

INDIAN TEXTILE ENGINEERING INDUSTRY - OVERVIEW

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INTRODUCTION

The Indian Textile Engineering Industry (TEI) is one of the most important capital goods sectors in India. The TEI has contributed substantially over the last five decades in providing state-of-the-art and modern machinery to the different segments of the textile industry. The industry is also exporting approx. 35% of its production to more than 50 countries of the world.

TEI consists of over 3000 machinery and equipment manufacturing units – over 1400 units producing complete machinery, 1200 parts and accessories, and about 400 traders and dealers. It has invested about Rs.950 billion (US\$ 14.88 billions) to build up an annual estimated capacity of Rs. 1100 billion (US\$ 1.723 billions). The manufactures of parts & accessories cater to the original equipment manufacturers, textile mills and for export. These units are predominantly in the SMEs sector.

The capacity creation and technological levels in the Textile Engineering Industry has been largely influenced by the spinning sector which has modernized and expanded substantially in the last several decades. The entire range of machinery required for spinning is manufactured by the TEI. The pre-dominance of the decentralized sector in the weaving and finishing sectors has stymied the demand for domestic capital goods (generally) and hi-tech ones (specifically). In the absence of an economically viable demand the Textiles Machinery Manufacturing Industry (TMMI) did not build up enough capacity to produce hi-tech weaving, knitting and processing machines, earlier.

In the past, the TEI had largely depended on foreign technical/technical-cum-financial collaborations, and indigenous development was not significant. After the liberalization of Industrial Policy in 1991, many of the foreign collaborations were not renewed. The TEI started upgrading its₁ technology on its own. While the

Spinning Sector was upgraded continuously, the pre-weaving sector followed later. Today the technology of spinning and pre-weaving machinery are of international standard. Due to the spurt in demand after 2004, the TEI had geared up its technology level and ventured in the fields of shuttleless rapier looms, waterjet looms and airjet looms as well as continuous dyeing ranges, bleaching range, mercerizing and pre-shrinking ranges etc.

PERFORMANCE OF INDIAN TEI

CATEGORY WISE PRODUCTION OF TEXTILE MACHINERY

(Value in Rs. crore)

CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19
SPINNING & ALLIED MACHINES	3445	3480	3615	3815	3625
SYNTHETIC FILAMENT YARN MACHINES	800	440	400	385	400
WEAVING & ALLIED MACHINES	890	870	900	885	890
PROCESSING MACHINES	575	625	635	650	750
MISC.(SPINNING,WEAVING & PROCESSING,JUTE) MACHINES	25	25	30	35	25
TEXTILE TESTING & MEASURING INSTRUMENTS	90	115	100	130	165
HOSIERY MACHINES/ HOSIERY NEEDLES	60	60	65	80	85
TOTAL OF MACHINERY	5885	5615	5745	5980	5940
SPARES & ACCESSORIES	1075	965	905	920	925
GRAND TOTAL	6960	6580	6650	6900	6865
% INCREASE/DECREASE	3%	-5%	1%	4%	-1%

CAPACITY UTILISATION OF THE TEXTILE MACHINERY INDUSTRY

(Value : Rs.Crore)

YEAR	INSTALLED CAPACITY	PRODUCTION	%CAPACITY UTILISATION
2014-15	11,000	6,960	63%
2015-16	11,000	6,580	60%
2016-17	11,000	6,650	60%
2017-18	11,000	6,900	63%
2018-19	11,000	6,865	62%

Source:Textile Machinery Manufacturers' Association (India)

PRODUCTION, EXPORT & IMPORT OF TEXTILE MACHINERY, PARTS AND ACCESSORIES

(Value : Rs. Crore)

YEARS	Production	Exports	Imports
2014-15	6960	2466	8858
2015-16	6580	2351	10305
2016-17	6650	2438	10098
2017-18	6900	2939	10687
2018-19	6865	3665	10834

DEMAND FOR TEXTILE MACHINERY, PARTS AND ACCESSORIES

(Value :
Rs.Crore)

YEARS	PRODU CTION	EXPO RTS	PRODU CTION (Minus Exports)	TOTAL IMPORTS	Parts imported by machinery manufacturers (15% of Production)	NET IMPORT (Less: Parts imported by manufacturers)	TOTAL DOMESTIC DEMAND	% Share of demand met by indigenous industry
2014-15	6960	2466	4494	8858	1044	7814	12308	37
2015-16	6580	2351	4229	10305	987	9318	13547	31
2016-17	6650	2438	4212	10098	998	9101	13313	32
2017-18	6900	2939	3961	10687	1035	9652	13613	29
2018-19	6865	3665	3200	10834	1030	9804	13004	25

The textile machinery is one of the critical inputs in the accelerated growth process of the textile industry. The TEI is now supplying average 30% of the requirement of the textile industry.

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