

## **India Emerges as a Global Textile Destination**



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**S K Gupta is a group CEO Raymond Uco Denim. He has held senior positions in the textile division of large conglomerates like Reliance, Grasim and Bombay Dyeing. He has handled a variety of textile products ranging from suiting, shirting's, sarees, dress materials, woollens, home textiles and now denim.**

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# **Self Sufficiency is the key to success**

**“We have had many success stories in the country. Despite infrastructural constraints, including high cost of energy, the industry is poised for a quantum growth.”**

India has already emerged as a very strong textile destination. We are already number two destination next to China though we may be one-ninth in terms of volume. We are much smaller in terms of garments and made-ups where Pakistan and Bangladesh are also dominant players. We have an insignificant brand presence the world over barring some countries of the Middle East and the SAARC nations. There is no significant positioning of India as an industry and as a brand except as an alternative to China strong in fabric, yarns and maybe full package sourcing.

Of course we have the advantage of a large and growing market for homegrown and global brands. We are a low-cost manufacturing destination as compared to many other countries of the world if not China, Bangladesh or Pakistan. We still have a lot of country advantages. We are self-sufficient in cotton barring some extra-fine varieties. This is a very strong point in our favor. There is availability of other important fibers in yarns. We have a formidable range of polyester to viscose dyed yarns. We have a very strong spinning industry. We have a large and flexible manufacturing base for all kinds of products, suiting, shirting, knits, home textiles and a variety of other fiber combinations.

We have a large domestic denim and worsted suiting capacity in the organized sector with world class designing and product development capacities. There is a growing technical textile industry for which there is a lot of support from the government.

There is a burgeoning production base for garments and made-ups spread across the organized and small-scale sectors. Sometimes we forget the dominant handloom sector known for its handcrafted and handwoven specialties. There is a strong and ever-growing home market, low labor cost vis-a-vis many countries, government support in terms of incentives like TUF at concessional rates.

We have trainable technical and managerial manpower. Entrepreneurial drive has been a culture with us. We have had many success stories in the country. Despite infrastructural constraints, including high cost of energy, the industry is poised for a quantum growth. We are unlikely to be close to China in the near future despite the fact garmenting in China is turning uncompetitive. India has to build on her own inherent strengths. Maybe India has to reposition herself as a specialist in certain categories. For instance Pakistan is very strong in medium count dyed and printed home textiles as well as bottom weight fabrics. Bangladesh has a competitive advantage in low cost garmenting. Turkey, Tunisia and Morocco are known for high quality cotton fabrics. Italy is known for high couture fashion lines. Japan is known for high quality specialty fibers. China is known for mass production.

We should focus on high value added products. We should move away from mass production where we have not been very successful vis-a-vis neighboring countries. We need to project India as the fashion capital of Asia. We should design our designing and flexible manufacturing capabilities. We should improve on the service parameter. If we do all this, India can emerge as a global textile destination for high fashion textiles. The real game changers would be building aggressive B2C businesses worldwide, moving away from traditional low margin B2B models. Big corporates should spread their wings beyond traditional markets. One can look at joint ventures overseas. We are waiting for the day when our own Indian brand is sold all over the world.

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- **We should focus on high value added products**

- **Bangladesh has a competitive advantage in low cost garmenting.**

- **We are self-sufficient in cotton barring some extra-fine varieties.**