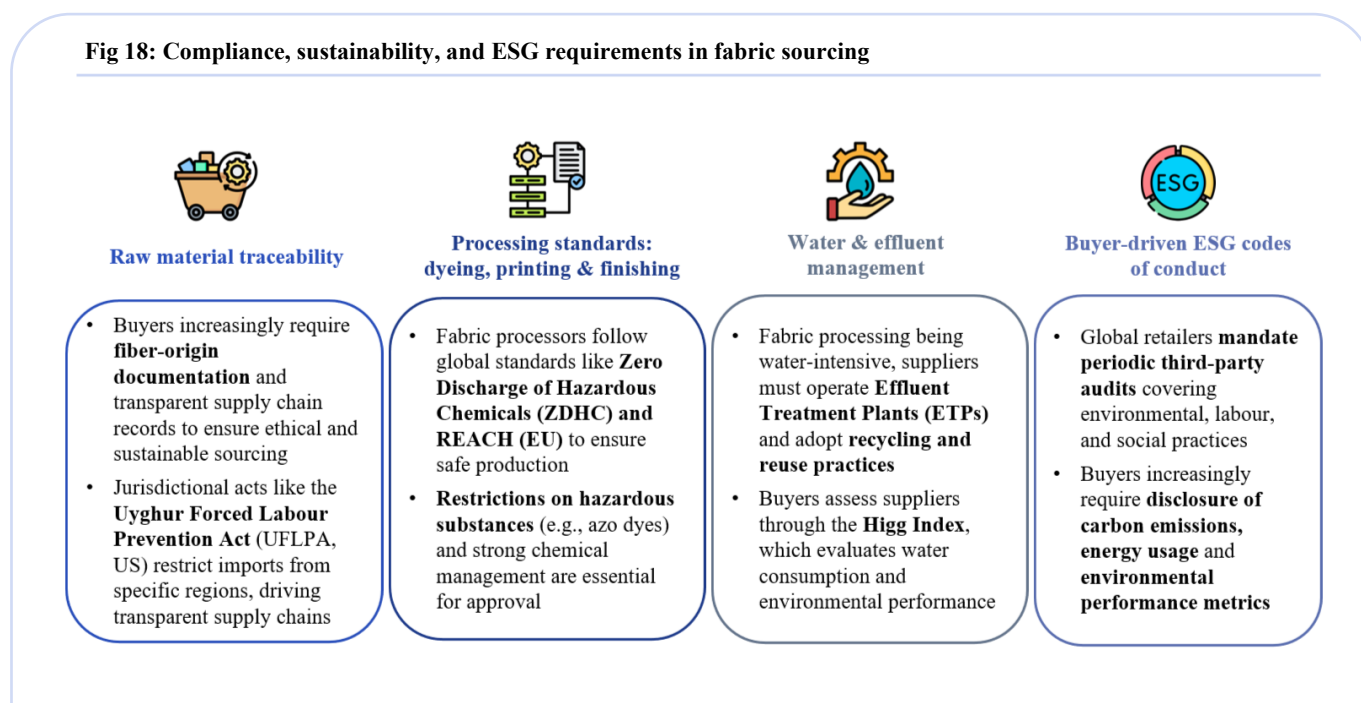
2.1.7 India's textile and clothing exports reflect a high degree of domestic value addition, comparable to China and significantly above competing Asian exporters

India's domestic value-added content in textile and clothing exports stood at 83.2% in 2022, comparable to China at 89.1%, and significantly above Bangladesh at 66.5%, Indonesia at 50.6%, Cambodia at 42.5%, and Vietnam at 35.8%, according to the WTO GVC Sectoral Profile on Textiles and Clothing (2024). Countries such as Vietnam and Cambodia largely operate as assembly-oriented manufacturing hubs, relying on imported yarns and fabrics primarily from China to produce finished garments for export. India, by contrast, benefits from a vertically integrated supply chain encompassing domestic cotton production, yarn spinning, fabric weaving, and processing, reducing dependence on imported intermediates. As global buyers place increasing emphasis on supply chain transparency, traceability, and sourcing resilience, India's higher domestic value-added content positions it as a structurally differentiated sourcing base within the global textile and apparel supply chain.

2.1.8 Compliance and sustainability have become key requirements in global textile supply chains

Fabric sourcing in the global textile industry is increasingly shaped by regulatory compliance, sustainability requirements, and buyer-driven ESG expectations. Fabric processing, particularly dyeing and finishing, remains a critical compliance-intensive stage due to its resource and chemical intensity. Compliance requirements span across four broad areas: raw material traceability, processing standards, water and effluent management, and buyer-driven ESG codes of conduct. In India, fabric processing units are additionally subject to environment-specific regulations, including Zero Liquid Discharge (ZLD) norms and Effluent Treatment Plant requirements, with non-compliance carrying the risk of operational shutdowns across textile clusters. As a result, adherence to evolving environmental and regulatory standards has become essential for participation in global textile trade, where international buyers increasingly mandate certifications such as OEKO-TEX, GOTS, and ZDHC as pre-conditions for vendor approval. In this environment, processors with sustainability-linked infrastructure, compliant water and effluent management systems, traceable raw material sourcing capabilities, and internationally recognised certifications are becoming better positioned within export-oriented textile supply chain.

Fig 18: Compliance, sustainability, and ESG requirements in fabric sourcing



2.2 Apparel segment linkages and their impact on fabric demand

2.2.1 Fabric processing represents a key value-addition stage within the apparel value chain, with higher operating-level value addition compared to upstream spinning

The apparel value chain exhibits uneven distribution of value addition across stages, often described as the “smile curve.” Spinning operates as a largely commoditised activity, with operating-level value addition typically in the 3–5% range, driven primarily by raw material price cycles and capacity utilisation.

Fabric processing, encompassing dyeing, printing, and finishing, typically generates operating-level value addition of 10–12%, reflecting process complexity, consistency requirements, and customisation capabilities. At this stage, colour, design, texture, and functional attributes are imparted to greige fabric, enabling differentiation based on specifications and supporting improved pricing realisation across end markets. As a result, processors capable of handling tri-blends, synthetic blends, specialised finishes, colour consistency requirements, and differentiated fabric constructions such as herringbone patterns are generally better positioned within value-added textile segments serving branded apparel and export-oriented customers.

2.2.2 Fabric demand led by Womenswear (52.3%), followed by Menswear (33.9%) and Kidswear (13.8%) in Calendar Year 2025; segment growth to sustain cotton demand while accelerating shift toward blends and performance fabrics

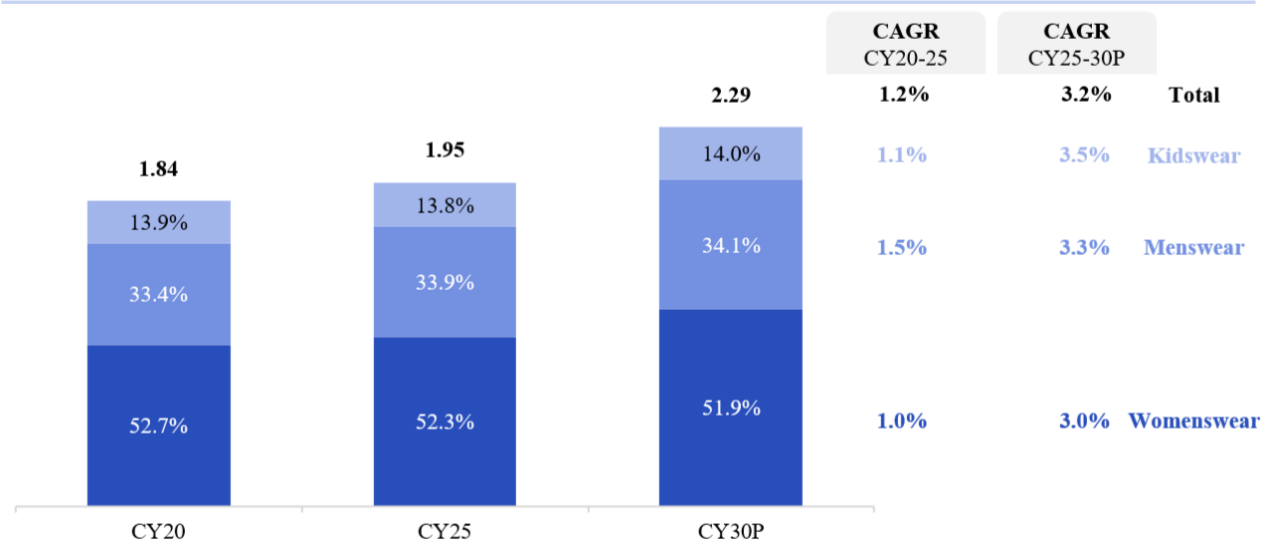
Womenswear continues to account for the largest share of the global apparel retail market at 52.3% in Calendar Year 2025, followed by menswear at 33.9% and kidswear at 13.8%, with kidswear projected to register the highest growth among segments over Calendar Year 2025-2030P. Fabric demand across womenswear, menswear, and kidswear is influenced by evolving lifestyle patterns, occasion-led consumption, and performance requirements.

Key trends in fabric demand include

- In womenswear, rising workforce participation and urbanisation are supporting growth in athleisure, Indo-Western, and formal segments, driving demand for versatile, blended, and printed fabrics with frequent design refresh cycles, alongside increasing preference for sustainable and eco-certified textiles.
- Menswear growth is supported by expanding casualwear and wedding-led ethnic demand, driving sustained consumption of cotton-rich, solid-dyed, and performance-finished fabrics that offer comfort for daily wear and the richness of finish required for occasion and ceremonial dressing.
- In kidswear, comfort, safety, and durability remain key considerations, supporting cotton-rich fabrics with high colour fastness and non-toxic dye standards, along with steady demand for printed designs.

Across categories, cotton remains structurally important, while blended and sustainably processed fabrics are gradually reshaping sourcing trends.

Fig 19: Global apparel retail market: Segmentation by end-user categories
(US\$ Trillion, %, CY20-30P)



Source(s): 1Lattice analysis

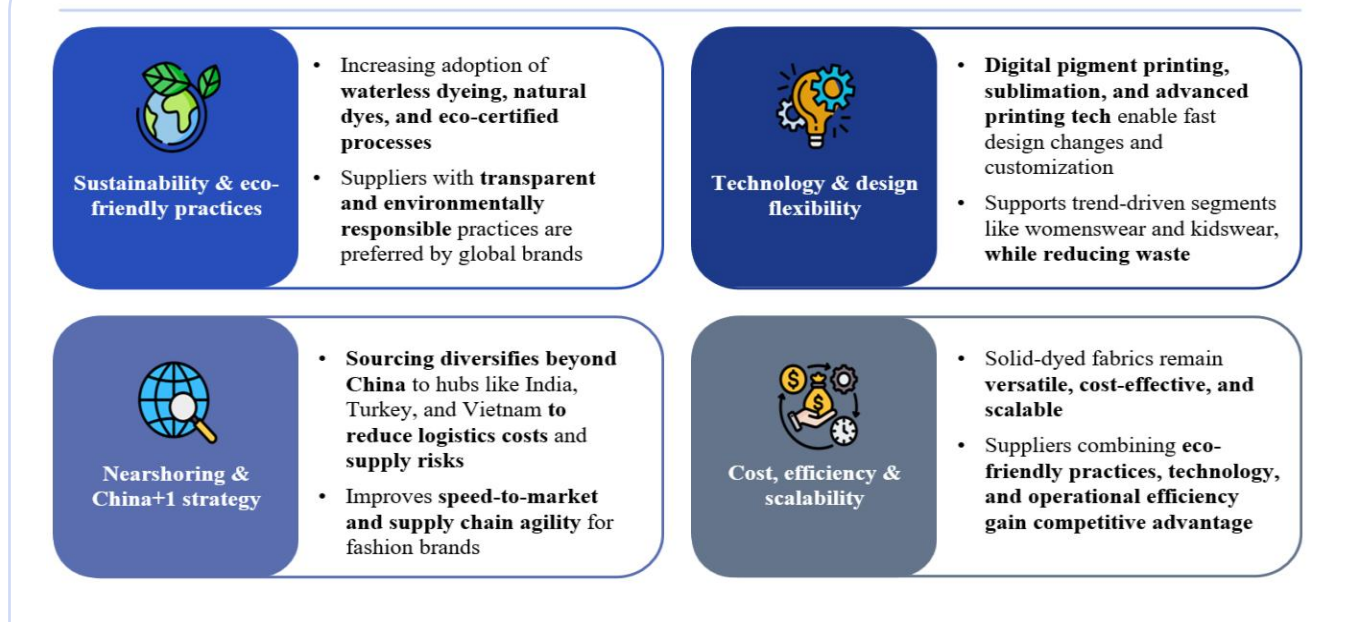
2.2.3 Private labels, value retailers, and hypermarkets are reshaping fabric demand through affordability, scalability, sustainability, and sourcing responsiveness

Private labels, value retailers, and hypermarkets play a significant role in shaping fabric demand by emphasising affordability, scalable sourcing, and rapid replenishment cycles. In India, value-format retailers such as Zudio, Max, and FirstCry are driving demand for cost-efficient cotton and polyester blends suited to high product turnover, while private labels including Westside, Pantaloons, Peter England, and Indian Terrain increasingly incorporate versatile fabrics with greater emphasis on sustainable sourcing. Youth and lifestyle brands such as Rare Rabbit, Mufti, and The Souled Store further support demand for design-led and quality-consistent fabrics aligned with shorter product cycles. Globally, retailers including Primark, Next, GAP Inc., Walmart, and Target continue to reinforce large-scale sourcing of cost-efficient fabrics alongside gradual integration of organic cotton and recycled fibres, while also increasing focus on traceability and responsible production practices. Collectively, these retail formats are influencing fabric sourcing decisions through greater emphasis on cost competitiveness, scalability, sustainability compliance, and supply responsiveness. As sourcing models evolve across value retail and fashion-led categories, suppliers with flexible manufacturing capabilities, faster product development cycles, and the ability to balance cost efficiency with design responsiveness are becoming increasingly relevant within organised retail supply chains.

2.2.4 Dyed and printed fabric sourcing evolves with sustainability demands, nearshoring preferences, and technological advances

Sustainability, advanced printing technologies, nearshoring, and cost-efficiency are shaping dyed and printed fabric sourcing. Eco-friendly practices, digital printing, and the China+1 strategy enable customisation, faster delivery, and scalable operations, supporting supplier competitiveness in meeting evolving market demands. The shift to digital printing is driven by structural advantages in cost efficiency, agility, and quality. Digital printing supports profitability at low minimum order quantities, which is critical for export buyers and fashion-led collections, and involves significantly lower manpower dependency. It also reduces rejections and wastage and improves yield, while enabling rapid design turnaround that supports fast-changing trends. At the same time, buyers are increasingly prioritising processors with capabilities relating to colour consistency, colour-fastness enhancement, substrate-specific dyeing expertise, and in-house testing infrastructure, particularly across blended, printed, and performance fabric categories. Evolving sourcing requirements are also supporting greater relevance of processors capable of combining product customisation, technical processing capabilities, and compliance with sustainability and quality standards.

Fig 20: Sourcing trends in dyed and printed fabrics



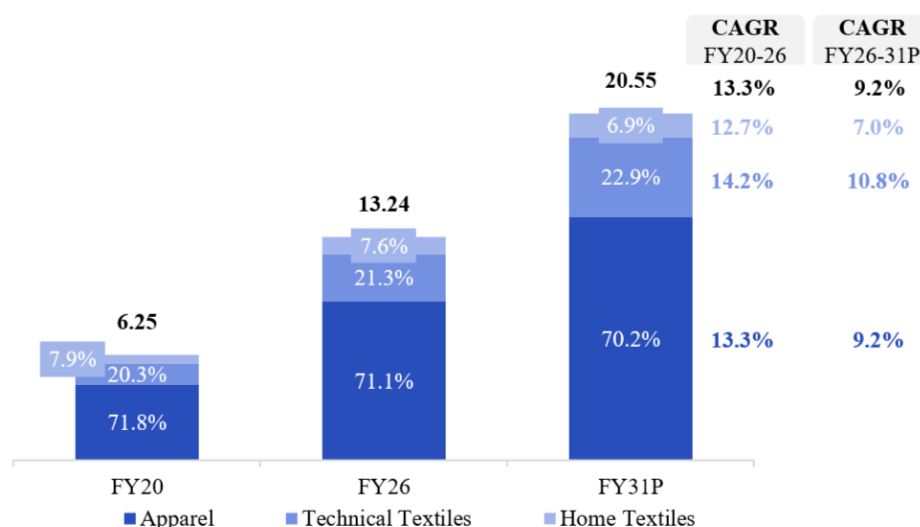
Global fabric demand is poised for sustained growth, supported by increasing adoption of blended and performance fabrics, greater customisation and rising sustainability requirements, while India's improving export competitiveness, high domestic value addition and integrated textile ecosystem position it favourably to capture growing opportunities in global textile and fabric markets.

3 Overview of Indian textile, apparel, and fabric market

3.1 India's textile and apparel industry projected to grow from ₹ 13.24 trillion in Fiscal 2026 at 9.2% CAGR to reach ₹ 20.55 trillion in Fiscal 2031P, supported by growth across organised retail and export-oriented garment manufacturing

The Indian domestic textile and apparel market grew from ₹ 6.25 trillion in Fiscal 2020 to ₹ 13.24 trillion in Fiscal 2026, registering a CAGR of 13.3% during the period, driven by rising disposable incomes, expansion of value retail formats, and increasing e-commerce penetration. Apparel continues to account for the largest share, while technical textiles and home textiles have recorded steady growth. The industry remains structurally fragmented, with a large base of organised small and medium-sized manufacturing and processing units operating across the textile value chain. The market is projected to reach ₹ 20.55 trillion by Fiscal 2031P, growing at a CAGR of 9.2% over Fiscal 2026-2031P, supported by expansion in organised retail, export-oriented garment manufacturing, and increasing demand across industrial and infrastructure-linked applications. Growth in apparel manufacturing continues to support fabric demand, particularly for segments requiring consistent quality, scalability, and compliance with evolving sourcing standards.

Fig 21: Indian domestic textile and apparel market
(₹ Trillion, FY20-31P)



Source(s): 1Lattice analysis

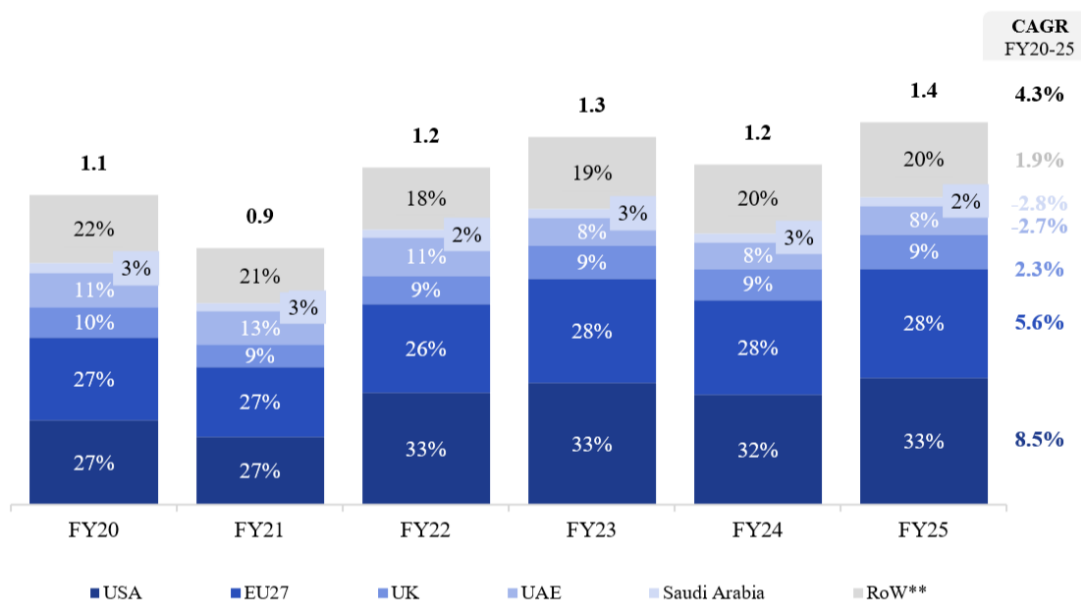
3.1.1 Apparel manufacturers are influencing fabric demand through evolving sourcing standards, faster turnaround requirements, and increasing product customisation

Apparel manufacturers play an important role in shaping fabric demand, acting as an interface between consumer preferences and supplier capabilities. Export-oriented manufacturers align sourcing with global buyer requirements, supporting demand for compliant, quality-consistent, and scalable fabrics. Domestic demand is also translating into shorter production runs and greater design variation in fabric orders, as manufacturers respond to faster-changing consumer preferences. Sustainability considerations are influencing sourcing toward certified materials, recycled materials along with traceable supply chains, while technology adoption is enabling faster sampling cycles and smaller order sizes. As apparel sourcing becomes increasingly specification- and compliance-driven, brands and garment manufacturers are progressively favouring suppliers capable of meeting recognised standards relating to quality, environmental management, textile safety, and recycled materials, including certifications such as ISO standards, Global Organic Textile Standard (GOTS), OEKO-TEX, and Global Recycled Standard (GRS). In addition, audit readiness, traceability requirements, and scalable execution capabilities are becoming increasingly important across export-oriented fabric programmes. Among these, ISO 9001 is a globally recognised quality-management standard that sets out requirements for establishing, implementing, maintaining, and continually improving a quality-management system, helping manufacturers strengthen process consistency, meet buyer expectations, and demonstrate a structured commitment to quality across domestic and export-oriented programmes.

3.1.2 Apparel export trends are influencing fabric sourcing through evolving buyer requirements, sustainability standards, and supply chain agility

India's apparel exports are primarily driven by demand from the USA, EU-27, and select Asian markets, with total exports increasing from ₹ 1.1 trillion in Fiscal 2020 to ₹ 1.3 trillion in Fiscal 2025, registering a CAGR of 4.3% during the period. The United States remained the largest destination, with export share increasing from 27% to 33%, while the EU-27 maintained a steady share of 27–28%. The UAE's share declined from 11% to 8%, and the UK remained relatively stable at approximately 9%. Export-oriented apparel manufacturers require reliable and compliant fabric supply to meet international quality, sustainability, and delivery standards. Increasing emphasis on traceability, environmental compliance, and responsible sourcing is supporting demand for value-added and blended fabrics alongside traditional cotton. In addition, shorter order cycles and evolving fashion requirements are increasing the need for agile sourcing and faster turnaround. As a result, fabric suppliers are required to strengthen processing capabilities and maintain production flexibility to remain competitive in export-linked supply chains. As export apparel requirements become increasingly design-oriented and specification-driven, fabric processors with capabilities across design localisation, complex substrate processing, colour-management precision, and flexible production execution are becoming increasingly relevant within global apparel supply chains.

Fig 22: Indian apparel exports performance by countries
 ((₹ Trillion)*, %, FY20-25)



Notes(s): HS codes used for the analysis include 61, 62, and 65 for apparel, *Figures have been rounded, **Rest of the World,
 Source(s): DGFT Tradestat, 1Lattice analysis

3.1.3 Apparel accounts for the majority of fabric demand, with womenswear representing an increasing share of India's apparel mix across domestic and export markets

India's apparel segment drives the bulk of domestic fabric consumption, shaped by the dominance of womenswear and ethnic categories across mass-market and premium segments.

Key trends in Indian apparel

- Apparel remains the largest end-use segment for fabric in India, accounting for approximately 51% of the Indian fabrics market in Fiscal 2026, driven by domestic consumption and export-oriented garment manufacturing
- Womenswear accounts for the largest share within apparel, with ethnic categories including sarees, salwar suits, and ethnic kurtas representing a significant proportion of womenswear fabric demand across both mass-market and premium segments.
- Womenswear's share of India's apparel mix has shown a gradual upward trend, rising from 36.5% in Fiscal 2020 to 36.6% in Fiscal 2026 and projected to reach 37.1% by Fiscal 2031P, reflecting sustained consumption of traditional and fusion apparel.
- This composition directly influences fabric sourcing requirements, reinforcing demand for printed, dyed, and blended constructions suited to frequent design refresh cycles, occasion-led styling, and culturally differentiated end markets.

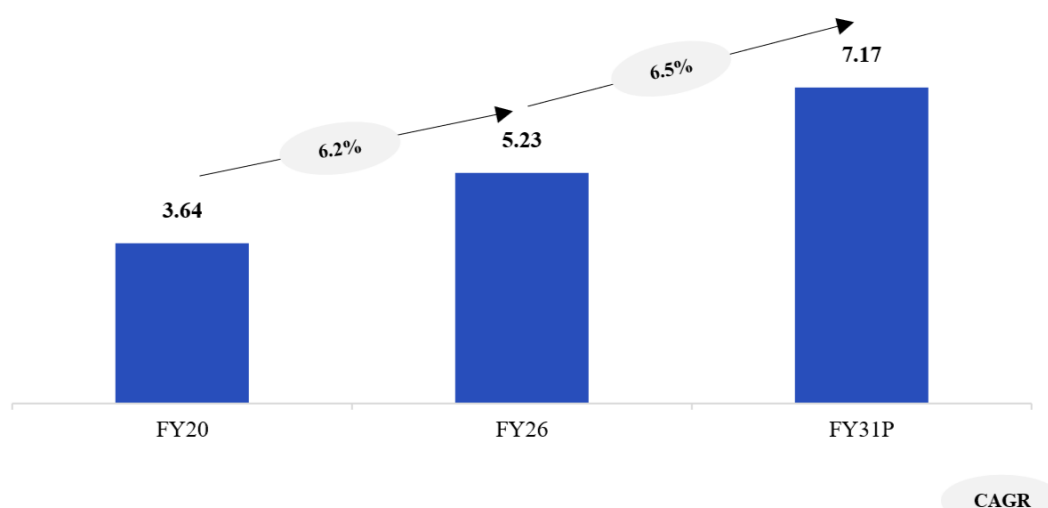
3.2 India's fabric industry combines scale, diversity, and processing depth, supporting apparel demand across domestic and export markets

India's fabric industry is characterised by scale, product diversity, and a broad manufacturing base comprising organised mills and a significant number of small and medium enterprises. Supported by high production of cotton domestically, the sector caters to both domestic consumption and export-oriented apparel manufacturing. Within the value chain, processing activities such as dyeing, printing, and finishing play an important role in enabling product differentiation and meeting end-market requirements. Processing capabilities influence quality consistency, turnaround times, and the ability to address varied buyer specifications across segments. Cotton continues to account for a significant share of fabric production; however, demand for man-made fibres and blended fabrics has been increasing, driven by changing consumer preferences and export requirements. Regional clusters specialise across cotton, synthetics, knits, and blended fabrics, contributing to supply depth across product categories. Growth in organised retail and export-oriented apparel manufacturing continues to support fabric demand. At the same time, increasing sustainability compliance and quality standards are influencing processing and finishing requirements. While India's fabric industry remains fragmented and cost-sensitive, policy initiatives such as the Production-Linked Incentive (PLI) scheme and the Mega Integrated Textile Region and Apparel (MITRA) parks, along with incentives for man-made fibres (MMF) and technical textiles, are aimed at improving scale, infrastructure, and competitiveness. Overall, India's fabric industry provides a diversified supply base supporting domestic and export-linked apparel demand.

3.3 The Indian fabrics market is projected to grow from ₹ 5.23 trillion in Fiscal 2026 to ₹ 7.17 trillion in Fiscal 2031P, supported by increasing demand for value-added and compliant fabrics

The Indian fabrics market grew from ₹ 3.64 trillion in Fiscal 2020 to ₹ 5.23 trillion in Fiscal 2026, registering a CAGR of 6.2%, supported by recovery in domestic apparel consumption and stabilisation in export-linked demand. On the domestic side, increasing penetration of branded apparel through organised retail channels and e-commerce has supported demand for processed and value-added fabrics across price segments. On the export side, India's fabric exports continue to be directed toward apparel manufacturing hubs, with emerging markets (including sub-Saharan Africa) contributing demand for culturally influenced print patterns such as Kitanga fabrics alongside established destinations (Bangladesh, Sri Lanka and USA) across select export markets. In culturally differentiated textile markets, fabric demand is increasingly influenced by region-specific design preferences and colour characteristics. This is enhancing the relevance of processors with local market understanding, design localisation capabilities, and established on-ground distribution relationships. The market is projected to grow at a CAGR of 6.5% over Fiscal 2026-2031P, reaching ₹ 7.17 trillion, supported by expansion in downstream apparel manufacturing capacity, increasing demand for compliant and traceable fabrics, and a gradual shift toward value-added processing.

Fig 23: Indian fabrics market by value
(₹ Trillion, FY20-31P)

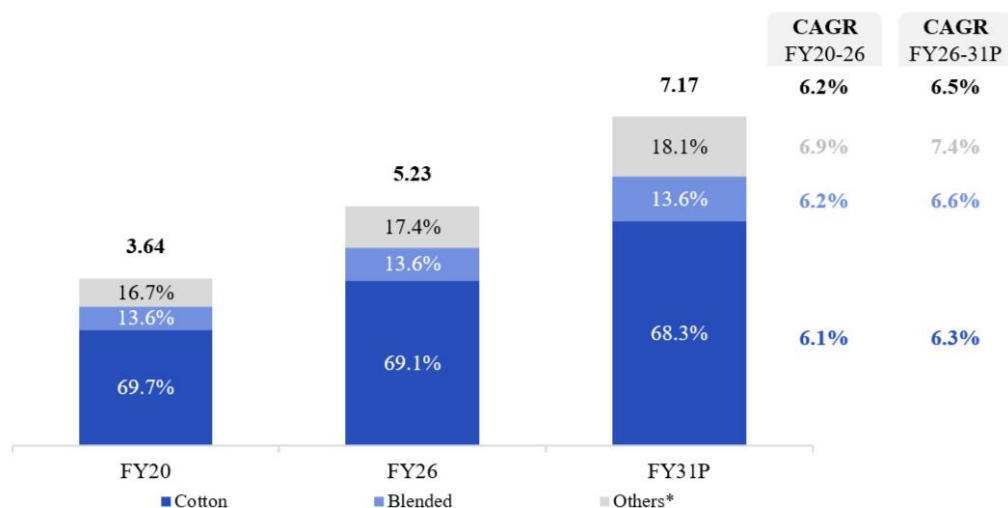


Note(s): Includes deemed and direct exports
Source(s): 1Lattice analysis

3.4 Cotton remains the dominant fabric type, accounting for 68.3% of the Indian fabrics market in Fiscal 2031P, while blended fabrics maintain a steady share

Cotton has consistently accounted for the largest share of the Indian fabrics market, at 69.7% in Fiscal 2020, projected to moderate slightly to 68.3% by Fiscal 2031P, growing at a CAGR of 6.1% over Fiscal 2020-2026 and 6.3% over Fiscal 2026-2031P. Blended fabrics have maintained a relatively stable share of 13.6% across the period, growing at CAGRs of 6.2% and 6.6% over Fiscal 2020-2026 and Fiscal 2026-2031P, respectively. The composition reflects the continued importance of cotton in India's fabric market, while stable demand for blended fabrics is supporting varied end-use applications and influencing processing and finishing requirements across segments.

Fig 24: Indian fabrics market: segmentation by products
(₹ Trillion, %, FY20-31P)



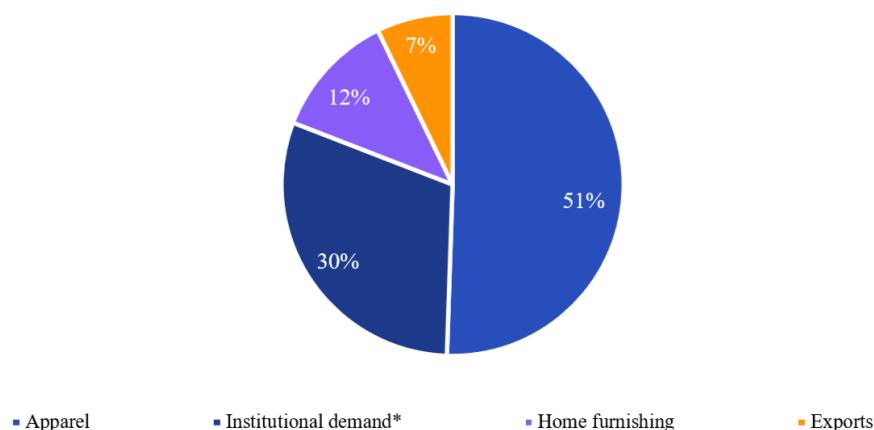
Note(s): *Others include natural and man-made fibers
Source(s): 1Lattice analysis

3.5 Apparel accounts for 51% of the Indian fabrics market in Fiscal 2026, driven by womenswear demand for ethnic categories, alongside institutional applications and export-oriented manufacturing

The Indian fabrics market end-use application is segmented across apparel, institutional, home furnishing, and export. As of 31st March 2026, the market stands at ₹ 5.23 trillion, with apparel remaining the largest segment at approximately 51%, equivalent to ₹ 2.64 trillion, supported by domestic apparel consumption and garment manufacturing. Womenswear accounts for 50-60% of the apparel fabric market, with ethnic categories such as sarees, salwar suits, and ethnic kurtas representing approximately 60% of womenswear fabric demand, reflecting sustained consumption of traditional and fusion apparel across both mass-market and premium segments, with the salwar-kameez-dupatta segment in particular benefiting from affordability, frequent design-refresh cycles, and deepening penetration into semi-urban and rural markets. Salwar kameez, is a traditional combination outfit typically worn by women across South Asia, particularly in India. A kameez is a tunic or long shirt that typically features side seams left open below the waist for easier movement – it can be cut in various styles, ranging from short to ankle-length. Salwar are loose, comfortable trousers that are usually wide at the top and gathered or fitted near the ankles. Together, these two pieces, along with a scarf called a dupatta, make up the traditional South Asian “salwar kameez” outfit. Institutional demand, comprising uniforms, workwear, and technical textiles, accounts for approximately 30% of the market at ₹ 1.59 trillion, reflecting demand across industrial, infrastructure, and services applications. Home furnishing accounts for approximately 12%, or ₹ 0.62 trillion, supported by increasing penetration of organised home retail. Exports account for approximately 7% of processed fabric end-use at ₹ 0.38 trillion, representing direct fabric shipments to international markets, primarily to apparel manufacturing hubs, including Bangladesh and Sri Lanka, as well as select emerging markets.

During Fiscal 2026-2031P, apparel is expected to remain the dominant segment, supported by rising incomes, expanding organised retail, and growing demand for ethnic and contemporary womenswear. Within apparel, growth is underpinned by growing domestic demand for traditional and contemporary ethnic wear, supported by evolving fashion trends and increasing preference for premium sarees. Growth in the Saree segment is driven by strong festive and wedding demand, evolving fashion trends, and increasing availability through organised retail and digital channels, while increasing preference for comfortable and versatile ethnic wear, evolving fashion designs, and growing demand across domestic and export markets are driving growth in the salwar, dupatta and kameez segment. Export-oriented fabric demand is projected to strengthen, driven by trade agreements and improving competitiveness in key markets. Home furnishing and institutional segments are expected to grow at a relatively moderate pace. Overall, the end-use mix reflects the dominance of apparel-led demand, with institutional and export segments providing scale and diversification across end markets.

Fig 25: Indian fabrics market: segmentation by end-users' applications
(%, FY26)



*Note(s): *Includes technical textiles*
Source(s): 1Lattice analysis

3.6 Domestic apparel demand is supported by rising incomes, expanding organised retail penetration, and growing e-commerce reach, while policy initiatives under the Integrated Programme for the Textile Sector are strengthening manufacturing competitiveness

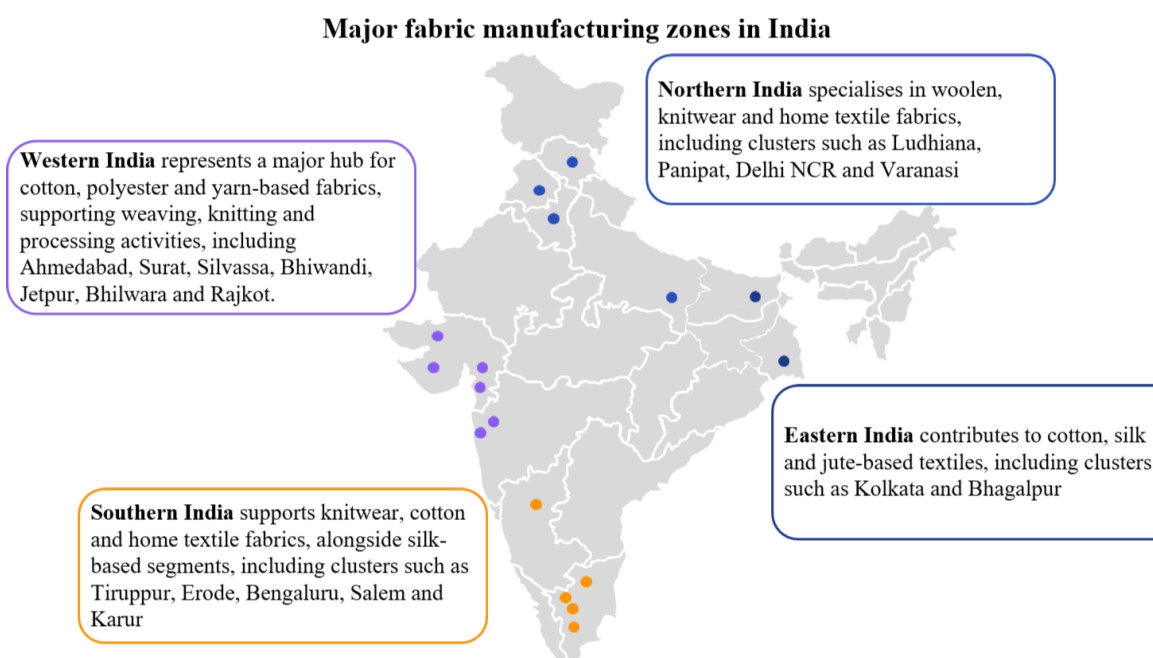
India's domestic textile and apparel market is supported by favourable demographic trends, rising incomes, and expanding retail infrastructure. Growing population, urbanisation, and higher disposable incomes are driving demand for premium and branded apparel, with increasing women's workforce participation particularly supporting womenswear categories including ethnic fusion and contemporary apparel. Demand for fabrics for modern apparel is driven by rising consumer spending, fast-changing fashion trends, increasing demand for quality and sustainable textiles, and expansion of domestic markets. The emergence of new categories, expansion of organised retail and e-commerce, and government initiatives under the Integrated Programme for the Textile Sector are supporting sustained market growth and strengthening the positioning of organised players.

- **Population growth and urbanisation:** India's expanding population, driven by a large youth segment, is fuelling a steadily growing consumer base. Coupled with rapid urbanisation, more people are entering higher-income brackets, leading to greater purchasing power and increased demand for diverse, branded, and higher-quality apparel across urban and semi-urban markets.
- **Rising incomes and branded apparel demand:** Higher disposable incomes and improved living standards are prompting consumers to allocate more towards fashion, boosting overall apparel sales. Rising incomes are driving a shift towards premium and branded apparel, with lifestyle aspirations and fashion consciousness increasing demand for higher-quality products across segments. Growing women's workforce participation and economic independence are further supporting demand for diverse womenswear categories, including workwear, ethnic fusion, and contemporary apparel.
- **Emergence of new apparel categories:** Expansion into activewear, maternity wear, plus-size fashion, sustainable apparel, and fusion wear is helping brands tap into emerging markets. The growing popularity of ethnic fusion and contemporary womenswear is particularly driving category expansion, as working women and younger consumers seek versatile designs that blend traditional and modern aesthetics. Broader category offerings are driving repeat purchases and strengthening brand loyalty through greater consumer choice, enabling brands to cater to evolving tastes, seasonal trends, and diverse lifestyle needs.
- **Expansion of organised retail:** Expansion of malls, department stores, and multi-brand outlets improves product accessibility and shopping experiences, providing consumers with greater convenience, variety, and opportunities to engage with brands in a more immersive retail environment. Modern retail formats drive higher spending through appealing visual merchandising and promotional events.
- **Policy support under the Integrated Programme for the Textile Sector:** The Integrated Programme for the Textile Sector encompasses government initiatives aimed at strengthening manufacturing infrastructure and production capacity. Key components include the Production Linked Incentive (PLI) scheme for technical textiles and man-made fibre apparel, the PM MITRA Parks Scheme for integrated textile manufacturing hubs, the National Technical Textiles Mission promoting advanced textile applications, and skill development programmes under the Samarth scheme. These initiatives are supporting modernization, capacity expansion, and competitiveness across the domestic textile and apparel manufacturing ecosystem.

3.7 India's fabric production is distributed across specialised regional clusters, with Western India forming a key centre across the textile value chain for cotton, polyester and yarn-based fabrics

India's fabric manufacturing ecosystem is concentrated across several regional clusters that support weaving, knitting, processing, and garment manufacturing activities. Western India represents a major production base, with clusters such as Ahmedabad, Surat, Silvassa, Bhilwadi, Jetpur, and Bhilwara supporting cotton, polyester, yarn, weaving, knitting, and processing activities. In Northern India, clusters such as Ludhiana, Panipat, Delhi NCR, and Varanasi contribute to knitwear, woollen fabrics, and home textile production. Eastern India includes clusters such as Kolkata and Bhagalpur, which contribute to cotton, silk, and jute-based textiles. Southern India, with clusters including Tiruppur, Erode, Bengaluru, Salem, and Karur, supports knitwear manufacturing, cotton fabric processing, and home textile production. These clusters reflect regional specialisation across value chain activities, including processing, and support India's diversified fabric production base catering to both domestic consumption and export-oriented apparel manufacturing.

Fig 26: Major fabric manufacturing zones in India

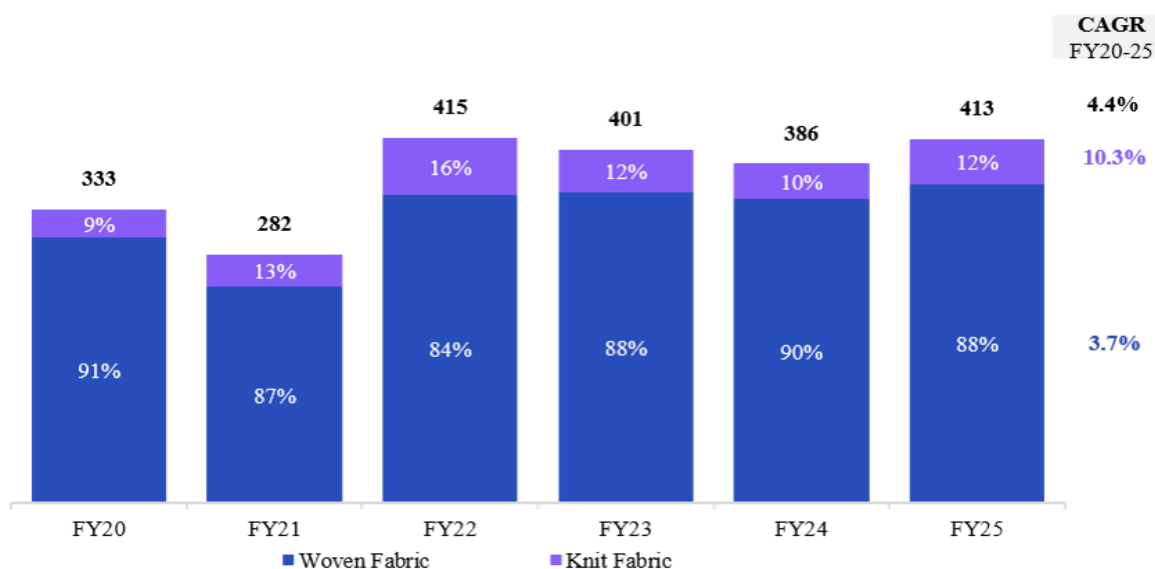


Source(s): 1Lattice analysis

3.8 India's fabric exports grew from approximately ₹ 333 billion in Fiscal 2020 to approximately ₹ 413 billion in Fiscal 2025 (CAGR 4.4%), with woven fabrics dominating and knit fabrics gradually increasing share

India participates in the global fabric trade, with exports growing from approximately ₹ 333 billion in Fiscal 2020 to approximately ₹ 413 billion in Fiscal 2025, registering a CAGR of 4.4% during the period. Woven fabrics continue to dominate the export basket, accounting for approximately 88% of total exports in Fiscal 2025 and growing at a CAGR of 3.7% over Fiscal 2020-2025, while knit fabrics increased their share from approximately 9% to approximately 12%, growing at a CAGR of 10.3% over the same period.

Fig 27: Indian fabric exports
(₹ Billion*, %, FY20-25)

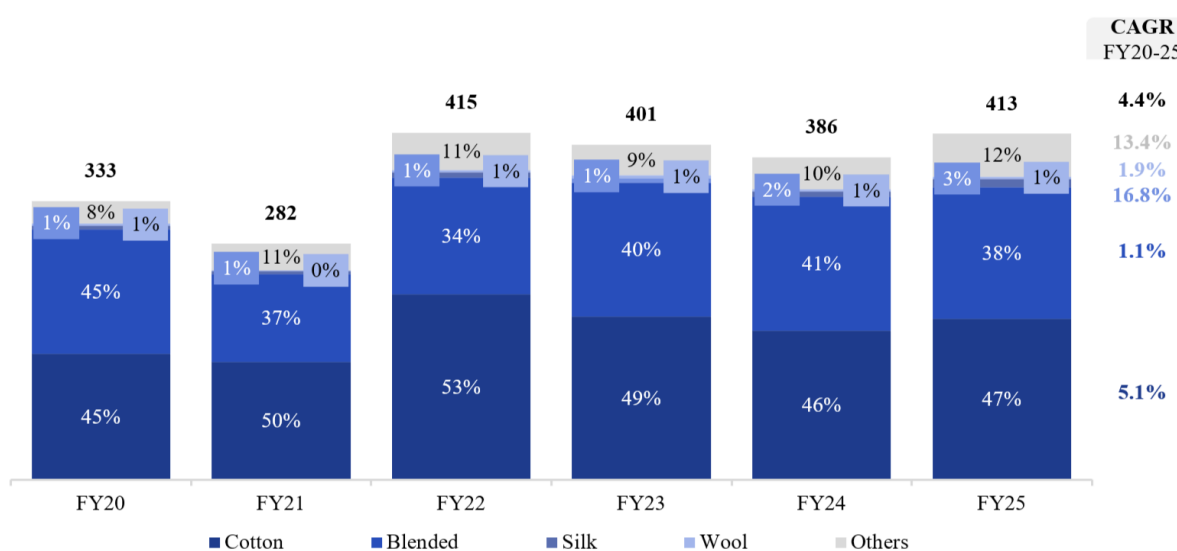


Notes(s): *Figures have been rounded

Source(s): DGFT Tradestat, 1Lattice analysis

In terms of material composition, cotton fabrics accounted for approximately 47% of total exports in Fiscal 2025, growing at a CAGR of 5.1% over Fiscal 2020-2025, followed by blended fabrics at approximately 38%, which grew at a CAGR of 1.1%. Silk recorded the highest growth rate at 16.8% CAGR, though off a low base, while wool grew more modestly at 1.9%. Other categories, including flax, jute, special woven, and spandex mix fabrics, grew at a CAGR of 13.4%, increasing their share from approximately 8% in Fiscal 2020 to approximately 12% in Fiscal 2025. Overall, the export mix reflects continued dominance of cotton-based fabrics, with gradual diversification toward blended and specialty categories in line with evolving global demand patterns. In value-added and specification-driven textile segments, supplier relationships are increasingly evolving toward partnership-oriented sourcing models, supporting deeper supply-chain integration and execution visibility across export markets. While receivable cycles in export-oriented textile trade generally remain elongated, particularly across emerging markets, certain suppliers with established customer relationships, execution consistency, and differentiated product capabilities are increasingly able to negotiate relatively tighter working-capital terms.

Fig 28: Indian fabric exports
(₹ Billion*, %, FY20-25)



Notes(s): Others : include flax fabric, Jute fabric, Special woven fabric, Non-cotton gauze, Spandex mix knitted fabric, Crocheted, etc.; *Figures have been rounded

Source(s): DGFT Tradestat, 1Lattice analysis

3.9 Indian fabric is increasingly serving compliance-intensive end markets and regional apparel manufacturing hubs

India's fabric exports are increasingly directed toward a combination of compliance-intensive developed markets and large regional apparel manufacturing hubs. Africa emerged as one of the largest export destinations in Fiscal 2025, accounting for 18.5% of total fabric exports, supported by the region's expanding apparel manufacturing base and demand for competitively priced, quality fabrics. Bangladesh remained another significant destination, reflecting India's structural position within South Asia's apparel manufacturing ecosystem and the continued dependence of regional garment exporters on imported fabrics. The USA recorded the fastest growth rate among major destinations during Fiscal 2020-2025, with its share increasing from 7.9% to 12.5%, indicating increasing penetration of Indian fabrics within quality- and specification-driven end markets. The UAE also recorded strong growth during the period, supported by its role as a regional trading and apparel sourcing hub serving Middle Eastern and African markets. Overall, India's fabric exports remain closely linked to global apparel manufacturing hubs, while a significant share of exports continues to be distributed across diversified geographies, supporting broad-based export demand. Increasing integration with export-oriented apparel supply chains is also supporting demand for processors capable of consistent quality execution, colour-management capabilities, product customisation, responsive supply, and compliance with evolving sourcing and testing requirements across international markets.

Fig 29: Indian fabric exports: By country

Exporting countries	FY20		FY25		CAGR (FY20-25)
	₹ Billion	% share in total trade	₹ Billion	% share in total trade	
Africa 	68	20.3%	76	18.5%	2.4%
Bangladesh 	52	15.6%	66	16.0%	5.0%
USA 	26	7.9%	52	12.5%	14.5%
Sri Lanka 	32	9.7%	49	11.9%	8.9%
UAE 	20	6.1%	39	9.5%	14.2%
EU-27 	15	4.5%	21	5.2%	7.6%
RoW*	119	35.7%	107	25.9%	-2.1%
Total	333	-	413	-	4.4%

Notes: *Rest of the World

Source(s): DGFT Tradestat, 1Lattice analysis

3.10 India's textile and apparel exports increased at a CAGR of 4.5% during Calendar Year 2020-2025, supported by diversified export markets

India's textile and apparel exports increased from US\$ 29.61 billion in Calendar Year 2020 to US\$ 36.95 billion in Calendar Year 2025, registering a CAGR of 4.5% during Calendar Year 2020-2025. The USA remained the largest export destination, with exports increasing from US\$ 7.51 billion in Calendar Year 2020 to US\$ 10.03 billion in Calendar Year 2025, while the EU-27 remained another key destination, with exports increasing from US\$ 5.49 billion to US\$ 7.60 billion during the same period. Africa also remained an established export destination for Indian textile and apparel products, with exports increasing from US\$ 2.43 billion in Calendar Year 2020 to US\$ 2.82 billion in Calendar Year 2025, registering a CAGR of 3.0%. Bangladesh and the UAE also remained important destinations, reflecting India's diversified export presence across developed markets, regional apparel manufacturing hubs, and emerging markets. Overall, the broad geographic footprint of India's textile and apparel exports reflects established linkages with international textile and apparel supply chains and continued access to diverse end markets.

Fig 30: Indian textile and apparel exports: By country

Exporting countries		CY20		CY25		CAGR
		US\$ Billion	% share in total trade	US\$ Billion	% share in total trade	(CY20-25)
USA		7.51	25.4%	10.03	27.1%	6.0%
EU-27		5.49	18.5%	7.60	20.6%	6.7%
Bangladesh		2.08	7.0%	3.00	8.1%	7.6%
Africa		2.43	8.2%	2.82	7.6%	3.0%
UAE		2.07	7.0%	2.40	6.5%	3.0%
RoW*		10.02	33.9%	11.09	30.0%	2.0%
Total		29.61	-	36.95	-	4.5%

Notes: *Rest of the World

Source(s): DGFT Tradestat, 1Lattice analysis

3.11 Indian textile and apparel export competitiveness is supported by preferential market access, policy incentives, and increasing adoption of sustainability and compliance standards

India's export competitiveness is strengthened by expanding market access through bilateral trade agreements, tariff rationalization in key markets, and sustained policy support for infrastructure and modernization. Concurrently, manufacturers are adopting sustainability-focused processes and technology integration to meet evolving buyer requirements. These drivers are expected to support export growth and continued destination diversification over the medium term.

- **Preferential market access through FTAs:** India-UAE CEPA and India-Australia ECTA have reduced or eliminated tariffs on majority of textile products, with exports to UAE and Australia growing approximately 6.8% and approximately 10.9% respectively in Fiscal 2025. India-EU FTA is expected to eliminate tariffs up to approximately 12% on textiles entering EU's US\$ 263.5 billion import market, potentially lifting apparel exports by 20-25% over the medium term and narrowing the tariff disadvantage relative to competitors such as Bangladesh, Vietnam, Pakistan, and Turkey. India-UK FTA extends zero-duty access on nearly all textile exports, improving price competitiveness and reducing logistical cost barriers relative to non-FTA countries. Taken together, these agreements are expected to expand market access, improve pricing competitiveness, and support diversification of export destinations.
- **Policy support and incentive framework:** RoDTEP and RoSCTL schemes continue to support cost competitiveness by reimbursing embedded duties and taxes, while PM MITRA Parks and PLI scheme are supporting capacity expansion, modernization, and competitiveness across the textile value chain, reinforcing medium-term export positioning and destination diversification.
- **Sustainability and compliance standards:** Manufacturers are increasingly adopting cleaner processes such as waterless dyeing, restricted chemical usage, and ZDHC-aligned chemical management to meet international buyer requirements. Traceability of raw materials is becoming a key buyer requirement, prompting improved supply chain documentation and end-to-end visibility. As a result, adherence to evolving environmental and regulatory standards has become essential for participation in global textile trade, where international buyers increasingly mandate certifications, such as OEKO-TEX, GOTS, and ZDHC, as pre-conditions for vendor approval.
- **Cotton import duty relief:** The 11% import duty on cotton has been reduced through a temporary exemption effective until end-October 2026, lowering the landed cost of imported cotton for fabric manufacturers and easing input costs during the domestic off-season. Competing apparel-manufacturing nations including Bangladesh, Vietnam, and Sri Lanka operate with duty-free access to imported cotton, and the exemption narrows this input-cost gap for Indian manufacturers, strengthening cost competitiveness in export-oriented supply chains. Domestic cotton continues to anchor the broader supply base, with imported cotton supplementing availability during the exemption period.

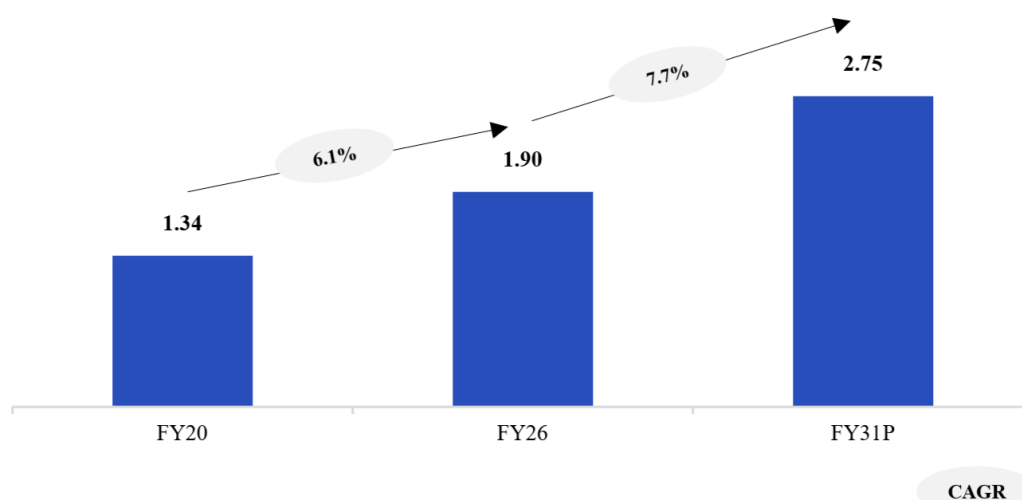
India's textile and fabrics industry is supported by expanding domestic consumption, organised retail and export-oriented apparel manufacturing, while improving market access, policy support and sustainability adoption are strengthening its competitiveness, creating opportunities for continued market expansion, export growth and greater value addition across fabric categories.

4 Overview of the Indian fabric (printing and dyeing) market

4.1 The Indian fabric processing industry is expected to grow at 7.7% during Fiscal 2026-2031P, supported by expanding apparel demand and increasing requirements for value-added and compliant fabric processing

The Indian fabric processing industry, comprising dyeing & printing processes and non-dyeing & printing processes was valued at ₹ 1.34 trillion in Fiscal 2020 and reached ₹ 1.90 trillion in Fiscal 2026, reflecting a CAGR of 6.1% during Fiscal 2020-2026. The industry is projected to grow at a relatively faster pace during Fiscal 2026-2031P, with the market expected to reach ₹ 2.75 trillion by Fiscal 2031P, representing a CAGR of 7.7%. Growth is supported by expanding domestic apparel consumption, increasing export-oriented fabric demand, and rising requirements for value-added processing capabilities across dyeing, printing, and finishing applications. The fabric processing industry plays a critical role within India's integrated textile value chain, serving both garment manufacturers and export markets. As fabric sourcing requirements evolve across domestic and export-oriented supply chains, increasing emphasis on quality execution, colour consistency, shorter turnaround cycles, product customisation, testing standards, process efficiency, and environmental compliance is strengthening the relevance of organised and compliance-oriented processors within the broader textile ecosystem.

Fig 31: Indian fabric processing industry by value
(₹ Trillion, FY20-31P)

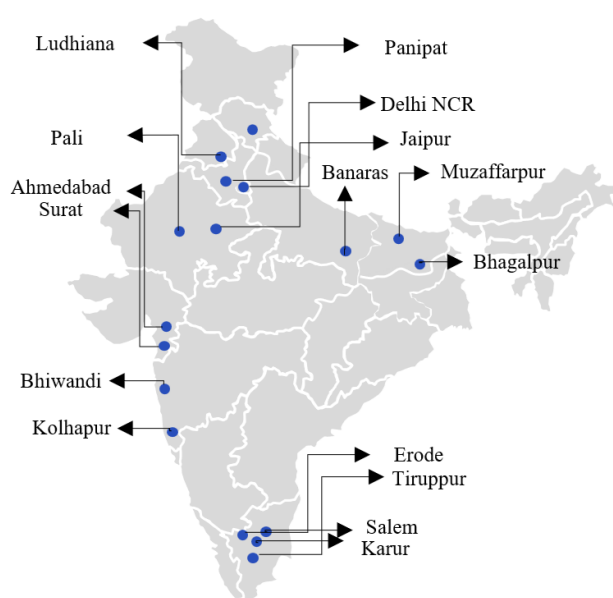


Source(s): 1Lattice analysis

4.2 India's fabric processing industry is supported by integrated manufacturing clusters across Gujarat, Tamil Nadu, and key northern textile hubs

India's fabric processing industry, including dyeing, printing, finishing and other fabric treatment processes operates through geographically concentrated textile processing clusters that have developed around integrated weaving, garment manufacturing, and export-oriented ecosystems. These clusters support operational efficiencies through shared infrastructure, skilled labour availability, established vendor networks, and proximity-driven supply chains across the textile value chain. x and home textile exports, while northern manufacturing regions including Ludhiana and Panipat support processing for wool, cotton, and winterwear-oriented textile products. Traditional centres such as Pali and Jaipur continue to support specialised textile processing segments, including pigment printing, cotton dyeing, and heritage textile applications. These integrated processing ecosystems enable scale efficiencies, faster turnaround cycles, production flexibility, and reduced logistics costs, supporting both domestic apparel manufacturing and export-oriented textile production. Increasing environmental compliance requirements and investment in common effluent treatment and water-management infrastructure are also contributing to gradual formalisation and modernisation across organised textile processing clusters.

Fig 32: Key Dyeing & Printing Clusters in India



Source(s): 1Lattice analysis

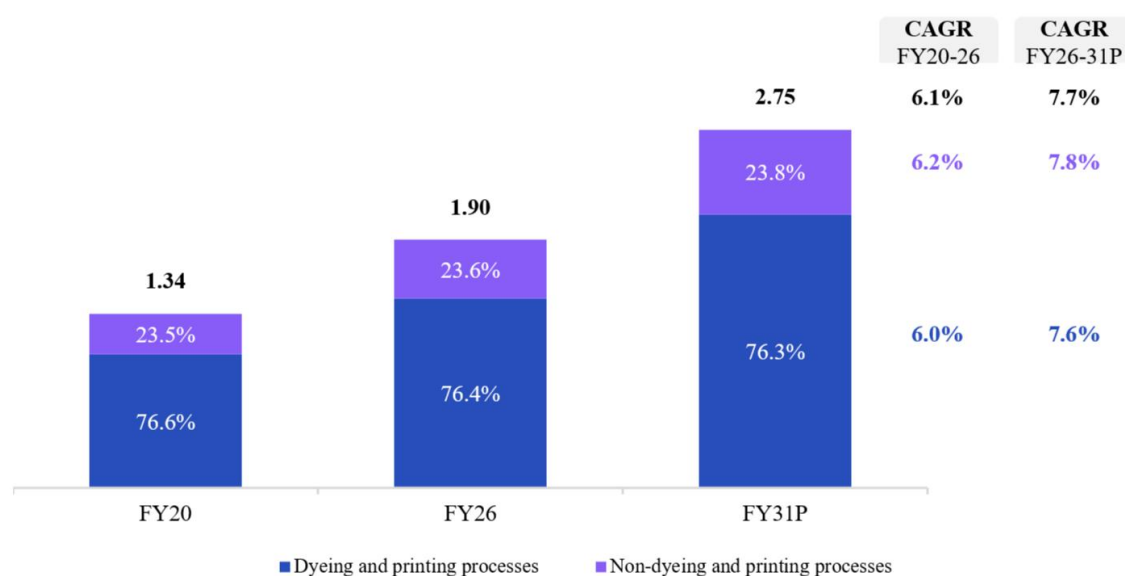
Key Dyeing & Printing Clusters in India

Cluster	Description
Surat	Large-scale synthetic and blended fabric processing hub with extensive dyeing infrastructure and export-oriented textile activity
Tiruppur	Knitwear-linked dyeing and finishing ecosystem supporting export-oriented garment manufacturing
Ahmedabad	Integrated textile processing hub with weaving, dyeing, and printing capabilities across cotton and blended fabrics
Ludhiana	Wool and winterwear-oriented textile processing cluster with dyeing and finishing infrastructure
Pali	Cotton dyeing and pigment printing cluster supported by MSME-led textile processing activity
Jaipur	Traditional textile printing and specialty dyeing hub known for block-printing and decorative fabric applications
Panipat	Home textile-oriented processing cluster supporting dyeing and finishing operations
Erode / Salem	Cotton fabric processing ecosystem with strong bleaching, dyeing, and finishing infrastructure
Karur	Export-oriented home textile processing hub focused on dyed and printed cotton fabrics

4.3 Dyeing and printing processes remain the dominant segment at approximately 76% of the market, supported by sustained demand for processed and differentiated fabrics

The Indian fabric processing industry is segmented into dyeing & printing processes and non-dyeing & printing processes. Dyeing and printing processes accounted for 76.6% of the market in Fiscal 2020 and are expected to maintain a relatively stable share at 76.3% during the forecast period, reaching ₹ 2.10 trillion by Fiscal 2031P at a CAGR of 7.6% during Fiscal 2026-2031P. This segment comprises wet processing operations such as dyeing, printing, and finishing, which impart colour, design, texture, and functional attributes to fabrics. Within printing, rotary printing enables high-speed, continuous printing with vibrant and intricate patterns, which is suitable for large-volume production. Rotary printing involves using hollow, perforated metal cylinders to roll liquid dye or pigment onto fabrics, and each cylinder adds a single colour. The segment continues to account for the majority of the market, supported by sustained demand from apparel, home textiles, and export-oriented manufacturing, along with increasing requirements for product customisation, colour consistency, and specification-driven fabric processing. Non-dyeing and printing processes, including preparatory treatments such as desizing, scouring, bleaching, and mercerisation, accounted for 23.6% of the market and are projected to grow at a CAGR of 7.8% during Fiscal 2026-2031P, reaching ₹ 0.65 trillion by Fiscal 2031P. Both segments are expected to benefit from rising quality and compliance standards, expanding organised retail penetration, and increasing export-oriented apparel manufacturing activity.

Fig 33: Indian fabric processing industry by processes
(₹ Trillion, %, FY20-31P)



Source(s): 1Lattice analysis

4.4 Fabric processing costs are primarily influenced by greige fabric sourcing, chemicals, energy, water treatment, and process complexity, with cost structures varying across dyeing, screen printing, and digital printing operations

Fabric dyeing and printing operations are resource-intensive processes where cost structures vary depending on the processing technology, production scale, and application complexity. While greige fabric typically remains the largest input component on a gross-value basis, processor-level conversion economics are primarily influenced by dyes and chemicals, steam and energy consumption, water usage and effluent treatment, labour, and machinery-related overheads.

Conventional dyeing operations are generally characterised by higher steam, water, and chemical consumption due to wet processing requirements such as dye bath heating, washing, fixation, and finishing. Rotary and screen-printing processes involve additional costs relating to screen preparation, colour separation, engraving, and printing paste consumption, with economics varying based on design complexity, colour count, and production volumes. Digital textile printing, while relatively less water-intensive, typically involves higher ink and machinery depreciation costs and comparatively lower throughput economics versus large-scale rotary printing systems; however, it can improve productivity, reduce dependence on manual intervention, and lower rejection rates, partially offsetting these costs.

Cost competitiveness within fabric processing is increasingly influenced by process optimisation, energy-efficient systems, water recycling infrastructure, automation, and production planning capabilities. In addition, procurement efficiencies, advance raw-material sourcing arrangements, and scale-based bargaining power increasingly influence realised processing margins across organised textile processors. As environmental regulations and buyer requirements evolve, processors are also investing in sustainable dyeing technologies, wastewater treatment systems, and quality-control infrastructure to improve operational efficiency and support compliance-oriented manufacturing practices.

Fig 34: Analysis of cost components involved in fabric processing

Cost head	Indicative share range	Key operational considerations
Greige fabric input	NA	Represents the primary raw-material input on a gross-value basis and is generally customer/pass-through linked in processor job work models. Procurement efficiencies, advance sourcing arrangements, and bargaining power may influence realised processor margins.
Dyes, chemicals & auxiliaries	25–45%	Includes dyes, pigments, printing paste, fixing agents, and finishing chemicals. Cost intensity varies based on shade depth, print complexity, fabric type, and export-grade quality requirements. Digital printing typically involves higher ink costs, while reactive dyeing and rotary printing require higher chemical consumption.
Steam & energy	15–28%	Energy consumption is driven by heating, steaming, curing, drying, stentering, and fixation processes. Conventional dyeing operations generally involve higher thermal loads, while digital printing reduces energy intensity in certain processing stages.
Water consumption & ETP/ZLD	3–14%	Water usage varies significantly across dyeing and printing technologies. Reactive dyeing and wet processing operations require higher water consumption and wastewater treatment infrastructure, while digital printing is relatively less water-intensive. ZLD and recycling systems increase compliance-related expenditure.
Labour	5–18%	Includes machine operators, printing technicians, colour specialists, screen preparation teams, quality-control personnel, and maintenance staff. Labour intensity varies across manual, rotary, and digitally automated printing systems.
Screen preparation, maintenance & machinery overheads	8–20%	Covers screen engraving, colour separation, machinery maintenance, utilities, depreciation, testing infrastructure, and compliance systems. Digital printing operations generally involve higher equipment depreciation and capital intensity, while rotary printing involves recurring screen preparation costs.

Note(s): Greige fabric cost is generally customer/pass-through linked in processor job work models and may not form part of processor-level conversion margins;

Indicative ranges vary across dyeing, rotary/screen printing, and digital textile printing processes depending on fabric application, process complexity, production scale, automation levels, and compliance requirements

Source(s): 1Lattice analysis

4.5 Fabric dyeing and printing technologies are evolving toward digital, water-efficient, and sustainability-oriented processing systems

Fabric dyeing and printing operations in India utilise a range of technologies spanning traditional and advanced processing methods to serve both domestic and export-oriented markets.

Digital printing technologies, including inkjet and spray-based systems, enable direct, high-resolution design application onto fabrics, supporting shorter production runs, faster sampling cycles, design flexibility, and reduced material wastage across fashion and export-oriented orders, particularly for complex designs and short-run production. Heat-transfer methods such as dye-sublimation printing are widely used for synthetic and polyester fabrics, particularly across sportswear, home textiles, and customised fabric applications.

Rotary printing involves using hollow, perforated metal cylinders to roll liquid dye or pigment onto fabrics. Each cylinder adds a single colour. Rotary printing enables high-speed, continuous printing with vibrant and intricate patterns, which is suitable for large-volume production.

Sublimation printing involves two key machines: an inkjet sublimation printer (which prints designs onto special transfer paper) and a heat press (which uses high heat and pressure to bond the ink directly into the synthetic fibres of the fabric). Because the ink becomes part of the textile, it is suitable for creating vibrant, crack-resistant, edge-to-edge designs that maintain the fabric's soft texture.

Flat-screen printing comprises hot table printing and automatic flatbed printing. Hot table printing and flatbed printing are related forms of flat-screen printing but use different operating mechanisms. Hot table printing involves stretching the fabric across a heated flat table surface, after which dyes or pigment pastes are manually or mechanically applied - often using silk screens. The heat from the table quickly sets, cures, or dries reactive dyes and pastes directly upon contact, preventing the dye from bleeding and ensuring vibrant penetration into fibres. This printing technique is frequently utilised in traditional or small-batch artisanal textile workshops for specialized fabric runs, such as the manufacturing of sarees. Flatbed printing is a textile printing method in which the fabric moves forward at fixed intervals under a flat screen. The screen is lowered and held in place while mechanical arms apply the colour or dye paste through it onto the fabric. The screen is then lifted, and the fabric moves forward for the next print. Separate screens are generally used for each colour in the design. This printing technique is primarily used for printing sarees and other traditional apparel fabrics featuring large motifs, borders and multi-colour designs, particularly in medium-volume production runs.

Processors are also increasingly adopting specialised technologies such as foam dyeing, digital spray dyeing, and water-efficient processing systems to improve resource utilisation, reduce wastewater generation, and strengthen compliance with evolving environmental standards.

Advanced processing systems, including waterless and low-liquor-ratio dyeing technologies, are becoming increasingly relevant as global buyers place greater emphasis on sustainability, traceability, and environmentally responsible sourcing practices. Indian fabric processors are progressively investing in resource-efficient technologies, process automation, and quality-control systems to improve export competitiveness, support product customisation, and respond to evolving buyer requirements across international textile and apparel markets. Advanced colour-processing systems are increasingly used to achieve greater colour depth, improved colour consistency, and refined finishing across differentiated fabric applications. These systems complement conventional dyeing and finishing technologies, which remain widely used in the Indian textile industry for repetitive designs and standardised colour patterns and are well suited to high-volume production, supporting operational efficiency and uniform product quality.

Players like Kian-M Export Limited, with an in-house fabric design team, have a competitive advantage, as not many fabric manufacturers in India maintain dedicated design capabilities.

Fig 35: Dyeing and printing technology

Dyeing and printing technology	
 Bio-based microbial dyeing	• Uses engineered microbes to produce and fix pigments directly onto textile fibers instead of synthetic chemical dyes • Biological pigments are applied during dyeing, reducing chemical usage, water consumption, and environmental impact
 Digital inkjet textile printing	• A digital printing method where designs are directly printed onto fabric using inkjet nozzles without screens • Precision droplet application enables rapid design changes, shorter runs, and lower water and dye wastage
 Dye-sublimation printing	• A heat-transfer process where dye converts into gas and bonds with fabric fibers, mainly polyester • Heat causes dye vapor to penetrate fibers, producing vibrant and durable prints with minimal water usage
 Waterless CO₂ Dyeing	• A waterless dyeing technology using pressurized carbon dioxide to carry dyes into fabric fibers • CO₂ acts as a dye carrier and evaporates after dyeing, eliminating wastewater and reducing energy consumption
 Digital spray dyeing	• A dyeing process where dyes are digitally sprayed onto fabric rather than applied through immersion baths • Controlled spraying improves dye efficiency and significantly reduces water and chemical use
 Foam dyeing technology	• Uses foam instead of water-based dye baths to apply dyes on fabrics • Significantly reduces water consumption and improves dye utilization efficiency during processing

4.6 Policy support through PM MITRA parks, RoDTEP incentives, and strengthening environmental norms are supporting modernization and compliance-led growth within fabric processing

India's fabric processing industry operates within a policy framework designed to modernise infrastructure, reward formalisation, and enforce environmentally responsible manufacturing. Initiatives such as PM MITRA and RoDTEP lower the cost of organised participation and improve export economics for compliant processors; while rising ESG disclosure requirements and buyer qualification standards are accelerating exit from unorganised capacity. Environmental regulations, particularly Zero Liquid Discharge norms across key processing clusters, are converting compliance obligations into operational upgrades, driving adoption of water recycling systems and positioning certified processors for preferred access to institutional and export demand. Digital printing, which uses approximately 20% of the dyes and chemicals required in traditional printing methods, thereby significantly reducing water usage, chemical discharge, and overall environmental impact.

Fig 36: Key policies supporting fabric processing

PM MITRA (Mega Integrated Textile Region and Apparel) Scheme	RoDTEP (Remission of Duties and Taxes on Exported Products)	ESG & Environmental Compliance Norms	Water Treatment & Zero Liquid Discharge (ZLD) Norms
A Government of India initiative establishing 7 large-scale integrated textile parks with plug-and-play infrastructure across the full value chain	An export incentive that refunds embedded taxes not covered under GST or duty drawback, improving net realisations for compliant exporters	Regulations governing chemical usage, effluent discharge, and sustainability disclosures across the textile processing industry	State regulations mandate wastewater treatment and full recycling in designated textile clusters, driving processors toward modern ZLD infrastructure
- Shared utilities and centralized ETPs remove the need for standalone compliance infrastructure, lowering entry costs for processors - Co-locating spinning, weaving, and processing within one park shortens lead times and reduces logistics overhead - Cluster format attracts anchor investors and upgrades smaller processors into organised, scalable supply chains	- Directly improves export margins for processors, making investment in compliance & modernisation easier - Rewards units that operate within formal, documented supply chains which incentivises transition from unorganised to organised processing - Strengthens price competitiveness of Indian fabric processors against lower-cost export origins	- Domestic & global brands increasingly qualify suppliers on ESG metrics, making compliance a prerequisite for premium order books - Processors investing in cleaner chemistry & certified effluent management gain a structural edge in buyer audits - Rising ESG disclosure requirements push processors toward formal systems, accelerating exit from unorganised capacity	- Cluster-level CETPs lower the capital barrier for compliance, enabling smaller processors to meet discharge norms and remain operationally viable - ZLD systems recover 75–90% of process water for reuse, reducing input costs and shielding processors from freshwater scarcity risk - ZLD certification is increasingly a buyer and export qualification threshold, giving compliant processors preferred access to institutional demand

4.7 India continues to strengthen its position in dyed cotton fabric exports, supported by rising demand across Southeast Asia and Sri Lanka

Southeast Asia remained the largest importer of dyed cotton fabrics in Calendar Year 2025, with imports valued at US\$ 2.5 billion, supported by expanding apparel manufacturing activity and sustained sourcing demand across regional textile supply chains. India's exports to Southeast Asia increased from US\$ 19.4 million in Calendar Year 2020 to US\$ 48.0 million in Calendar Year 2025, registering a CAGR of 19.8% during Calendar Year 2020-2025. Within the region, Vietnam emerged as a key destination market, with India's exports increasing from US\$ 4.4 million in Calendar Year 2020 to US\$ 19.1 million in Calendar Year 2025, reflecting deepening sourcing linkages with regional apparel manufacturing ecosystems. Sri Lanka also remained an important export destination for Indian dyed cotton fabrics, with exports increasing from US\$ 103.2 million in Calendar Year 2020 to US\$ 156.3 million during the same period. Africa emerged as the fastest-growing market during Calendar Year 2020-2025, with dyed cotton fabric imports increasing from US\$ 645 million in Calendar Year 2020 to US\$ 1.6 billion in Calendar Year 2025, registering a CAGR of 19.6%. Growth was supported by rising demand for cotton-based apparel fabrics and a shift toward printed and colour-intensive textile applications across select regional markets.

India's dyed cotton fabric exports increased from US\$ 410.8 million in Calendar Year 2020 to US\$ 536.7 million in Calendar Year 2025, reinforcing the country's position within global cotton textile trade. India's preference as a sourcing origin has been shaped by growing buyer emphasis on chemical compliance and traceability in dyed fabrics, supported by investment in AZO-free dyeing processes and OEKO-TEX certifications, which differentiate Indian processors from lower-compliance alternatives. Integrated textile ecosystems, established processing infrastructure, and competitive manufacturing economics continue to anchor India's position, with government-backed consolidation under PM MITRA adding new capacity at the value-added end of the chain. Sustained double-digit export growth across Southeast Asian and African markets supports a meaningful long-term runway for Indian processors as these sourcing pools continue to scale.

Fig 37: Global dyed cotton fabrics trade: By country

Importing countries		CY20			CY25			CAGR (CY20-25)	
		Global Exports (US\$ M)	India Exports (US\$ M)	India's share in imports (%)	Global Exports (US\$ M)	India Exports (US\$ M)	India's share in imports (%)	Global Exports (%)	India Exports (%)
SEA		2,268	19.4	0.9%	2,491	48	1.9%	1.9%	19.8%
Africa		645	102	15.8%	1,578	92.4	5.9%	19.6%	-2.0%
Bangladesh		752	91.5	12.2%	1,020	119.6	11.7%	6.3%	5.5%
Sri Lanka		274	103.2	37.7%	268	156.3	58.3%	-0.4%	8.6%
Taiwan		3.0	0.03	1.0%	3.0	0.02	0.7%	6.3%	-4.9%
Rest of the world		3,332	94.7	2.8%	3,068	120.3	2.9%	-1.6%	4.9%
Total		7,271	410.8	5.6%	8,425	536.7	6.4%	3.0%	5.5%

Note(s): HS codes used for analysis: 520831, 520832, 520833, 520839, 520931, 520932, 520939, 521031, 521032, 521039, 521131, 521132, 521139, 521213, 521223, 600522, 600622;

SEA includes: Indonesia, Vietnam, Thailand, Malaysia, Singapore, Philippines, Myanmar, Cambodia, Laos, Brunei

Source(s): ITC Trade Map, 1Lattice analysis

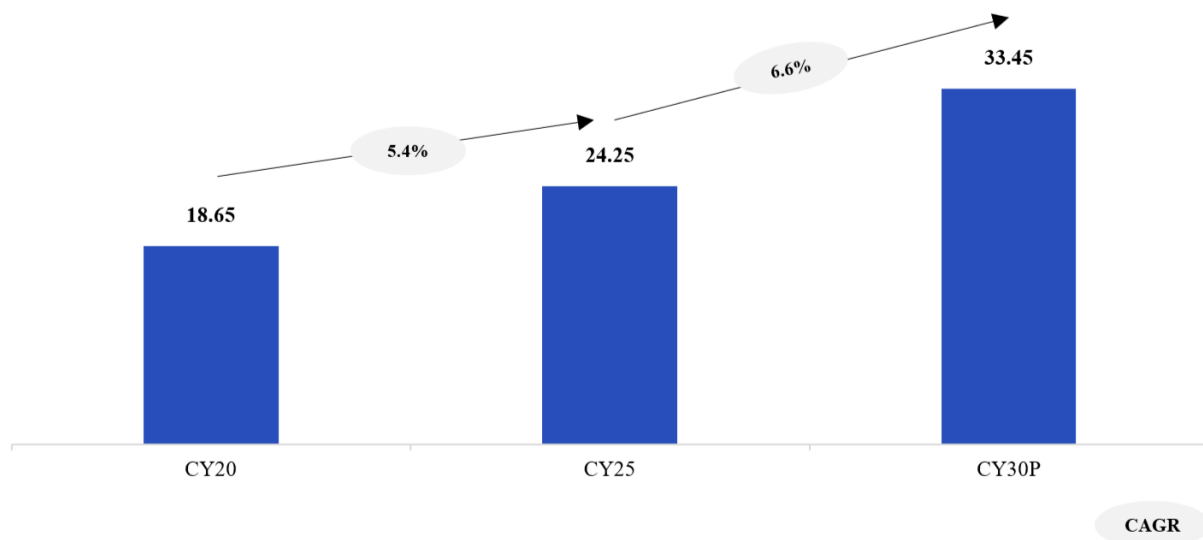
4.8 India's fabric processing sector benefits from integrated cluster ecosystems, domestic dye availability, and responsive manufacturing capabilities supporting global sourcing competitiveness

India's fabric dyeing and processing industry derives its competitive advantage from cost-efficient manufacturing, operational agility, and established processing ecosystems. Competitive labour and manufacturing costs, coupled with India's position as one of the world's largest producers of dyes and pigments, support relatively competitive processing economics across dyeing and printing operations. The presence of a well-developed domestic supply chain for dyes and chemicals, supported by large chemical manufacturers and extensive production capacity, further strengthens input availability, procurement flexibility, and reduced import dependence. India's cluster-based textile ecosystem enables faster turnaround times, with weaving, dyeing, printing, and garmenting activities often operating within close proximity, reducing logistics costs and improving production lead times. Processors are also increasingly investing in sustainability compliance, testing infrastructure, colour-management systems, and process automation to meet evolving buyer requirements relating to environmental standards, traceability, and quality consistency across export-oriented supply chains. These factors collectively support India's competitiveness within global fabric sourcing markets, particularly as international buyers increasingly diversify sourcing networks and prioritise suppliers capable of scalable production, responsive execution, and compliance-oriented manufacturing practices.

4.9 Africa's fabric market continues to grow while domestic processing capacity remains limited, sustaining demand for imported cotton fabrics

African fabric market was valued at US\$ 18.65 billion in Calendar Year 2020 and US\$ 24.25 billion in Calendar Year 2025 and is projected to reach US\$ 33.45 billion by Calendar Year 2030P, at a CAGR of 6.6% during Calendar Year 2025-2030P. Demand is concentrated in woven cotton fabrics, including Kitenge and Kanga wax-print categories used across everyday and occasion apparel in East and West African markets. A Kitenge (also known as a Chitenje) is a piece of colourful fabric that contains a variety of patterns and designs. These fabrics are widely used in several African countries for traditional and contemporary attire and are commonly worn as garments wrapped around the waist, chest or shoulders. A Kanga is a colourful fabric, similar to Kitenge, but lighter, worn by women and occasionally by men throughout the African Great Lakes region. It is a piece of printed cotton fabric, often with a border along all four sides (called pindo in Swahili), and a central part (mji), which differs in design from the borders. Domestic fabric production across the continent remains constrained by aging processing machinery, unreliable power availability, and limited access to long-term industrial financing, holding local output below the level of consumption. The resulting demand is met substantially through imports, with China and India established as the leading supplying origins for cotton-based fabrics. As regional apparel consumption grows and printed cotton retains its role in domestic demand, the continued reliance on imported fabric supports sourcing requirements across organised processing origins.

Fig 38: African domestic fabric market size by value
(US\$ Billion, CY20-30P)



Source(s): 1Lattice analysis

4.10 African fabric demand is structurally import-served, sustaining sourcing requirements that favour competitive processing origins such as India

Key growth drivers of African fabric demand include

- **Demographic and urbanisation-led demand growth:** African fabric demand is supported by a young and growing population and by rising urbanisation that is shifting household spending toward ready-to-wear apparel. Cotton-based fabrics, including printed and wax-print categories, retain a central role in daily and occasion wear across East and West African markets, sustaining volume demand for woven cotton cloth. Demand in the African print segment remains supported by cultural relevance and stable consumption patterns in key African markets, alongside the rising popularity of African-inspired fashion, growing demand for vibrant printed fabrics, and expanding adoption of African prints across apparel, accessories, and lifestyle products.
- **Structural import dependence:** Domestic fabric processing capacity across the continent remains constrained by aging machinery, unreliable power availability, and limited access to long-term industrial financing. These constraints hold local output below consumption, and the resulting demand-supply gap is met substantially through imports, with China and India established as the leading supplying origins for cotton-based fabrics.
- **Regional trade integration under AfCFTA:** The progressive reduction of intra-African tariffs under the African Continental Free Trade Area is lowering trade frictions and supporting the development of regional apparel value chains. As regional garment manufacturing scales, fabric sourcing requirements expand, while limited domestic substitution capacity sustains reliance on imported supply.
- **Compliance-led sourcing shift toward established origins:** International and regional buyers are placing increasing emphasis on chemical compliance, traceability, and consistent quality across fabric supply. These requirements favour processing origins capable of scalable production and certified, compliance-oriented manufacturing, supporting demand for fabrics sourced from established Asian origins.

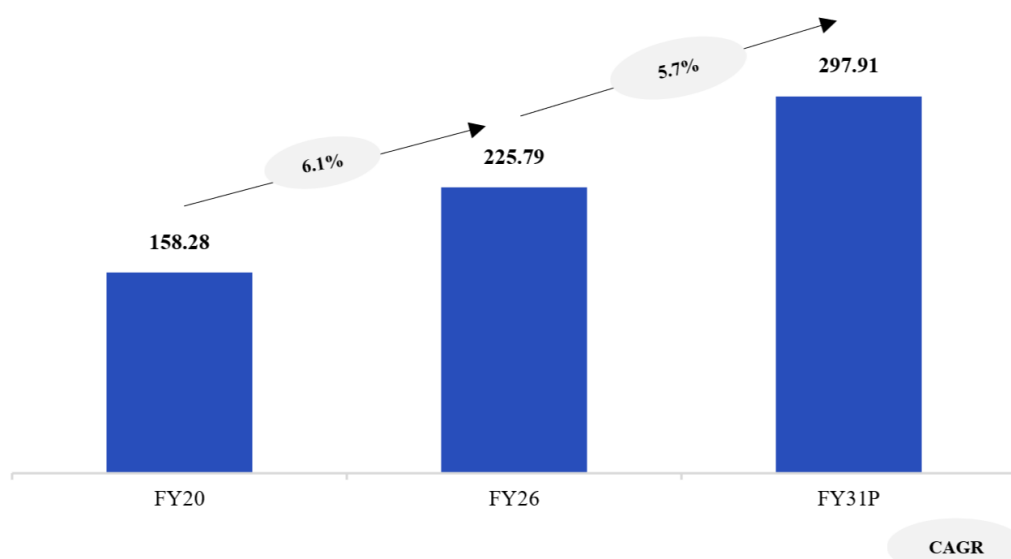
India's fabric printing and dyeing market is positioned for continued growth, with established processing clusters, domestic input availability and sustained demand for differentiated fabrics providing a strong operating base, while technology adoption, evolving compliance standards and export opportunities are creating scope for greater value addition across organised processing capacity.

5 Overview of Indian denim fabric market

5.1 Indian denim fabric market projected to reach ₹ 297.91 billion by Fiscal 2031P, supported by rising demand for value-added denim fabrics and expansion of integrated textile manufacturing ecosystems

The Indian denim fabric market is projected to grow from ₹ 225.79 billion in Fiscal 2026 to ₹ 297.91 billion by Fiscal 2031P at a CAGR of 5.7%, supported by rising denim consumption across fashion and everyday apparel categories, increasing demand for value-added denim fabrics, and expansion of domestic and export-oriented textile manufacturing. Demand is also evolving toward differentiated denim offerings, including stretch-based fabrics, blended constructions, and sustainable processing-led products aligned with changing consumer and sourcing preferences. Gujarat, which accounts for a significant share of India's denim production, benefits from an integrated textile ecosystem comprising spinning, weaving, processing, and export-oriented manufacturing infrastructure. The state's established processing capabilities, access to cotton supply, and strong connectivity to export markets continue to support its position within India's denim manufacturing landscape. India also ranks among the key global hubs for denim fabric manufacturing, supported by integrated supply chains, established processing capabilities, and participation in international sourcing networks. Government initiatives such as the Production Linked Incentive (PLI) scheme and PM MITRA textile parks are further expected to support investments across textile manufacturing and exports.

Fig 39: Indian denim fabric market size
(₹ Billion, FY20-31P)



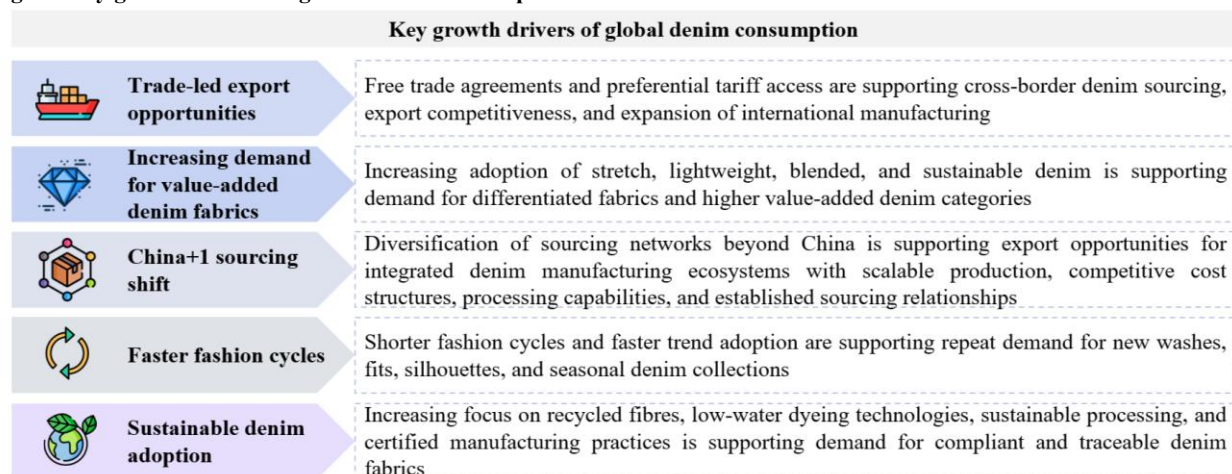
Source(s): 1Lattice analysis

5.2 Global denim fabric demand across the US, Europe, China, and India is reinforcing value-added categories, sourcing diversification, and sustainable innovations

Global denim demand is being shaped by sustainability-focused sourcing, rising adoption of value-added and performance denim fabrics, and faster fashion cycles driving repeat demand for new styles and collections. At the same time, China+1 sourcing diversification, trade-led export opportunities, and increasing emphasis on recycled fibres, low-water processing, and traceable manufacturing are strengthening demand for scalable and compliant denim manufacturing ecosystems.

The global denim fabric market was valued at approximately US\$ 24 billion in Calendar Year 2025, supported by sustained casualwear demand and the integration of denim across every day and lifestyle apparel categories. Demand is concentrated across a few large end-markets, with the United States, EU27 and UK forming the established, high-consumption base and China and India emerging as the fastest-growing demand regions, supported by rising urbanisation, an expanding middle class, and growing adoption of Western fashion. This combination of mature consumption markets and faster-growing emerging demand supports a stable long-term outlook for denim fabric.

Fig 40: Key growth drivers of global denim consumption



5.3 India ranked among the top global denim exporters in Calendar Year 2025, with exports reaching US\$ 0.4 billion and accounting for 10.4% share in global trade supported by integrated manufacturing capabilities and diversified sourcing demand

Global denim exports increased from US\$ 3.4 billion in Calendar Year 2020 to US\$ 4.1 billion in Calendar Year 2025, registering a CAGR of 3.8%, supported by rising global apparel demand, diversification of sourcing networks, and expansion in international denim trade. China remained the largest exporter in Calendar Year 2025, accounting for 48.5% of global denim exports, followed by Pakistan at 14.2%. India accounted for 10.4% of global denim exports in Calendar Year 2025, with exports increasing from US\$ 0.3 billion in Calendar Year 2020 to US\$ 0.4 billion in Calendar Year 2025 at a CAGR of 4.4%, exceeding the overall global denim export growth rate of 3.8% during the period. India's position in global denim trade is supported by its integrated textile ecosystem, established processing capabilities, availability of cotton, and participation in diversified sourcing networks serving international apparel markets. Increasing global preference for diversified sourcing destinations and value-added denim products is also supporting demand for manufacturers with scalable production infrastructure, processing capabilities, sustainability-oriented manufacturing practices, and long-term sourcing relationships across export markets.

Fig 41: Global denim exports: By country

Exporting countries		CY20		CY25		CAGR
		US\$ Billion	% share in total trade	US\$ Billion	% share in total trade	(CY20-25)
China		1.4	42.1%	2.0	48.5%	6.5%
Pakistan		0.5	13.9%	0.6	14.2%	4.0%
India		0.3	10.0%	0.4	10.4%	4.4%
Türkiye		0.3	7.4%	0.3	8.2%	5.8%
Vietnam		0.1	2.7%	0.1	2.9%	5.0%
Rest of the world		0.8	24.0%	0.6	15.8%	-4.7%
Total		3.4		4.1		3.8%

Note(s): HS codes used for analysis include: 520942, 521142

Source(s): ITC Trade Map, 1Lattice analysis

India's denim fabric industry is positioned for sustained expansion, driven by growing domestic and global demand for differentiated denim, an established integrated manufacturing ecosystem and increasing sourcing diversification, while rising adoption of sustainable and performance-oriented fabrics is creating opportunities for Indian manufacturers to strengthen their presence across international denim supply chains.

6 Competition landscape – operational & financial benchmarking

The Indian textile and apparel industry remains structurally fragmented, with a large base of organised small and medium-sized manufacturing and processing units operating across the textile value chain. The players in Indian textile and apparel industry also compete with players outside India, including China, Bangladesh and Vietnam.

One of the players in the Indian textile and apparel industry is Kian-M Export Limited, whose main peer competitors in India are Vardhman Textiles Limited, Arvind Limited, Sangam India Limited, and Jindal Worldwide Limited.

Kian-M Export Limited, along with its subsidiary, Usha Cotton Limited (together, **Kian-M Export Group**), manufactures finished textiles by converting raw, unfinished fabric (commonly called “grey” or “greige” fabric) through a multi-step wet and dry processing sequence known as preparation, dyeing/printing and finishing. Kian-M Export Group manufactures a range of sarees (on both a white label basis and under its brand Revelo) and fabrics primarily for use in manufacturing three diverse styles of apparel: (i) kitenge and kanga, which they refer to as African print, (ii) modern apparel, such as shirts, and (iii) other South Asian ethnic and traditional dresses and suits fabrics, including fabrics for salwar kameez. Kian-M Export Group also manufacture a range of women's contemporary, ethnic & occasion wear, including salwar kameez, under its Orcoss brand, which is focussed on the premium segment of the market. Kian-M Export Limited on a consolidated basis saw revenue grow from ₹ 2,447.79 million in Fiscal 2024 to ₹ 3,830.12 million in Fiscal 2026, a CAGR of 25.09%, which is the highest revenue CAGR over Fiscals 2024-2026 when compared to its peers. Kian-M Export Limited on a consolidated basis also had the highest ROE and ROCE in Fiscal 2026 when compared to its peers.

Vardhman Textiles Limited

Incorporated in 1973, Vardhman Textiles Limited is one of India's leading vertically integrated textile manufacturers and the flagship company of the Vardhman Group. The company operates primarily across yarn, fabrics and garments, with capabilities spanning spinning, weaving and fabric processing. It serves domestic and international customers, with its yarn and fabric products supplied to key markets including the US, Europe and Asia.

Arvind Limited

Incorporated in 1931, Arvind Limited is an integrated textile and apparel company with operations spanning fabrics and finished garments. Its textile portfolio includes denim, woven fabrics, knits, garments, voiles and home linens, supported by vertically integrated manufacturing and product-development capabilities. The company serves leading domestic and international brands across key global apparel markets.

Sangam India Limited

Established in 1984, Sangam (India) Limited is an integrated textile manufacturer with operations spanning spinning, knitting, weaving and garmenting. Its product portfolio includes polyester-viscose and cotton yarns, denim, suiting and shirting fabrics, knitted fabrics and seamless garments. The company operates multiple manufacturing facilities in Rajasthan and caters to both domestic and export markets.

Jindal Worldwide Limited

Established in 1986 and headquartered in Ahmedabad, Jindal Worldwide Limited is an integrated textile manufacturer with a strong presence in denim and other woven fabrics. The Company manufactures denim, bottom-weight and premium printed shirting fabrics through integrated operations covering spinning, weaving, dyeing and processing. Its products cater to domestic and international customers, while the company has also diversified into the electric two-wheeler segment.

6.1 Operational benchmarking

The tables below set forth certain operational benchmarks for each of the above-mentioned companies.

Fig 42: Operational benchmarking

Parameters		Kian-M Export Limited	Vardhman Textiles Limited	Arvind Limited	Sangam India Limited	Jindal Worldwide Limited
Product portfolio	Fabric	✓	✓	✓	✓	✓
	Garment	✓	✓	✓	✓	✓
Installed capacity (per annum)	Fabric	95.04 million metres	180.00 million metres	NA	60.00 million metres	3.65 million pieces
Number of countries exported to in FY 2026		11	75+	62	52+	24

6.2 Financial benchmarking

The tables below set forth certain financial information, including non-GAAP measures, for each of the above-mentioned companies. The financial information for Kian-M Export Limited has been derived from its Restated Consolidated Financial Information prepared for inclusion in its draft red herring prospectus for its proposed initial public offering. The financial information for each of the other companies has been derived from their respective audited consolidated financial statements for each of the Fiscals noted below.

Company	Revenue CAGR	EBITDA CAGR	PAT CAGR
	(FY 2024-2026)	(FY 2024-2026)	(FY 2024-2026)
Kian-M Export Limited	25.09%	63.27%	118.82%
Vardhman Textiles Limited	1.90%	12.81%	8.76%
Arvind Limited	9.65%	9.01%	10.04%
Sangam India Limited	10.94%	22.00%	42.26%
Jindal Worldwide Limited	12.24%	-14.38%	-3.94%

Parameters	Company	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations (₹ million)	Kian-M Export Limited	3,830.12	3,401.81	2,447.79
	Vardhman Textiles Limited	98,690.50	97,848.80	95,046.80

Parameters	Company	Fiscal 2026	Fiscal 2025	Fiscal 2024
	Arvind Limited	93,031.90	83,288.10	77,377.50
	Sangam India Limited	32,345.30	28,569.50	26,280.60
	Jindal Worldwide Limited	22,855.39	22,880.71	18,140.89
EBITDA^(a) (₹ million)	Kian-M Export Limited	557.81	403.90	209.25
	Vardhman Textiles Limited	12,386.10	12,627.50	9,732.10
	Arvind Limited	10,044.20	8,534.00	8,452.10
	Sangam India Limited	3,207.30	2,446.40	2,154.80
	Jindal Worldwide Limited	1,343.37	1,951.16	1,832.53
EBITDA Margin^(b) (%)	Kian-M Export Limited	14.56%	11.87%	8.55%
	Vardhman Textiles Limited	12.55%	12.91%	10.24%
	Arvind Limited	10.80%	10.25%	10.92%
	Sangam India Limited	9.92%	8.56%	8.20%
	Jindal Worldwide Limited	5.88%	8.53%	10.10%
Profit for the year (PAT) (₹ million)	Kian-M Export Limited	421.92	227.79	88.12
	Vardhman Textiles Limited	7,532.00	8,867.20	6,367.00
	Arvind Limited	4,269.70	3,673.80	3,526.30
	Sangam India Limited	826.10	318.00	408.20
	Jindal Worldwide Limited	698.05	755.66	756.48
PAT Margin^(c) (%)	Kian-M Export Limited	10.68%	6.62%	3.55%
	Vardhman Textiles Limited	7.46%	8.76%	6.48%
	Arvind Limited	4.56%	4.38%	4.53%
	Sangam India Limited	2.55%	1.11%	1.55%
	Jindal Worldwide Limited	3.04%	3.30%	4.17%
Net Debt^(d) (₹ million)	Kian-M Export Limited	1,378.84	1,282.76	962.96
	Vardhman Textiles Limited	17,714.30	11,490.50	17,033.80
	Arvind Limited	12,774.80	12,593.80	12,495.70
	Sangam India Limited	12,101.40	10,827.40	10,367.50
	Jindal Worldwide Limited	2,002.19	4,901.10	5,785.32
Net Debt to EBITDA^(e)	Kian-M Export Limited	2.47	3.18	4.60
	Vardhman Textiles Limited	1.43	0.91	1.75
	Arvind Limited	1.27	1.48	1.48
	Sangam India Limited	3.77	4.43	4.81
	Jindal Worldwide Limited	1.49	2.51	3.16
Return on Equity^(f) (%)	Kian-M Export Limited	113.66%	69.36%	19.30%
	Vardhman Textiles Limited	7.33%	9.26%	7.14%
	Arvind Limited	10.66%	9.81%	10.04%
	Sangam India Limited	7.93%	3.19%	4.37%
	Jindal Worldwide Limited	8.46%	10.02%	11.05%

Parameters	Company	Fiscal 2026	Fiscal 2025	Fiscal 2024
Return on Capital Employed^(g) (%)	Kian-M Export Limited	43.35%	51.33%	16.39%
	Vardhman Textiles Limited	6.35%	7.79%	5.73%
	Arvind Limited	14.45%	12.95%	13.93%
	Sangam India Limited	11.99%	7.25%	7.15%
	Jindal Worldwide Limited	12.77%	16.64%	15.99%
Fixed Asset Turnover Ratio^(h)	Kian-M Export Limited	4.04	3.85	3.18
	Vardhman Textiles Limited	2.15	2.49	2.48
	Arvind Limited	2.68	2.61	2.48
	Sangam India Limited	2.33	2.51	3.05
	Jindal Worldwide Limited	8.93	6.54	5.01
Working Capital Cycle⁽ⁱ⁾ (days)	Kian-M Export Limited	-16	-13	10
	Vardhman Textiles Limited	189	174	168
	Arvind Limited	16	14	15
	Sangam India Limited	22	33	32
	Jindal Worldwide Limited	99	88	108

Notes:

- EBITDA for Kian-M Export Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income.
EBITDA for Vardhaman Textiles Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less share of profit of associates.
EBITDA for Arvind Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less exceptional items and share of profit of Joint Ventures and Associates accounted for using equity method.
EBITDA for Sangam India Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less exceptional items and share in profit after tax from Associate company.
EBITDA for Jindal Worldwide Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less share of profit of Associates.
- EBITDA Margin is calculated as EBITDA divided by revenue from operations ("EBITDA Margin").
- PAT Margin is calculated as profit for the year expressed as a percentage of total income ("PAT Margin").
- Net Debt is calculated as the sum of current borrowings plus non-current borrowings, less (i) cash and cash equivalents and (ii) bank balances other than cash and cash equivalents ("Net Debt").
- Net Debt to EBITDA Ratio is calculated as Net Debt divided by EBITDA.
- Return on Equity ("Return on Equity" or "ROE") is calculated as profit for the year divided by Average Total Equity, expressed as a percentage. Average Total Equity is calculated as the sum of (i) total equity as at beginning of the Fiscal Year and (ii) total equity as at end of the Fiscal Year, divided by two ("Average Total Equity").
- Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed as at the end of the Fiscal Year, expressed as a percentage ("Return on Capital Employed" or "ROCE"). Capital Employed is calculated as total assets less current liabilities as at the end of the Fiscal Year ("Capital Employed"). EBIT is calculated as EBITDA less depreciation & amortisation expenses ("EBIT") where:
 - EBITDA for Kian-M Export Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income.
 - EBITDA for Vardhaman Textiles Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less share of profit of associates.
 - EBITDA for Arvind Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less exceptional items and share of profit of Joint Ventures and Associates accounted for using equity method.
 - EBITDA for Sangam India Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less exceptional items and share in profit after tax from Associate company.
 - EBITDA for Jindal Worldwide Limited is calculated as Profit for the year plus total tax expense plus depreciation and amortisation expenses plus finance costs less other income less share of profit of Associates.
- Fixed Assets Turnover Ratio is calculated as revenue from operations divided by Average Fixed Assets ("Fixed Assets Turnover Ratio"). Fixed Assets is property, plant and equipment ("Fixed Assets"). Average Fixed Assets is calculated

as (Fixed Assets as at beginning of the Fiscal Year plus Fixed Assets as at end of the Fiscal Year) divided by two ("Average Fixed Assets").

- i. *Working Capital Cycle (in days)* is calculated by dividing the number of days in the applicable Fiscal Year by the working capital ratio, which is calculated as revenue from operations divided by Average Net Working Capital ("Working Capital Cycle"). Net working capital is calculated as total current assets less total current liabilities ("Net Working Capital"). Average Net Working Capital is calculated as (Net Working Capital as at beginning of the Fiscal Year plus Net Working Capital as at the end of the Fiscal Year) divided by two ("Average Net Working Capital").

7 Key threats and challenges

- **Volatility in raw material prices**
Cotton, polyester, viscose and other textile inputs are subject to price fluctuations, which can pressure margins if increases cannot be fully passed on to customers
- **Intense competition and pricing pressure**
The textile processing and printing industry remains highly fragmented, with competition from domestic players as well as low-cost manufacturing hubs such as China, Bangladesh, Vietnam and Pakistan
- **Dependence on global demand**
With exports serving markets across the US, Europe, Middle East and Africa, changes in consumer spending, fashion cycles and economic conditions in key markets can affect order volumes
- **Foreign exchange and trade-related risks**
Export-oriented operations are exposed to currency fluctuations, changes in tariffs, duties, trade policies and geopolitical developments across key destination markets
- **Sustainability and regulatory requirements**
Increasing requirements around water consumption, chemical usage, effluent treatment, traceability and sustainable sourcing can increase compliance costs and require continued investment in processes and technology
- **Technology and capacity obsolescence**
Textile printing and finishing technologies evolve rapidly; maintaining competitiveness requires periodic investment in machinery, automation and digital printing capabilities
- **Customer and fashion-cycle dependence**
Textile demand is influenced by changing designs, colours, fabrics and consumer preferences, creating risks around demand forecasting, inventory and capacity utilisation

GLOSSARY OF ABBREVIATIONS USED

Abbreviation	Full Form
Bn	Billion
CY	Calendar year
CAGR	Compound annual growth rate
CEPA	Comprehensive Economic Partnership Agreement
CPI	Consumer price index
COVID	Coronavirus disease
ECTA	Economic Cooperation and Trade Agreement
ESG	Environmental, Social, and Governance
EU	European Union
FY, Fiscal, Financial Year	Period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year
FDI	Foreign direct investment
FTA	Free trade agreement
GOTS	Global Organic Textile Standard
GRS	Global Recycled Standard
GDP	Gross domestic product
₹	Indian Rupee
ISO	International Organization for Standardization
MMF	Man made fibre
MITRA	Mega Integrated Textile Region and Apparel
Mn	Million
NCR	National Capital Region
NHDP	National Handloom Development Programme
NIP	National Infrastructure Pipeline
NTTM	National Technical Textiles Mission
PM	Prime Minister
PFCE	Private Final Consumption Expenditure
PLI	Production Linked Incentive
P	Projected
RoSCTL	Rebate of State and Central Taxes and Levies
RoDTEP	Remission of Duties and Taxes on Exported Products
R&D	Research and development
SHG	Self Help Group
T	Trillion
UAE	United Arab Emirates
UK	United Kingdom
US\$	United States Dollar
USA	United States of America

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