

Import of Textile Machinery increased 53% in 2010-2011

by Dr. Noor Ahmed Memon

Textile machinery imports jumped to \$456.2 million in the financial year 2010-11 from \$297.4 million in the previous financial, registering a growth of 53%. Growth in the textile machinery is an encouraging sign, which has remained in the grip of uncertain and gloomy conditions for the last few years. Import of textile Machinery in Pakistan is give in Table-1.

Pakistan textile industry is by far the most important sector of the economy contributing 65% to export earnings and engaging 38% of labour force. At present Pakistan has the third largest spinning capacity in Asia after China and India. The entire value chain represents production of cotton, ginning, spinning, weaving, dyeing, printing and finally garments manufacturing. Pakistan has emerged as one of the major cotton textile product suppliers in the world with a market share of about 28% in world yarn trade and 8% in cotton cloth. The value addition in the textile sector accounts for over 9% of GDP and its weigh-age in the quantum index of large-scale manufacturing is 20%.

Textile Industry has made an investment of about US\$ 7.5 billion during the last eleven years. The total investment to be divided in various sub sector, indicates that 50.2% in spinning

Table 1: Import of Textile Machinery in Pakistan

Year	Value (US \$ Million)
2001-02	406.9
2002-03	531.9
2003-04	598.0
2004-05	928.6
2005-06	771.0
2006-07	503.0
2007-08	438.3
2008-09	212.0
2009-10	297.4
2010-11	456.2

Source: Federal Bureau of Statistics, Government of Pakistan

Import of Textile Machinery in Pakistan

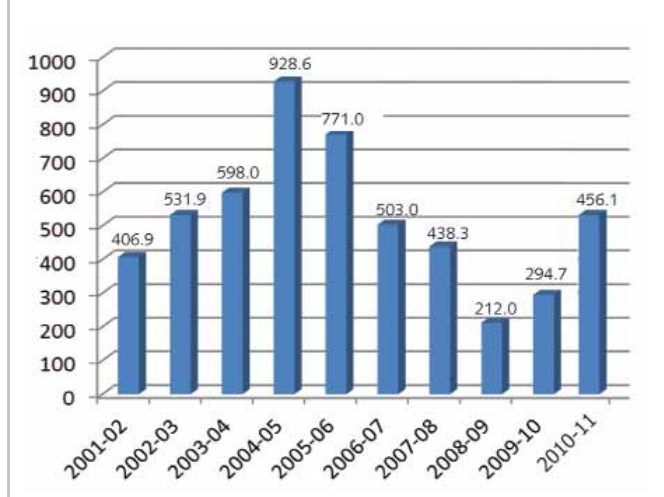
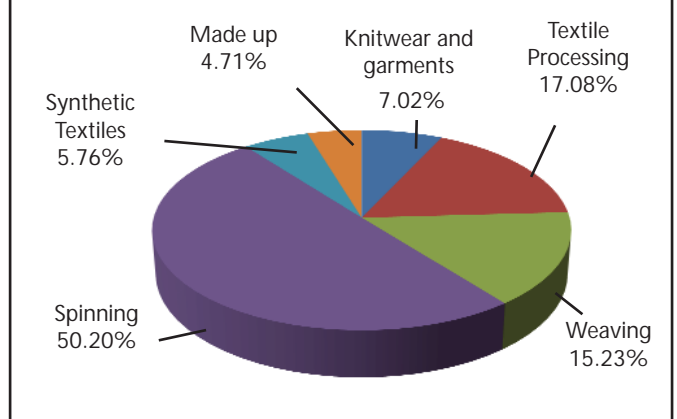


Table 2: Sector-wise Import of Textile Machinery in Pakistan (Value in US \$ Million)

Sector	2008-09	2009-10	2010-11 (P)
Spinning	88.4	101.3	159.6
Weaving	46.4	70.4	109.5
Knitting	32.8	56.9	86.7
Finishing	36.0	60.6	91.2
Others	8.4	8.2	9.2
Total	212.0	297.4	456.2

Source: Federal Bureau of Statistics, Government of Pakistan.

Investment in Textile Industry (US \$ 7.5 billion)



sector, followed by 17.8% in textile processing, 15.23% in weaving, while the investment and other sectors namely like knitwear, made ups and synthetic textile at respective rate of 7.02%, 4.71% and 5.76%. This investment includes both investment through bank loan as well as own sources. This investment has been made in the form of Balancing Modernization Replacement (BMR) expansion and new capacity. Sector-wise Import of Textile Machinery in Pakistan is give in Table-2.

During the past four years textile machinery imports decreased heavily when textile industrialists halted making investments in their units due to falling export of textile goods. During the year 2010-11 sector wise textile machinery imports in Pakistan shows that spinning sector share 35%, weaving 24%, knitting 19% finishing 20% and remaining 2% share by others machines.

The spinning sector had grown with yarn export and growth in cotton production, followed by logical growth in weaving and processing sector due to value addition. The major concentration of industry is in Karachi, Hyderabad, Multan, Lahore and Faisalabad. Unlike spinning sector the weaving sector comprises of large number of small power loom units, mainly clustering in Faisalabad, Hafizabad, Kasur and Multan. Recent trend is to set up Air-Jet looms either as independent units are integrating it with spinning or processing industries. ♦