

Trends in Fibre Consumption in India

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Fibers Strength of India

➤ **Strong and Diverse Raw**

Material Base –

✓ **The largest producer of Jute,**

✓ **2nd largest producer of Cotton,**

✓ **2nd largest for Silk,**

✓ **2nd position for Cellulosic**

fiber/yarn , and

✓ **4th largest producer of**

synthetic fiber /yarn in the world.

Fibres Category	Production during 2008	% Share in world	Rank
Jute (Jute, Kenaf and allied fibres)	1.7 Billion Kgs	56%	1
Cotton	5.0 Billion Kgs	22%	2 (china-30%)
Silk	17 Million Kgs	13%	2 (china-82%)
Cellulosic Fibre/Yarns	0.33 Billion Kgs	12%	2 (china-45%)
Synthetic Fibres/Yarns	2.4 Billion Kgs	6%	4 (china-48%)

Bracket figures are % share in the world by first rank country

Source :O/o Textiles Commissioner

High Consumption of fibres

➤ Due to presence of globally competitive Spinning Industry with huge domestic market and large exports–

✓ The largest consumer of jute fibres and its products,

✓ 2nd largest consumer for Cotton,

✓ 2nd largest consumption in Silk,

✓ 3rd position for consumption of Cellulosic fiber/yarn , and

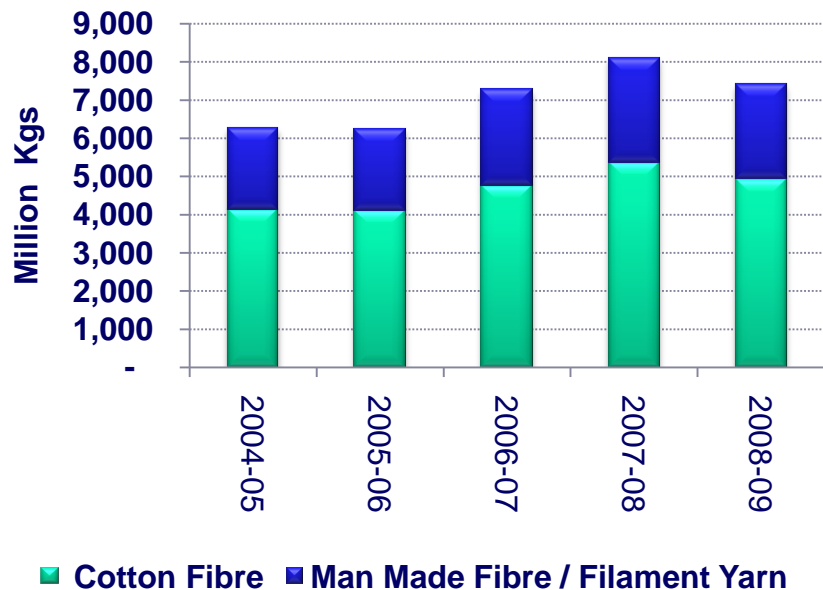
✓ 4th largest consumption for synthetic fiber /yarn in the world.

Fibres Category	Consumption during 2008	% Share in world	Rank
Jute (Jute, Kenaf and allied fibres)	1.6 Billion Kgs	58%	1
Cotton	3.9 Billion Kgs	16%	2 (china-30%)
Silk	20 Million Kgs	15%	2 (china-80%)
Cellulosic Fibre/Yarns	0.3 Billion Kgs	11%	3 (china-46%)
Synthetic Fibres/Yarns	2.2 Billion Kgs	6%	4 (china-48%)

Bracket figures are % share in the world Source :O/o Textiles Commissioner

Production & Consumption of Fibers

Production of Man Made Fibre / Filament Yarn & Cotton



Consumption of Man Made Fibre / Filament Yarn & Cotton (Million Kgs)

	Cotton Fibre	Man Made Fibre / Filament Yarn
2004-05	2,886	2,115
2005-06	3,106	2,139
2006-07	3,944	2,282
2007-08	4,097	2,451
2008-09 (P)	3,910	2,395
CAGR (2004-09)	9.0%	4.0%

Man Made Fiber / Filament Yarn and Cotton Fibers Production, both grew at a CAGR of 6% during 2004-09 , so ratios remain flat around 34:66.

However, Consumption of fibres grew at a CAGR of 7% for total fibres. Growth in cotton consumption rate dominated over man-made fibre consumption in India.

Global Fibre Consumption: comparative table

Year	Cotton	Synthetics	Cellulosics	Others (Wool, Silk etc.)
1960	68%	5%	18%	10%
1970	54%	22%	16%	8%
1980	46%	37%	12%	5%
1990	48%	40%	8%	5%
2000	38%	54%	5%	3%
2002	38%	55%	5%	2%
2008	37%	55%	6%	2%

Source :UNCTAD

**Man-made fibres are expected to have a faster growth rate than cotton.
So, increasing share of man-made fibres may continue globally.**

Fibre Consumption in India: Comparative table*

Year	Cotton	Cellulosic	Synthetic
1996-97	69%	6%	25%
1998-99	62%	6%	32%
2000-01	58%	6%	35%
2002-03	57%	6%	37%
2004-05	58%	6%	37%
2005-06	59%	5%	36%
2006-07	63%	4%	32%
2007-08	63%	4%	33%
2008-09	62%	4%	34%

High Cotton fibres consumption driven by large domestic availability

*Cotton and MMF are taken only

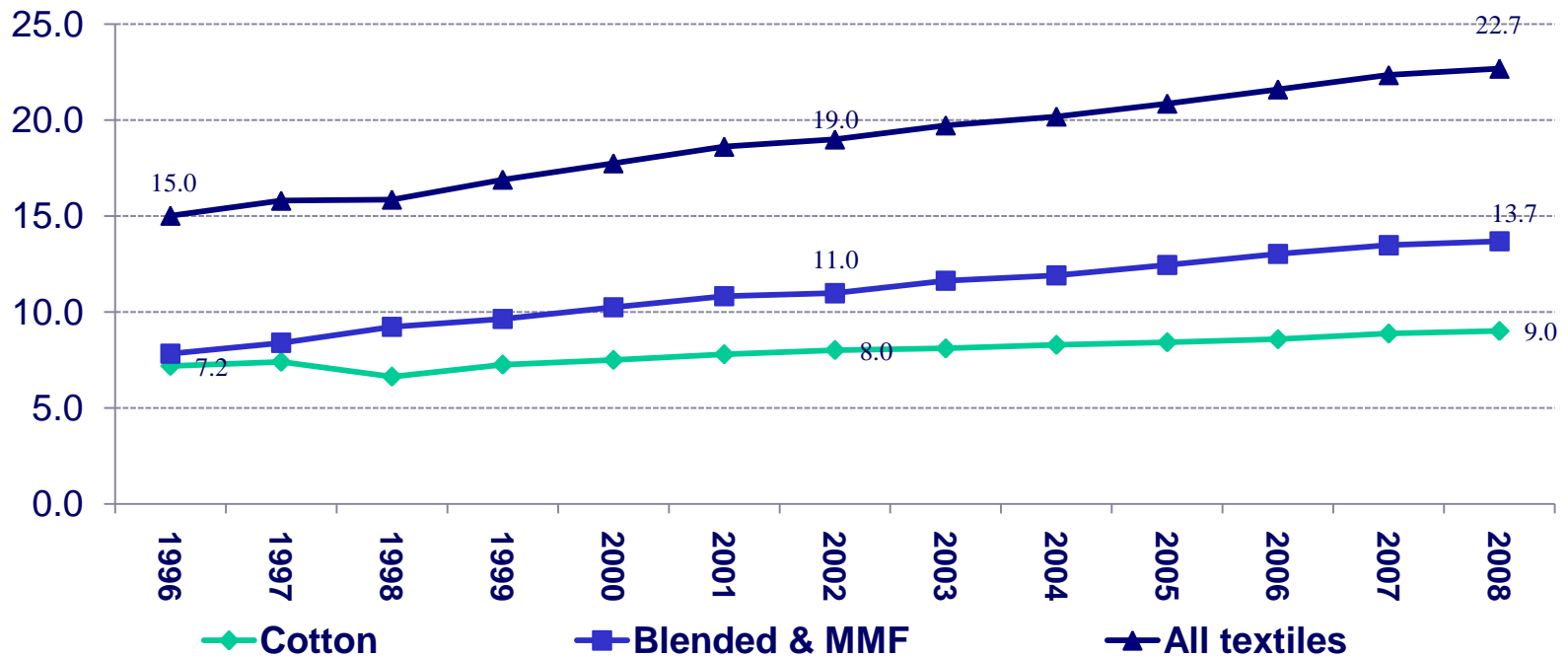
World fibre production/Consumption

Year	Natural * (Billion Kgs)	Man-made (Billion Kgs)	TOTAL (Billion Kgs)	Population billion	Consumption kg / capita
1950	7.7	1.7	9.4	2.6	3.7
1960	11.6	3.4	15.0	3.0	4.9
1970	13.5	8.4	21.9	3.7	5.9
1980	15.2	14.3	29.5	4.5	6.6
1990	21.5	19.4	40.8	5.3	7.7
2000	21.5	31.1	52.7	6.1	8.7
2008	24.4	38.2	62.6	6.8	9.2

* Ramie, flax, hemp, jute, sisal and coir (fibre prepared from the husk of the coconut) not included. Source : World Textile Demand, ICAC

During 1990-2008, natural fibres grew by 14% whereas man-made fibres more than doubled (100% plus growth) in per capita consumption

Per Capita Household Purchases of Textiles by Fibres in India (Mtrs)



Source : Market Research Wing, Textiles Committee

Consumption of textiles by fibres category in India tends to follow the global trend

- **Fibre neutral fiscal policies have to replace the current duty disparities.**
- **‘Cotton for the masses and Man-Made for the classes’ is no longer a valid mantra for Indian market.**
- **Policy frame work should focus on domestic value addition on fibres rather than exporting them.**
- **India is worlds largest producer of organic cotton. There is ample scope for organic textile products.**

THANK YOU

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