INDIAN TEXTILE MARKET CHARACTERISTICS
open wide doors to the West.
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FAIRS AND SYMPOSIA IN THE WORLD

CAITME | UZBEKISTAN
from 12 to 14 September 2012
Exhibition
Tashkent, Uzexpocentre
Pavilion 4, Booth C14

ITME | INDIA
from 2 to 7 December 2012
Exhibition
Mumbai
Pavilion 1, Booth D2

By the editorial staff MV World
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IT IS A MATTER OF MADE IN ITALY LABEL on machinery and fabrics, proof of quality.

The buyers of textile machinery and fabrics that will be used to produce valuables Made in China, come from Italy.

Marzoli announces with pride and satisfaction the end of the second quarter, which sees its own growth in the panorama of the overall growth of the textile industry which started in 2011, largely due to exports that have increased in value by 14.5% over the same period last year with a recovery of flows in Asia (+11.9%).

China is the largest market for Italian textile machinery. The Asian country is the first outlet of the world for the Made in Italy in the sector: 25% of exports of these two countries, Greater China, with 158 million euros, will become the second market for the Italian textile industry.

New note of considerable importance is the special attention of China to the eco label, green label. The Chinese state wants to promote eco-sustainability. The Chinese textile industry in the next 5-10 years will focus on pollution control and energy conservation. To achieve this, the textile industry will accelerate the search for technologies related to cleaner production, waste recycling and energy conservation, adoption of environmentally friendly materials, energy saving and improved standards of environmental protection, as well as establish a management mechanism energy with qualified personnel for companies. The Chinese state wants to avoid the use of old machines that do not allow or encourage energy conservation or the reduction of pollutants in cycles. For this reason, all the Italian companies that provide a market expansion in China are favored in transporting their attention to ecological and economic sustainability for this great country in transition towards clean waters and springs.

Marzoli, on the other hand, many years studying and developing machines with low power consumption, with minimal use of environmental resources. During all phases of its production processes Marzoli will save energy, avoid waste and environmental damage. This ethic is also certified by the Green Line that has designed for the Chinese market, in collaboration with their suppliers. The new line intends save energy resources in its development is that in its use by the final customer, both in the control of its manufacturing steps.

Mr. Mario Bianchetti

In Shanghai, 12-16 June 2012 at Shanghai New International Expo Centre, was held the exhibition of textile machinery, ITMA ASIA, and once again the Italian contingent - 117 producers - was one of the biggest.
INDIAN TEXTILE MARKET CHARACTERISTICS

open wide doors to the West

The Textile Industry in India is one of the largest and most important industrial segments of the Indian economy accounting for over one fifth of the country’s industrial production. It provides employment to around 15 million people who have helped produce one of the largest varieties of yarn, fabrics, textiles, clothing and garments, home furnishings and other textile products in the world.

Textiles industry, including related sub-sectors, is worth about Euros 38 billion of which domestic segment constitutes 65% while 35% comes from exports. The textiles segment accounts for 59% of the industry, with apparel and other made ups constituting the balance. This industry also accounts for nearly 21% of total employment in the country. Besides the textiles, apparels & clothing, the industry covers a wide range of home furnishings (bed linen, curtains and upholstery, floor coverings, kitchen linen, bath linen, etc.) and Accessories (including apparel accessories, like stole, scarves, etc., hard accessories like bags, wallets, fashion jewellery, time wear and eyewear etc.).

Demand Drivers

As stated in the preceding section, the market for textiles and related products has been consistently growing annually by 12% – 15% for various sub-sectors. The key factors driving this demand are:

Demand Side factors:

with over 1.1 billion people, India is the second most populous country in the world. In terms of the demographic “window of opportunity”, India is home to 17% of the world’s population. It is also one of the youngest countries in the world, with over 65% of the population below 35 years of age. The young generation of professionals, both men and women, form important consumer groups with high purchasing power. This buying group is more demanding in their choice of products, looking for quality that satisfies comfort, fitting, styling needs etc. This has resulted in a qualitative shift of consumers from low / economy range to premium and super premium range of products.

Growing prosperity of middle class:

Indian corporate salaries have grown at 14% per annum, which is considered to be fastest globally. A large number of households are getting added every year to the consuming class with growing income levels, resulting in increasing affluence of the upper middle and high income strata. According to various studies, there were more than 300 million middle class people in India in 2007 with substantial disposable incomes. This number touched 600 million in 2010. There is a sustained and increasing demand for various consumer products by this segment of population. The increase in urbanization and nuclear family structure, a growing number of educated and employed women, media proliferation and growing consumerism, have all contributed to the growth of consumerism and organized retailing. The increasing working female-population has not only increased the income of households, but also changed the outlook of women towards their choice of clothing, home furnishings and its interiors. There is a trend of going with the seasonal tastes.

Changing face of consumer:

In spite of the economic meltdown in recent times, there has been a continuous and sustained shift in consumer demand pattern from basic necessities to spending on lifestyle products and services continues, largely due to:

- Higher Income
- Younger age profile.

Increasing exposure and awareness levels:

Higher adaptability to technology. Increasing urbanization, Changing role of women and children in the decision making process, Increased demand for better shopping experience.

Impulsive purchase behavior among youngsters:

Changing fashion trends and increased consciousness, Catch up with International fashion styles. Sustained growth of retail culture in the country: According to Central Statistical Organization, and Technopak, the retail market in India was about Euro 210 billion, and will cross Euro 440 billion in 2015, with organized retail growing at nearly 20% per year.

The emergence of mall culture and rapid development of malls would act as a catalyst in this retail growth story. Due to the increase in the income levels of people and the push from the supply side of realty boom in this decade has created a housing boom in India. About 2.5 million new homes are to be constructed to meet the demand of middle class and upper strata of income groups. Housing and Hospitality sectors are the major sectors, with huge demand for soft furnishings. As per estimates, the total shortfall of quality hotel rooms in India in all luxury, premium, economy and budget hotels is about 150,000. More than 40,000 hotel rooms are expected to come in top 10 metro cities by 2012.

Supply Side Factors:

Leading textile manufacturers are integrating their businesses vertically and have strong competencies in spinning, weaving and finishing. There has been a significant improvement in the infrastructure related to textile machinery, transport and power which are further augmenting production. Government of In-
India has allocated substantial funds for infrastructure development through schemes like TIFS, and SITP, worker skill development trainings etc. Lateral consolidation of players through organic and inorganic growth domestically and internationally. Indian companies have acquired the global brands abroad in order to consolidate their global positioning and have established wholly owned foreign subsidiaries abroad.

**Assessment of Market Potential - Value (million Euros)**

<table>
<thead>
<tr>
<th></th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textile Clothing &amp; Garments</td>
<td>20,219</td>
<td>22,342</td>
<td>24,688</td>
<td>27,280</td>
</tr>
<tr>
<td>Undergarments</td>
<td>1,487</td>
<td>1,673</td>
<td>1,882</td>
<td>2,117</td>
</tr>
<tr>
<td>Home Textile Furnishings</td>
<td>2.16</td>
<td>2.48</td>
<td>2.81</td>
<td>3.23</td>
</tr>
<tr>
<td>Accessories</td>
<td>0.29</td>
<td>0.34</td>
<td>0.39</td>
<td>0.45</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>21,708.45</td>
<td>24,017.82</td>
<td>26,573.20</td>
<td>29,400.68</td>
</tr>
</tbody>
</table>

**Assessment of Market Potential - Volume (million nos.)**

<table>
<thead>
<tr>
<th></th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textile Clothing &amp; Garments</td>
<td>5,905</td>
<td>6,200</td>
<td>6,510</td>
<td>6,835</td>
</tr>
<tr>
<td>Undergarments</td>
<td>1,050</td>
<td>1,126</td>
<td>1,206</td>
<td>1,292</td>
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<tr>
<td>Home Textile Furnishings</td>
<td>Indeterminate</td>
<td>Indeterminate</td>
<td>Indeterminate</td>
<td>Indeterminate</td>
</tr>
<tr>
<td>Accessories</td>
<td>Indeterminate</td>
<td>Indeterminate</td>
<td>Indeterminate</td>
<td>Indeterminate</td>
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</tbody>
</table>

**Assessment of Demand and Market Potential in India**

The overall assessment of demand and market potential in various sub-sectors, projected on the basis of past growth trends and industry expectations, is summarized in the table below. The total market is expected to increase from Euros 21.7 billion in 2008-09 to Euro 29.4 billion by 2011-12, with overall compounded annual growth of 7.89%.

**Potential for European Companies in India**

European Union has a traditional bilateral trade relationship with India for many decades. European textile companies have considerable investments and market presence in India. Besides increasing imports of apparel into India from EU, the EU companies have now started looking at India for relocating their plants and using India’s developed textile infrastructure as a base for third country exports.

The European products are positioned in the premium and super-premium product segments. The price points of these products are normally much higher as compared to Indian products. There is a pent up consumer demand for fashion conscious rich Indian households.

Marzoli has a significant presence in the Indian market, particularly in the premium and super premium seg-
ments, which are growing faster than the lower and mid-priced segments.

The 9th India International Textile Machinery exhibition is the most important platform for everyone associated with Textile Industry held from 2nd December to 7th December 2012 at Mumbai, India, showcasing textile technology, machinery, accessories and services by 620 exhibitors from 42 countries and 100,000 visitors. Keeping each participant's interest in mind and to provide maximum value for time and money spent to visit ITME event, an array of programs during ITME 2012 have been organized:

- Complimentary pre-fixed business meetings
- Technical Seminars
- Product launches
- Cultural display and evening programs, etc.

Being held right at the heart of world’s 2nd largest textile industry, it is an event nobody can miss. The event is focused to meet the business requirements of:

- Textile machinery, accessories and components Manufacturers
- Distributors/Dealers
- Exporters / Importers
- Buyers/Sellers/Retailers
- State Government Bodies
- Textile Engineers
- Fashion & Textile Designers
- Research organizations & students
- Publications
- Consultants
- Textile parts and SEZ

**ITME 2012**

Marzoli will attend next ITME in December 2012. Since Sunday, 2nd December to Friday, 7th December 2012, an open exhibition in India for textile machinery, accesso-
is and components.

- The prime event for buyers and sellers in Textile Engineering Industry and the ‘gate-

  way event’ to Indian and Asian textile market.
- About 100,000 visitors from all over the globe encompassing the sectors of Textile Engineer-

  ing Industry.
- Convergence of Innovation & Excellence in Technology under one roof.
- Focusing all the segments and display of latest range of products of Textile Engineering Industry.
- Over 45,000 sq.m exhibition area, fully air conditioned and equipped with modern com-

  munication facilities.
- The One Stop Shop for Trendsetting Textile Manufacturing Solutions.

Marzoli will attend at ITME 2012 with these machines:

- C701
- FT6
- CM600N
- MDS1

Mr. Stefano Bordoni

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**Programme Schedule**

<table>
<thead>
<tr>
<th>Day 1</th>
<th>Sunday, 2nd December, 2012</th>
<th>Exhibition Inauguration</th>
<th>Press Conference</th>
<th>High Tea</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>10.00 a.m.</td>
<td>11.00 a.m.</td>
<td>04.00 p.m.</td>
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<td>06.30 p.m.</td>
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<tr>
<th>Day 2</th>
<th>Monday, 3rd December, 2012</th>
<th>Exhibition Speaker Session</th>
<th>Product Launches</th>
<th>Cultural Program &amp; Cocktail</th>
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<td></td>
<td></td>
<td>10.00 a.m.</td>
<td>11.00 a.m.</td>
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<td>07.00 p.m.</td>
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<tr>
<th>Day 3</th>
<th>Tuesday, 4th December, 2012</th>
<th>Exhibition Speaker Session</th>
<th>B2B Meeting</th>
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<td></td>
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<td>10.00 a.m.</td>
<td>11.00 a.m.</td>
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<thead>
<tr>
<th>Day 4</th>
<th>Wednesday, 5th December, 2012</th>
<th>Exhibition Focus Seminar - Chemical &amp; Dyestuff for Textiles</th>
<th>B2B Meeting</th>
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<td>10.00 a.m.</td>
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<thead>
<tr>
<th>Day 5</th>
<th>Thursday, 6th December, 2012</th>
<th>Exhibition Focus Seminar – Business Finance &amp; Export promotion</th>
<th>B2B Meeting</th>
<th>Farewell Dinner</th>
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<td>10.00 a.m.</td>
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<td>07.00 p.m.</td>
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<tr>
<th>Day 6</th>
<th>Friday, 7th December, 2012</th>
<th>Exhibition Pack up</th>
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<td>10.00 a.m.</td>
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</table>
Carding is without a doubt the most important process in a spinning plant. Quality yarns with homogeneous, regular, resistant, and clean characteristics can be obtained only with proper carding of the fibres. A highly performing carding process ensures the most efficient usage of raw materials and it is a guarantee of quality performance of all downstream production phases.

High quality combed yarns can be obtained only after an effective yet delicate carding process. The comber alone cannot compensate badly executed carding. The card should be capable of selecting fibers to open, clean and parallelize them without damaging or weakening them and, last but not least, reducing waste to a minimum. All this should be done with efficient high production machines.

The time when spinning mills housed dozens of cards running at 20-30 Kg/hr is long gone. Today we need top performing modern machines that are effective and efficient, and feature low energy consumption and reduced cleaning and maintenance times.

It is from this perspective that Marzoli’s R&D, strong of many years of experience with cards that are always at the top of their group, has created the new card C701 capable of satisfying in full the most varied market demands.

Originally presented at the recent Itma in Barcelona, the C701 guarantees performance and quality manufacturing of infinite types of cotton, artificial and synthetic fibers, and the new and more complex technical fibers. The new Marzoli card, with very high production speed and new working width of 1.500 mm, meets all new technological requirements and guarantees a greater productivity and quality when compared with most competitors, and further confirms Marzoli’s great research and innovation skills.

The new C701 has been at work for more than one year in several spinning mills in Italy and abroad and is confirming all the great results that were reached during the testing phase by showing an increase in production of up to 50% on all fibers, maintaining the same quality of the carded sliver when compared with traditional cards with a 1.000 mm working width.
The new C701 has the largest carding surface of all cards currently on the market: effective 3.74 m². With its carding angle of 284°, it utilizes 79% of the carding surface of the main cylinder. Thanks to the 1.500 mm working width, fibers are spread out on a very large surface and become better distributed, providing great benefits towards effectiveness of carding and of the card clothing life.

**Features**
- Production over 200 Kg/hr
- Working width 1.500 mm
- Completely integrated chute feed
- Largest carding surface of all cards currently in the market: 3.74 m²
- Up to 8 pre-carding and 6 post-carding fixed flats
- 90 moving flats of which 32 always working
- Integrated Autoleveler on the feeding roller
- New can-changer system placed in front of the machine
- Excellent neps and trash removal
- Excellent sliver uniformity

**Pre carding area**
1. Inlet cover
2. Pre-carding segment
3. Dedusting knife with suction hoods
4. Outlet cover

**Taker-in**
1. Feed roll
2. Tacker - in
3. Feed table
4. Carding segment
5. Dedusting knife
6. Deflectore blade
7. Suction hood
8. Main cylinder
The C701 high production card allows to reach the required performance levels with a lower number of machines and with obvious and notable benefits to the customer:

- Lower investment cost
- Reduced floor space requirements and therefore lower building cost
- Lower cost for suction and filtration
- Reduced maintenance costs also thanks to longer card clothing life.

- Reduced energy consumption due to increase in production, with kw/kg cost of produced sliver lower up to 30%
- Fewer personnel requirements as a consequence of the reduced number of machines and their greater productivity.

The new C701 represents the natural highest point of the continuous productivity and quality improvements of the Marzoli card.

**Autolevellers**

In order to control sliver count variations and to provide a great improvement in the evenness of the card sliver, the Card C701 is equipped, as standard, with the medium-short autoleveller (MTA). The short term autoleveller (STA) is optional.

The MTA leveller senses the thickness of the feeding material (weight) and its variation determines a continuous variation of card draft. This system functions over a medium-shorts term.

1. Feed roll
2. Feeding material
3. Feed table
4. Levers
5. Displacement sensor
6. Controller
7. Feed roll drive (brushless motor)
User-friendly interface
The card C701 is managed by a modern PC microprocessor: all the production data and the working parameters are controlled and saved during the production cycle. The multi-language touch screen is user friendly and permits a simple use with clear diagrams, detailed monitoring pages and step-by-step trouble shooting procedures.

One of the main goals of R&D Marzoli is the reduction of energy consumption and with the new C701, this commitment produced a result of great satisfaction with the reduction of over 30% of the Kw/kg consumption when compared with traditional card models.

Reduction in power consumption
last 20 years for combed yarn

Quality without compromise
The new C701 is capable of processing any type of fibers with excellent quality and production performance. When installed within a Marzoli spinning line, the C701 card reaches production levels up to 50% greater than what can be achieved with traditional cards with 1,000 mm working width, while maintaining the same yarn quality and same or lower waste ratio.

Some examples of yarn produced by a Marzoli line operating a C701:

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<tr>
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<tbody>
<tr>
<td>Card Kg/h</td>
<td>130</td>
<td>130</td>
<td>80</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yarn</td>
<td>Carded</td>
<td>Carded</td>
<td>Combed 18% noil</td>
<td>Viscose</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count Nr</td>
<td>7.2</td>
<td>9.3</td>
<td>30</td>
<td>28</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>U %</td>
<td>8.16</td>
<td>8.69</td>
<td>8.70</td>
<td>8.60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CV (%)</td>
<td>10.34</td>
<td>10.98</td>
<td>9.95</td>
<td>10.82</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Thin - 30 %</td>
<td>98</td>
<td>214</td>
<td>52</td>
<td>230</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Thin - 40 %</td>
<td>0</td>
<td>5</td>
<td>15</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thin - 50 %</td>
<td>5</td>
<td>10</td>
<td>15</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thick + 35 %</td>
<td>74</td>
<td>126</td>
<td>80</td>
<td>36</td>
<td></td>
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<tr>
<td>Thick + 50 %</td>
<td>5</td>
<td>10</td>
<td>15</td>
<td>5</td>
<td></td>
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<tr>
<td>Neps + 140 %</td>
<td>4</td>
<td>8</td>
<td>14</td>
<td>5</td>
<td></td>
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<td>Neps + 200 %</td>
<td>0</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>Neps + 400 %</td>
<td>0</td>
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Marzoli Galileo, the new line of machines that looks to the future.

Reliability and quality of results, evergreen expertise in research and development, high technological know-how, confidence and trustworthiness in our clients’ close partnerships, production speed and energy consumption-saving advanced programmes. Since 161 years these are the real competitive advantages that have permitted Marzoli to realize and transform the cotton flock into a long and precious parallelized fibre, free of impurities, outstanding at obtaining the best fabrics, the most researched denim, and the most customized, as per Your requests.

Marzoli, the thread that connects nature to the consumer. Thank you for choosing our passion.

We offer solutions not illusions. www.marzoli.it