

# Assessment of retail industry in India with focus on franchise & licensing model

May 2026



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# 1. Macroeconomic overview of the world and India

## Global GDP is projected to grow by 3.1% in 2026 and 3.2% in 2027

The April 2026 update to IMF's World Economic Outlook (WEO) report employs a scenario-based approach to present the forecast for 2026 and 2027. In this approach, the scenario in which the ongoing conflict in the Middle East has limited duration, intensity, and scope so that the disruptions stemming from it dissipate by mid-2026 is assumed for modelling a 'reference forecast' based on which forecasts are drawn for adverse and severe scenarios in which the conflict becomes more protracted, or the resumption of production and transport activities takes longer because of possible scarring from closing of or damage to energy infrastructure. Hence, the impact on global economy which crucially depends on the conflict's duration, intensity, and scope is projected as shown below:

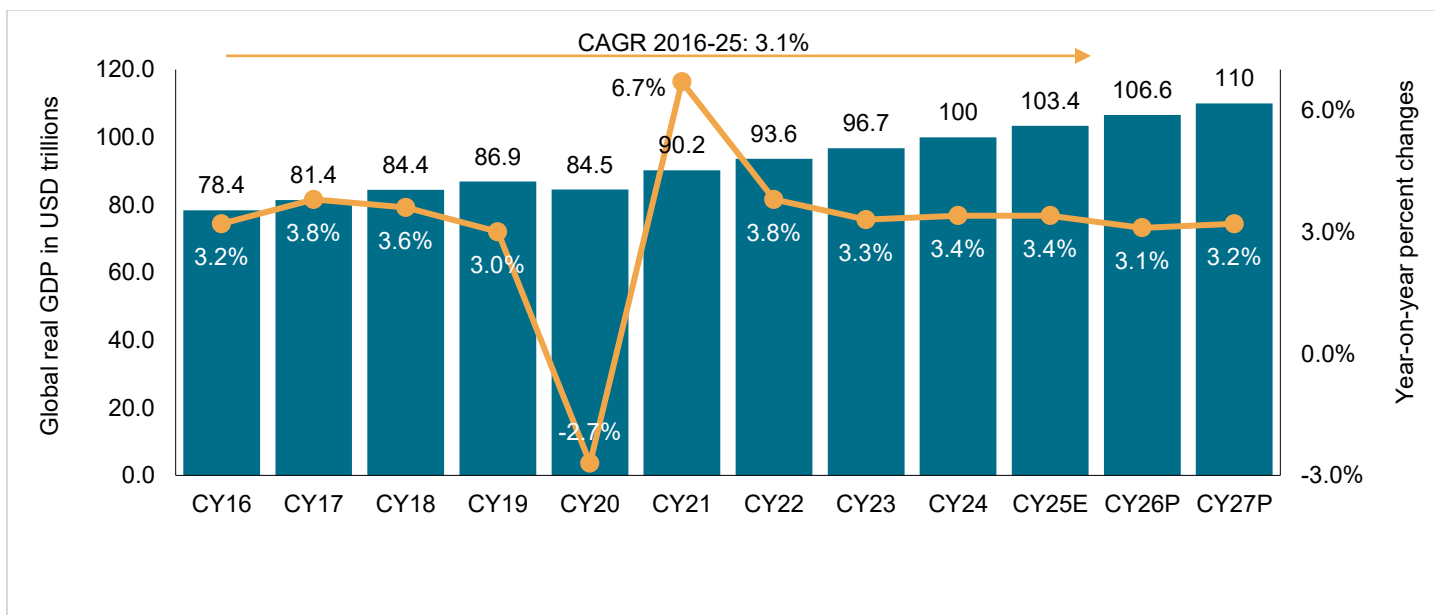
**Table 1: Scenario-based forecast approach taken by IMF**

	Reference forecast	Adverse forecast	Severe forecast
Growth projection for global real GDP	3.1% in 2026 3.2% in 2027	2.5% in 2026 3.0% in 2027	2.0% in 2026 2.2% in 2027
Growth projection for global inflation	4.4% in 2026 3.7% in 2027	5.4% in 2026 3.9% in 2027	5.8% in 2026 6.1% in 2027

Source: IMF's World Economic Outlook - April 2026 update, Crisil Intelligence

As per IMF, most of the impact on growth in 2026 comes from higher energy prices, whereas most of the impact on growth in 2027 comes from tightening financial conditions and rise in inflation expectations.

**Figure 1: Global real GDP trend and outlook, CY15-27**



Note: E: Estimated, P: Projection

Source: IMF, World Economic Outlook Update, January 2026; Crisil Intelligence

The forecast largely reflects the disruptions from the Middle East conflict, partly offset by reduced tariff rates, pre-existing policy support, and stronger-than-expected outturns at the end of 2025 and the first quarter of 2026. However, significant variation is expected across countries, with lower-income net energy-importing economies being hit particularly hard through higher energy prices and foreign exchange depreciation. Impact is greater on emerging economies because of a combination of a larger exposure to higher commodity prices and disruption to energy production, a larger increase in inflation expectations, and a more pronounced tightening in financial conditions.

**Table 2: Variation in projections for different regions in adverse and severe scenarios**

	Projections for adverse scenario	Projections for severe scenario
Inflation	<ul style="list-style-type: none"> <li>For Advanced Economies and China: increase by 50 basis points by 2027</li> <li>For Emerging Economies: increase by 90 basis points by 2027</li> </ul>	<ul style="list-style-type: none"> <li>For Advanced Economies and China: increase by 100 basis points by 2027</li> <li>For Emerging Economies: increase by 130 basis points by 2027</li> </ul>
Oil prices	<ul style="list-style-type: none"> <li>Rise by 80% starting in Q2 of 2026</li> <li>Fall to ~20% above baseline in 2027</li> <li>Return to historical norms in 2028</li> </ul>	<ul style="list-style-type: none"> <li>Rise by 100% starting in Q2 of 2026</li> <li>Stay at 2026 level in 2027</li> <li>Return to historical norms in 2028</li> </ul>
Gas prices	<ul style="list-style-type: none"> <li>For Europe, Asia: rise by 160% in Q2 of 2026</li> </ul>	<ul style="list-style-type: none"> <li>For Europe, Asia: rise by 200% in Q2 of 2026</li> </ul>
Food prices	<ul style="list-style-type: none"> <li>Increase by 2.5% in 2026</li> </ul>	<ul style="list-style-type: none"> <li>Increase by 5% in 2026</li> </ul>
Corporate spreads	<ul style="list-style-type: none"> <li>For Advanced Economies and China: increase by 50 basis points in 2026</li> <li>For Emerging Economies: increase by 100 basis points in 2026</li> </ul>	<ul style="list-style-type: none"> <li>For Advanced Economies and China: increase by 100 basis points in 2026</li> <li>For Emerging Economies: increase by 200 basis points in 2026</li> </ul>

Source: IMF's World Economic Outlook – April 2026 update, Crisil Intelligence

Risks to the outlook remain tilted on the downside on account of escalation of geopolitical tensions, flaring up of trade-related disputes, reevaluation of profit expectations regarding AI potentially leading to decline in investments and an abrupt correction in financial markets, and larger fiscal deficits and increasing public debt which could put pressure on long-term interest rates. On the upside, economic activity could be further lifted by AI-related investment and supported by renewed momentum for structural reforms and by a sustained easing in trade tensions.

## Among regions, Emerging & Developing Asia is the fastest growing

As per the IMF's WEO report in which 197 economies from all geographies in the world are classified into two broad categories, i.e. Advanced Economies and Emerging Market & Developing Economies, the April 2026 update notes that the Middle East conflict will have varied impact on growth across regions given differential exposure—through geographic proximity, financial flows, remittances, and energy dependencies.

## Advanced Economies

Advanced Economies represent 43 out of the total 197 economies. Real GDP growth for advanced economies is projected at 1.6% for 2026 and 1.7% for 2027, with a large negative effect expected only in some net energy-importing economies, such as the Euro area and the UK.

**Table 3: Economies considered under Advanced Economies**

Four major economies				Euro area	Other Advanced Economies
United States 	Japan 	United Kingdom 	Canada 	Includes 21 economies: Austria, Belgium, Bulgaria, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, Spain	Includes 18 economies: Andorra, Australia, Czech Republic, Denmark, Hong Kong, Iceland, Israel, South Korea, Liechtenstein, Macao, New Zealand, Norway, Puerto Rico, San Marino, Singapore, Sweden, Switzerland, Taiwan

Source: IMF's World Economic Outlook – April 2026 Update, Crisil Intelligence

**United States:** The US economy is projected to grow by 2.3% in 2026, supported by its net-energy-exporter status, lagged impact of its monetary policy rate cuts, productivity growth, and the associated carryover from a rebound in activity in Q1 of 2026 compared with Q4 of 2025 despite the rise in trade barriers weighing on the level of activity. In 2027, the US economy is expected to grow by 2.1% supported by a near-term fiscal boost from tax incentives, with moderating levels of technology-driven momentum and gradually fading productivity growth.

**Euro area:** Real GDP growth is expected at 1.1% in 2026 and 1.2% in 2027 as the impact of the planned increase in defense spending for most countries is likely to materialize in subsequent years because of commitments to reach target levels gradually by 2035. Additionally, given the Middle East conflict, the persistent rise in energy prices that began with Russia's invasion of Ukraine is expected to continue dragging on manufacturing.

## Emerging Market and Developing Economies

Emerging Market and Developing Economies represent 154 out of the total 197 economies. GDP growth for Emerging Market and Developing Economies is expected to fall to 3.9% in 2026 but recover to 4.2% in 2027. For several South and Southeast Asian economies, disruptions resulting from the Middle East conflict are expected to shrink tourism and remittance inflows, which in turn, would weaken domestic demand.

**China:** China's economy is projected to grow by 4.4% in 2026 due to the lower US effective tariff rates on Chinese goods, and stimulus measures offsetting the negative impact of the Middle East conflict. However, in 2027, growth of China's economy will drop to 4.0% as structural headwinds—including those from a grinding slowdown in the housing sector, a declining labour force, decreasing returns on investment, and slower productivity growth—assert themselves.

**India:** India's economy is projected to expand by 6.5% in 2026 led by positive contributions from the carryover of the strong 2025 outturn and the decline in additional US tariffs on Indian goods from 50 to 10%, which outweigh the adverse impact of the Middle East conflict.

**Table 4: Economies considered under Emerging Market and Developing Economies**

## Emerging Market and Developing Economies

Emerging and Developing Asia			Emerging and Developing Europe	Latin America and the Caribbean	Middle East and Central Asia	Sub-Saharan Africa
China 	India 	28 other economies	Includes 14 economies	Includes 33 economies	Includes 32 economies	Includes 45 economies

Source: IMF's World Economic Outlook – April 2026 Update, Crisil Intelligence

**Table 5: Year-on-year real GDP growth of regional economies, 2016-27P**

Economies	Real GDP growth (year-on-year percent changes) as per IMF										Projections	
	Estimates										2026	2027
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
World	3.2%	3.8%	3.6%	3.0%	-2.7%	6.7%	3.8%	3.3%	3.4%	3.4%	3.1%	3.2%
Advanced Economies	1.8%	2.6%	2.3%	1.9%	-3.9%	6.1%	3.1%	1.7%	1.8%	1.9%	1.8%	1.7%
Emerging & Developing Asia	6.8%	6.6%	6.4%	5.4%	-0.5%	7.8%	4.7%	5.6%	5.4%	5.5%	4.9%	4.8%
Emerging & Developing Europe	1.7%	4.3%	3.7%	2.6%	-1.7%	7.2%	0.5%	3.6%	3.8%	2.0%	2.0%	2.1%
Latin America & the Caribbean	-0.8%	1.4%	1.1%	0.2%	-6.9%	7.5%	4.3%	2.3%	2.4%	2.4%	2.3%	2.7%
Middle East & Central Asia	4.1%	2.6%	2.5%	2.1%	-2.2%	4.7%	6.4%	2.6%	2.8%	3.6%	1.9%	4.6%
Sub-Saharan Africa	1.2%	2.8%	3.2%	3.0%	-3.1%	3.9%	4.4%	3.8%	4.2%	4.5%	4.3%	4.4%

Source: IMF's World Economic Outlook – April 2026 Update, Crisil Intelligence

## India is among the world's fastest growing major economy

As per the April 2026 update to the IMF's WEO, the world's largest economies by nominal GDP are those of the US, China, Germany, Japan, the UK, India, France, Italy, Russia, and Brazil. Among these, India's economy has been the fastest growing through all the years since 2021, and as per IMF's projections, it is expected to sustain its lead in 2026 and 2027. In terms of size of the economy based on nominal GDP in current US dollars, India held the 5th rank in 2024 but slipped to the 6th rank in 2025 due to the depreciation of its domestic currency against the US dollar.

**Table 6: Year-on-year real GDP growth of the world's top 10 economies by nominal GDP in 2025, 2016-27P**

Top 10 economies by 2025 nominal GDP	Real GDP growth (year-on-year percent changes) as per IMF											Projections	
	Actuals/Estimates										2026	2027	
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025			
US	1.8%	2.5%	3.0%	2.6%	-2.1%	6.2%	2.5%	2.9%	2.8%	2.1%	2.3%	2.1%	
China	6.8%	6.9%	6.8%	6.1%	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.4%	4.0%	
Germany	2.2%	2.8%	1.1%	1.0%	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	0.8%	1.2%	
Japan	0.7%	1.6%	0.8%	-0.3%	-4.3%	3.6%	1.3%	0.7%	-0.2%	1.2%	0.7%	0.6%	
UK	2.2%	3.0%	1.6%	1.3%	-10.0%	8.5%	5.2%	0.3%	1.1%	1.3%	0.8%	1.3%	
India	8.3%	6.8%	6.5%	3.9%	-5.8%	9.7%	7.6%	7.2%	7.1%	7.6%	6.5%	6.5%	
France	0.7%	2.3%	1.6%	2.1%	-7.6%	6.8%	2.8%	1.6%	1.1%	0.9%	0.9%	0.9%	
Italy	1.2%	1.6%	0.8%	0.4%	-8.9%	8.9%	4.8%	0.9%	0.8%	0.5%	0.5%	0.5%	
Russia	0.2%	1.8%	2.8%	2.2%	-2.7%	5.9%	-1.4%	4.1%	4.9%	1.0%	1.1%	1.1%	
Brazil	-3.3%	1.3%	1.8%	1.2%	-3.3%	4.8%	3.0%	3.2%	3.4%	2.3%	1.9%	2.0%	

Note: For India, data and projections are presented on a fiscal year basis, with FY 2024-25 (starting in April 2024) shown in the 2024 column

Source: IMF's World Economic Outlook – April 2026 Update, Crisil Intelligence

## With a CAGR of 7.3% in FY23-26, India's GDP to grow by 6.8% in FY27

In February 2026, the Ministry of Statistics and Programme Implementation (MoSPI) released a new series of national accounts estimates with base year of FY 2022-23 as it represents a recent normal year (after COVID). This base revision was undertaken to capture structural changes that have taken place in India's economy and to leverage the availability of comprehensive data on different sectors of the economy. So, the new series not only improves estimation methods but also incorporates the latest data sources, thereby enhancing both the coverage and the accuracy of national accounts.

Under the new 2022-23 series, India's real GDP grew from INR 261.2 trillion in FY23 to INR 322.6 trillion in FY26, logging a CAGR of 7.3% between FY23 and FY26. Further, as per the second advance estimate (SAE) of the National Statistics Office (NSO), India's real GDP grew at 7.6% in FY26. Major driver of this sustained growth has been the manufacturing sector, which attained double-digit growth rates in both FY24 and FY26. However, with the ongoing conflict between the US-Israel and Iran, India's growth is expected to moderate.

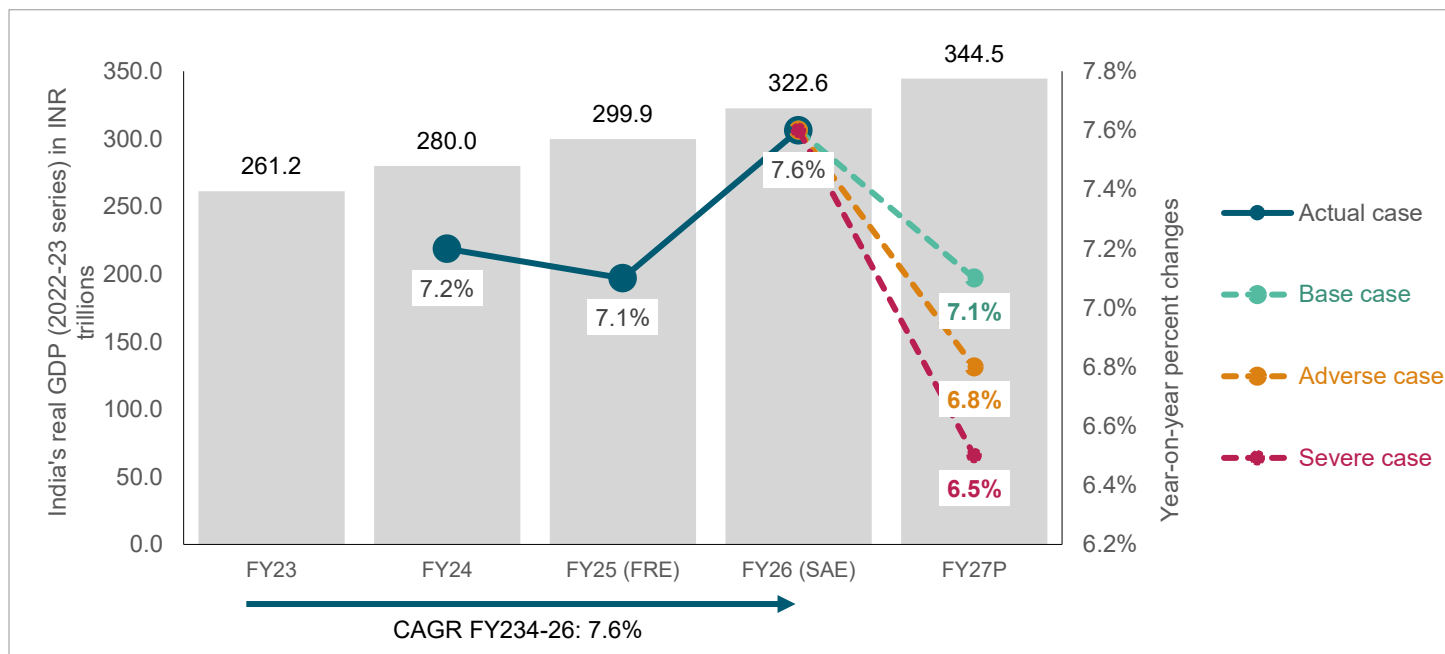
Since the economic impact of the Middle East conflict on India will depend on the scale, intensity and duration of the conflict, Crisil's forecast for FY27 considers three scenarios among which the base scenario is predicated on four assumptions: one, another spell of normal monsoon this year (with a likelihood of El Niño conditions forming after August); two, benign food inflation in spite of an uptick from a statistical low-base effect; three, the price of Brent crude hovering at \$75-80 per barrel; and four, steady global growth even as tariff- and geopolitics-led uncertainties persist. In contrast, the other two scenarios assume prolonged conflict. Specifically, the first alternative scenario is predicated on the conflict continuing till April-end, while the second alternative scenario is predicated on the conflict continuing beyond April-end.

**Table 7: Crisil's projection for India for FY 2027**

Projections for India for FY 2027	Base case	Adverse case	More adverse case
Real GDP growth (%)	7.1	6.8	6.5
Current account deficit (% of GDP)	1.5	2.0	2.5
CPI inflation (%)	4.5	4.7	5.4
10-year benchmark government bond yield (%)	6.6	6.7	7.2

Source: Crisil Intelligence

**Figure 2: India's real GDP (2022-23 series) trend and outlook (FY23-27P)**

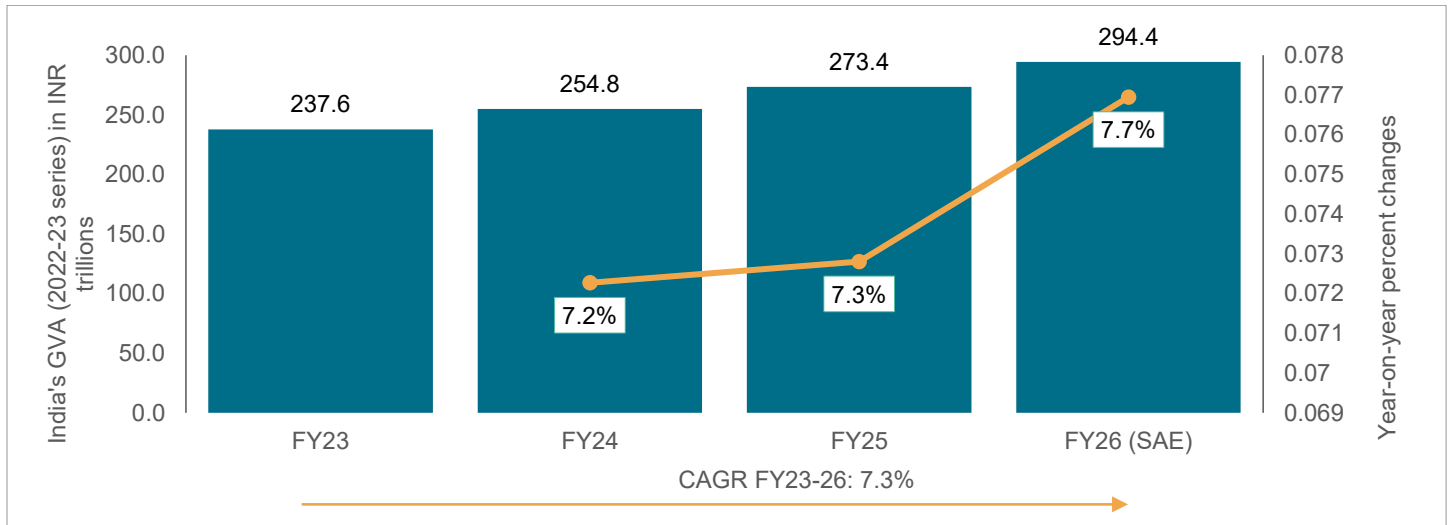


Note: FRE: First Revised Estimates, SAE: Second Advance Estimates, P: Projection  
Source: Ministry of Statistics & Programme Implementation, Crisil Intelligence

## GVA

India's GVA is projected to grow at a CAGR of 7.3% from FY23 to FY26, reaching INR 294.4 trillion, driven by steady private consumption supported by tax rationalization, stable employment, and rural demand. The sector of Textiles, Apparel, and Leather contributed around 1.5% to GVA, with its value slightly declining to INR 3.8 trillion in FY24 before recovering to INR 4.1 trillion in FY25, reflecting a resilient sector amidst overall growth.

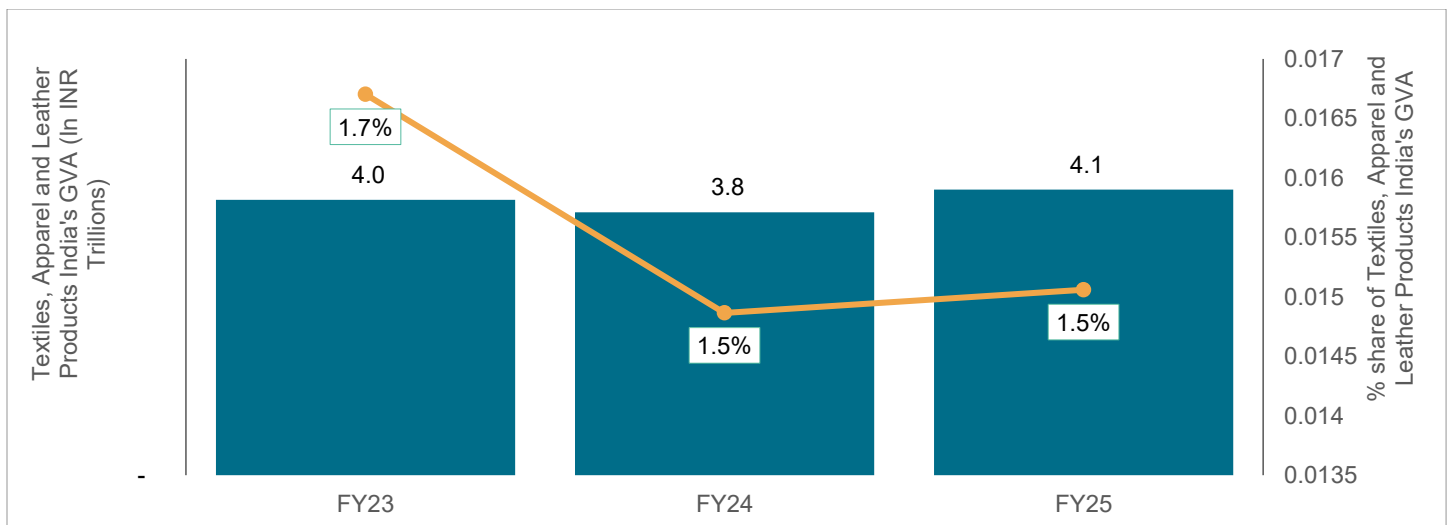
**Figure 3: India's GVA at constant prices (2022-23 series)**



Note: FRE: First Revised Estimates, SAE: Second Advance Estimates

Source: Ministry of Statistics & Programme Implementation, Crisil Intelligence

**Figure 4: Textiles, Apparel and Leather Products share in GVA at constant prices (2022-23 series)**



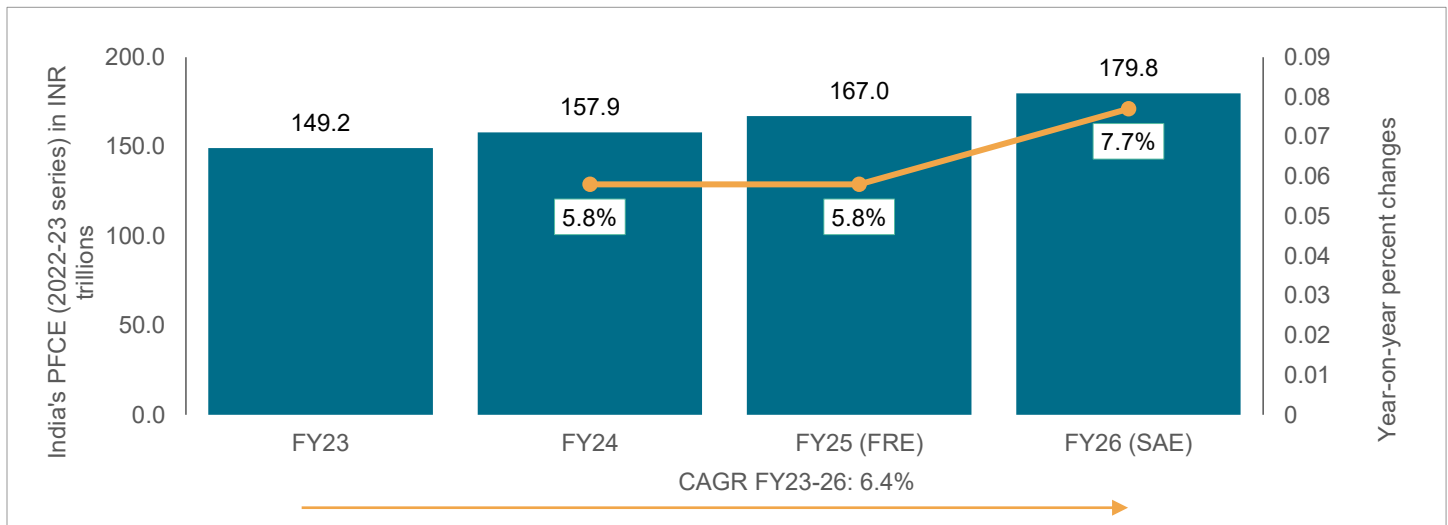
Note: FRE: First Revised Estimates, SAE: Second Advance Estimates

Source: Ministry of Statistics & Programme Implementation, Crisil Intelligence

## Private consumption continues to anchor India’s economic growth

India’s private final consumption expenditure (PFCE) grew by 6.4% between FY23 and FY26, wherein growth between FY25 and FY26 stood at 7.7%. This growth in consumption is supported by the positive impact of GST rate rationalization, stable employment conditions, rising real purchasing power, steady rural consumption resulting from strong agricultural performance, and gradual rise in urban consumption aided by the rationalization of direct and indirect taxes.

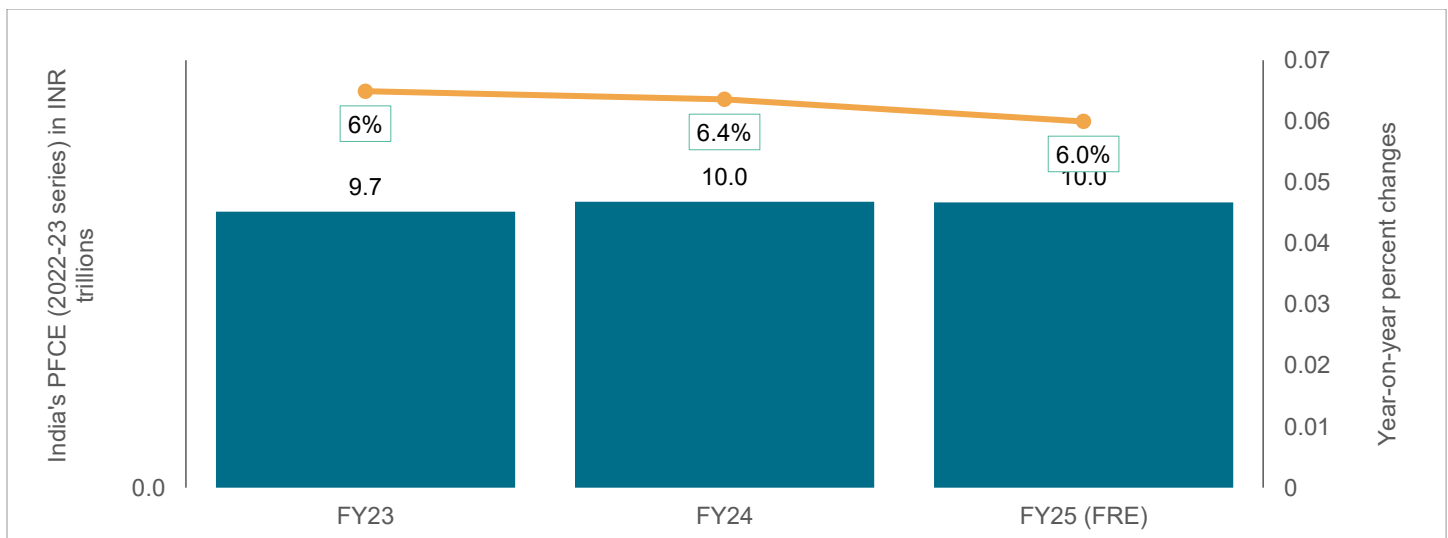
**Figure 5: India's PFCE at constant prices**



Note: FRE: First Revised Estimates, SAE: Second Advance Estimates

Source: Ministry of Statistics & Programme Implementation, Crisil Intelligence

**Figure 6: Clothing and footwear industry share in PFCE-Constant price**



Note: FRE: First Revised Estimates, SAE: Second Advance Estimates

Source: Ministry of Statistics & Programme Implementation, Crisil Intelligence

## India's GDP is driven by three key forces

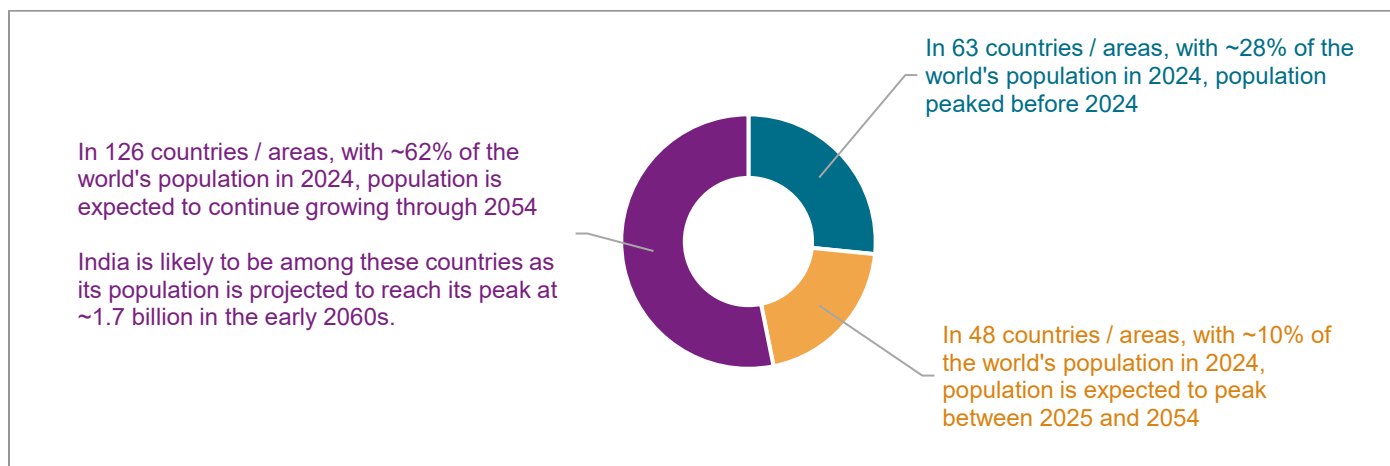
Demography	1	India has the potential to reap demographic dividends
Rising urbanisation	2	India's population is turning increasingly urban
Growing per capita income	3	India's per capita income grew by 6.6% in FY23-26

## India has the potential to reap demographic dividends

As per World Population Prospects 2024 (WPP 2024), published in July 2024 by the United Nations, India's population grew from 1.1 billion in 2001 to ~1.4 billion in 2023, thereby registering a CAGR of ~1.4% between 2001 and 2023. Going forward, India's population is projected to expand at a CAGR of 0.8% between 2025 and 2030, and is expected to remain the world's largest throughout the century

In addition to the above, the WPP 2024 reports that in 2024, one in every four people lived in a country that has already peaked in size. To elaborate, the following chart illustrates where different groups of countries stand with respect to their population's peak size.

**Figure 7: Distribution of countries/ areas based on their peak population size**



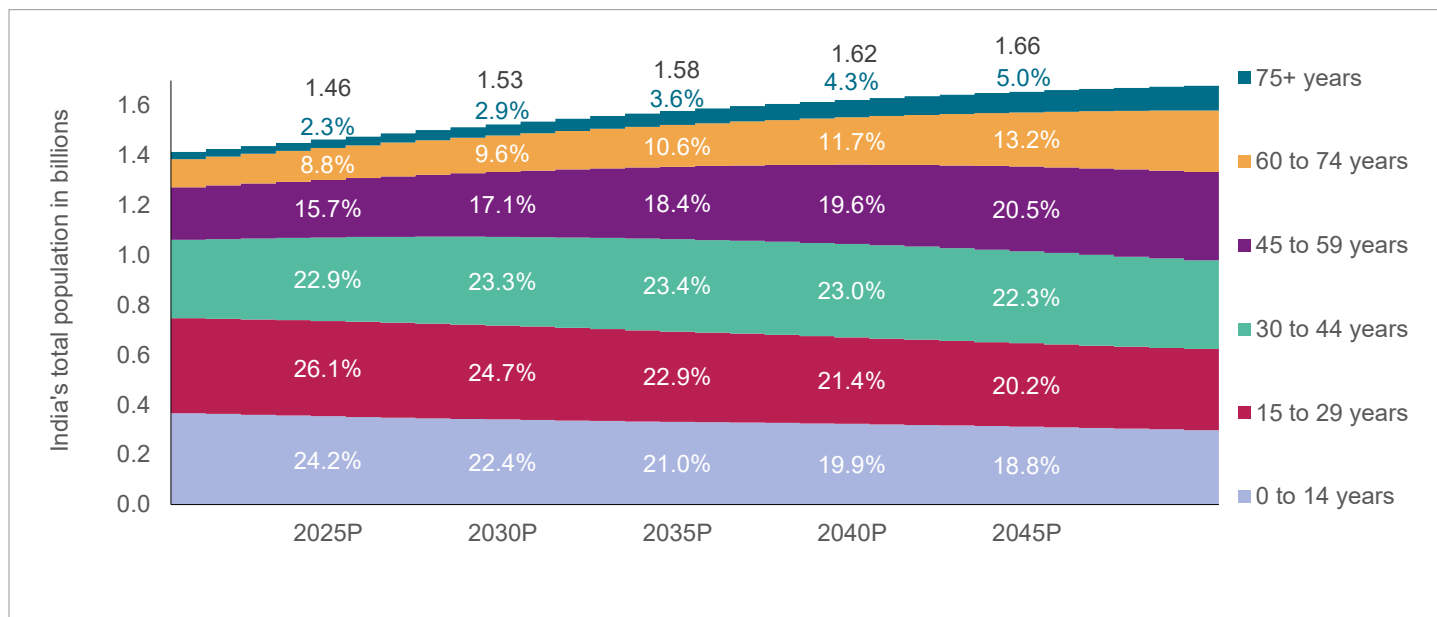
Source: United Nations, Department of Economic and Social Affairs, Population Division. World Population Prospects 2024

Further, the WPP 2024 notes that there are ~100 countries / areas with youthful populations and declining fertility where the working-age population will grow through 2054, resulting in a time-bound window of opportunity for them to leverage their growing shares of working-age population (i.e. population between ages 20 and 64 years) for accelerated economic growth. In other words, there are about 100 countries / areas in the world that may reap demographic dividends. Notably, India is one of them.

In 2023, India's working-age population stood at 849.9 million commanding a share of 59.1% in its total population. This working-age population is expected to reach its peak when it touches the 967.7 million-mark in 2034 commanding a share

of ~69.2% in India's total population. This implies that, India has a multi-decade window of opportunity for embarking on a path of accelerated economic growth.

**Figure 8: India's population: split by age-groups, CY 2025-2045P**



Note: P: Projected

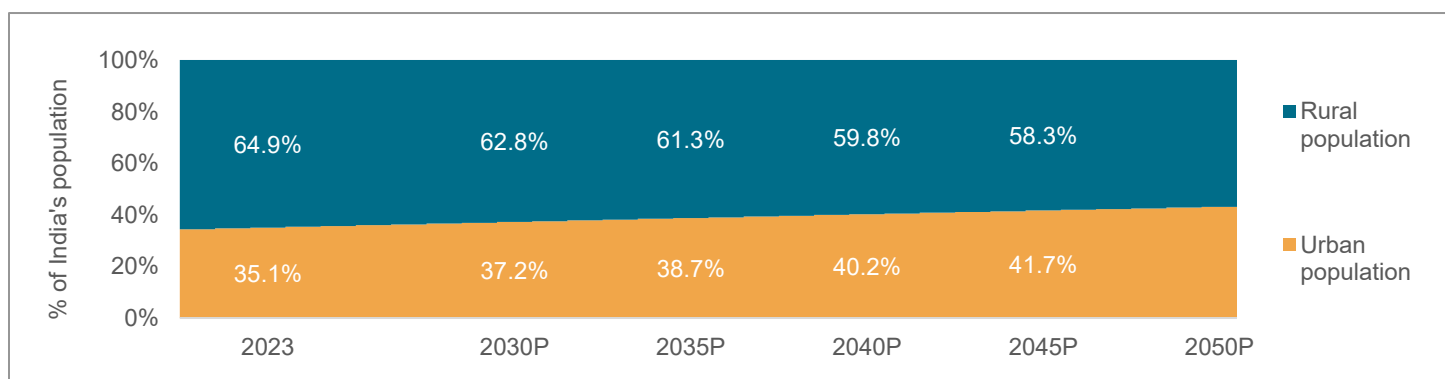
Source: United Nations, Department of Economic and Social Affairs, Population Division. World Population Prospects 2024

## India's population is turning increasingly urban

India's urban population has been consistently increasing, and the trend is expected to continue as India's economy grows. People from rural areas move to cities for better education, job opportunities, and quality of life. This internal migration may involve the relocation of an entire family or the relocation of a family's earning members or students.

In 2001, India's urban population made up 27.9% of its total population at an estimated 300.8 million. As per WPP 2024, India's urban population is likely to grow to 567.7 million by 2030, making up 37.2% of India's total population. This trend highlights the need to expand infrastructure and provision of basic services in urban areas to accommodate its growing population.

**Figure 9: India's population: split by region, 2023-2045P**



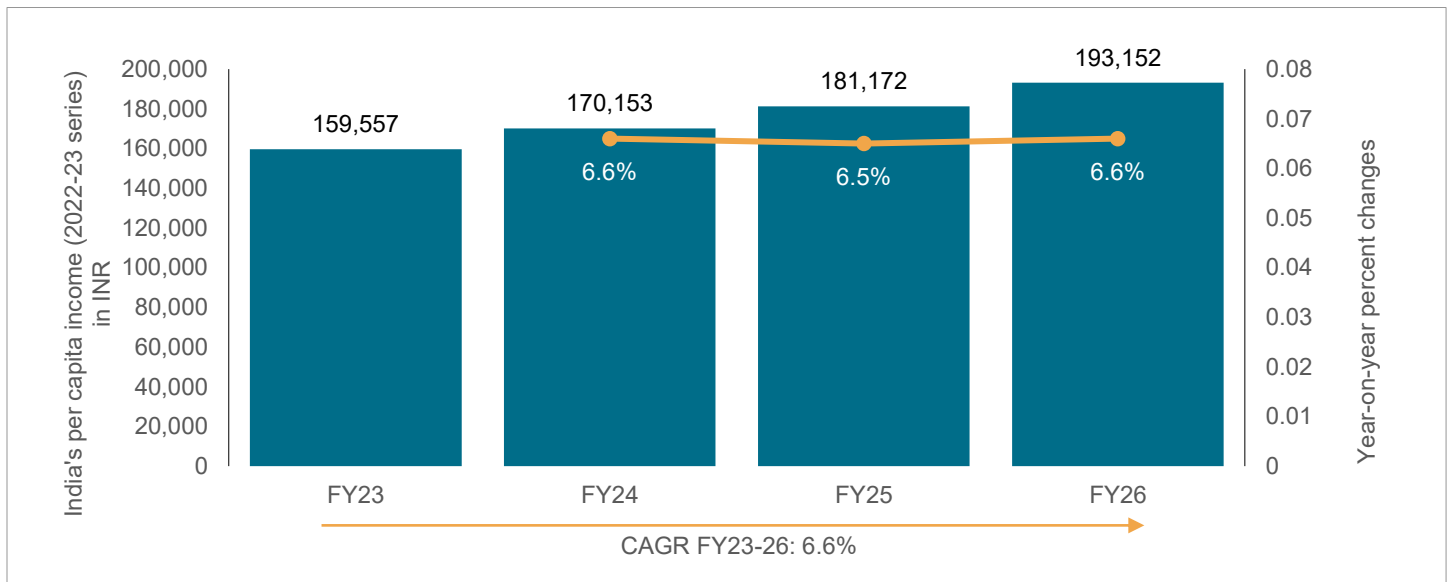
Note: P: Projection

Source: United Nations, Department of Economic and Social Affairs, Population Division. World Urbanization Prospects 2025

## India's per capita income grew by 6.6% in FY23-26

India's per capita income, a broad indicator of living standards, grew at a CAGR of 6.6% between FY23 and FY26, from INR 1,59,557 in FY23 to INR 193,152 in FY26. Growth was led by better job opportunities, propped up by overall GDP growth.

**Figure 10: India's per capita income, FY23-26**

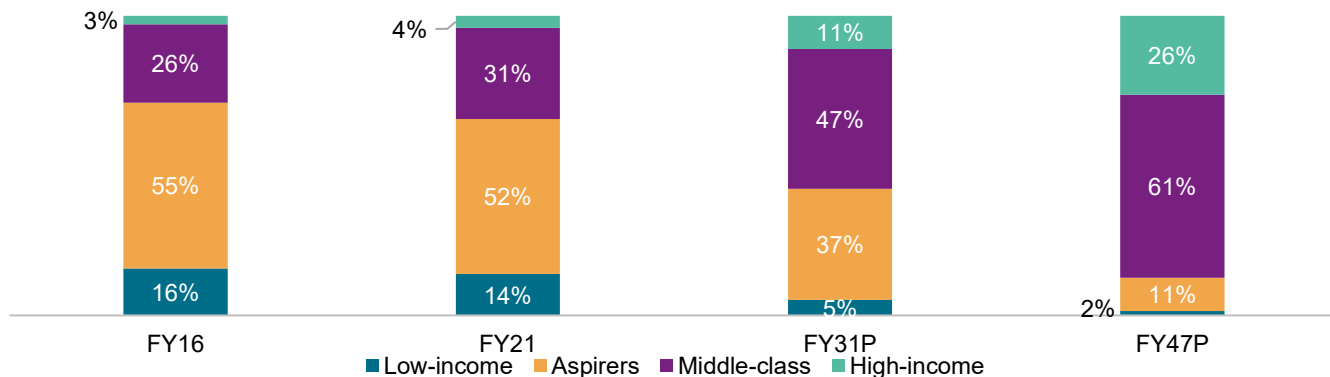


Source: Ministry of Statistics & Programme Implementation

## Decline in poverty levels indicates rise in middle- and high-income group in India

The proportion of poor in India (defined as those living on Rs 125,000 per annum or less) declined from ~16% in fiscal 2016 to ~14% in fiscal 2021. Conversely, the proportion of those in the middle- and high-income groups increased from 85% to ~86%. By fiscal 2031, this share is expected to reach ~95% and projected to grow to 98% in fiscal 2047, supported by growth in per capita income.

**Figure 11: Income-based split of the population**



Note: P - Projected

The low-income group comprises those earning less than INR 125,000 per annum, while aspirers are group those earning between INR 125,000 to INR 0.5 million. The middle-class group includes those earning between INR 0.5 million and INR 3 million per annum and the high-income group those earning more than INR 3 million per annum. Percentages have been rounded off

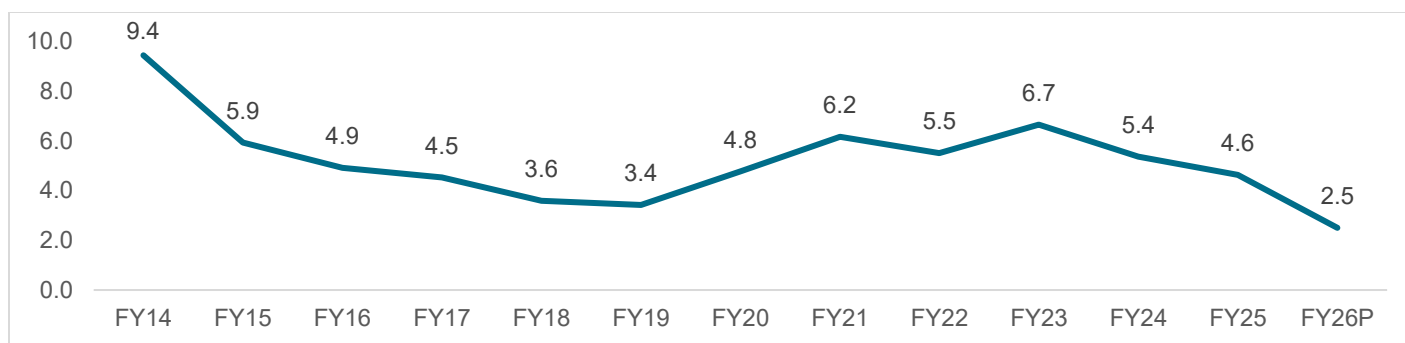
Source: People Research on India's Consumer Economy (ICE) 360° survey, Crisil Intelligence

## CPI inflation eased in FY26

Consumer price index (CPI)-based inflation stood at 4.6% in fiscal 2025, compared with 5.4% in fiscal 2024, which was within the Reserve Bank of India's (RBI) upper tolerance limit of 6%. This was majorly due to moderation in non-food categories. However, key food categories such as cereals, pulses and vegetables have remained at elevated levels. For fiscal 2025, CPI food inflation stood at 7.3%, above the core CPI index (excludes food, fuel and light) of ~3.5%.

Furthermore, RBI has reduced the repo rate by 50 basis points (bps) to 5.5% with immediate effect in its latest Monetary Policy (6 June 2025) to fulfil the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/- 2%, while stepping up growth momentum. Moving forward, Crisil estimates that CPI inflation will further moderate to 4.3%. Crisil also expects non-food inflation to remain comfortable, supported by softness in consumer demand, a pass-through of the previous year's oil price decline to domestic fuel (petrol and liquefied petroleum gas) consumers and benign crude prices in the base case.

**Figure 12: CPI inflation trend**



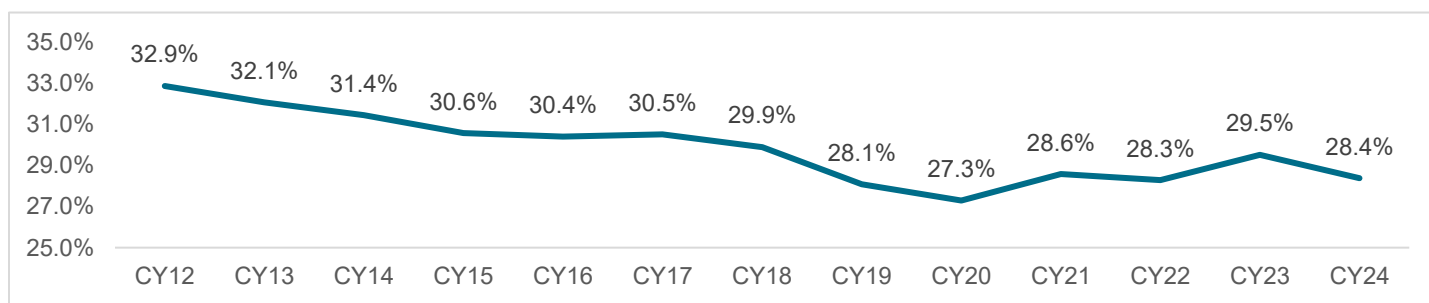
P: Projected

Source: Crisil Intelligence

## Overview of savings as % of GDP

The data provided by the World Bank on India's GDP vs savings rate from 2012 to 2024 reveals a declining trend in the savings rate over the past decade, with a slight recovery in recent years. The savings rate, which was around 32.9% in 2012, decreased to 27.3% in 2020, indicating a decline of around 5.6 percentage points over the 8-year period. This decline can be attributed to various factors such as increasing consumption, rise of consumerism, and demographic changes, which have led to higher spending and lower savings. However, the slight recovery in savings rate in 2021 and 2022, and a more significant increase in 2023 to 29.5%, suggests that the Indian economy may be witnessing a shift towards higher savings, potentially due to pandemic-induced savings, government initiatives, and other policy measures.

**% Savings of GDP trend**



Source: World Bank, Crisil Intelligence

Note(s): Updated as of April 2026

## Government Initiatives supporting retail growth in India

### Foreign Direct Investment (FDI) Reforms for retail sector:

The Indian government has been actively liberalizing its Foreign Direct Investment (FDI) norms to attract global players and modernize the retail sector. As of December 2025, the retail trading sector has witnessed a significant influx of FDI, with a total of Rs. 362.41 billion (\$ 4.97 billion) in FDI inflows since April 2000. This can be attributed to the government's decision to allow 100% FDI under the automatic route for single-brand retail trading (SBRT) and food product retail trading (FPRT). This move has enabled international brands to establish fully owned subsidiaries in India, thereby increasing their presence in the country.

To boost the retail sector, the government has introduced FDI policy initiatives for multi-brand retail outlets. The policy allows for 51% FDI, with a minimum investment of US\$ 100 million. Additionally, at least 30% of the products must be procured from Small and Medium Enterprises (SMEs), and at least 50% of the total FDI must be invested in backend infrastructure, such as logistics, cold storage, and agro-processing units. This initiative aims to promote economic growth and development in the retail sector, while also supporting SMEs and improving infrastructure.

For single-brand retail outlets, the policy allows for 100% FDI under the automatic route. The condition is that products must be sold under the same brand internationally, and no sale of multi-brand goods is allowed. Single-brand retail entities are also permitted to set off their incremental sourcing of goods from India for global operations during the initial five years, after which they must meet the 30% sourcing norm from India. Furthermore, 100% FDI is allowed in retail trading of food products manufactured or produced in India. This initiative is expected to attract significant foreign investment in the retail sector, promoting the growth of single-brand retail outlets and supporting the Make in India initiative.

Recent enhancements to the FDI policy include simplified registration processes for foreign companies, reducing bureaucratic hurdles and enhancing ease of doing business rankings. This move is expected to further attract foreign investment in the retail sector, promoting economic growth and development in India. Overall, the government's FDI policy initiatives aim to provide a boost to the retail sector, promoting economic growth and development, and establishing India as a hub for foreign investment.

### Budget 2026: A Catalyst for India's Retail Growth and Development:

The Indian government's Budget 2026 has introduced several structural measures to support the country's retail sector, with a focus on stimulating economic growth, promoting employment, and improving the overall business environment.

Some of the key highlights of Budget 2026 include:

- **MSME Focus :**
  - The government introduced a comprehensive three-pronged strategy to help MSMEs evolve into “Champion SMEs.” This includes a dedicated INR 100 billion SME Growth Fund to provide equity, growth capital, and incentives for scaling high-potential enterprises. Additionally, INR 20 billion was infused into the Self-Reliant India Fund specifically for micro-enterprises to improve access to risk capital and equity.
  - Liquidity was strengthened through mandatory adoption of the Trade Receivables Discounting System (TReDS) by Central Public Sector Enterprises (CPSEs) for MSME procurements, credit guarantees via CGTMSE for invoice discounting, and integration with the Government e-Marketplace (GeM). These steps reduce payment delays, improve cash flow for suppliers to retailers, and support exports/competitiveness — directly aiding FMCG, apparel, and general merchandise suppliers feeding into retail networks.

- **Textiles, Apparel & Handicrafts:**

- National Fibre Scheme: This scheme aims to build self-reliance across the fibre spectrum by supporting natural fibres such as silk, wool, and jute, alongside man-made fibres (MMF) and new-age fibres. By strengthening domestic fibre availability and encouraging innovation in advanced textile materials, the scheme seeks to reduce import dependence, promote diversification beyond cotton, and enhance India's capability in high-performance and specialised textiles.
- Textile Expansion and Employment Scheme: Focused on modernisation of traditional textile clusters, this component provides capital support for machinery, technology upgradation, and the establishment of common testing and certification centres. The scheme is expected to enhance productivity, improve quality compliance and enable large-scale employment generation.
- National Handloom and Handicraft Programme: Existing schemes for handloom and handicrafts will be integrated and strengthened under a unified national programme. The objective is to provide targeted and effective support to weavers and artisans, improve incomes, ensure market linkages, and preserve India's rich textile heritage. Additionally, the Government is providing financial assistance for the promotion of natural and vegetable dyes and for the establishment of dye houses, through two components viz. the Mega Cluster Development Programme and Need-based Special Infrastructural Projects.
- Tex-Eco Initiative: The Tex-Eco Initiative promotes globally competitive and environmentally sustainable textiles and apparel (T&A) manufacturing. It aligns domestic production with international sustainability standards, and supports access to emerging green markets.
- Samarth 2.0: An upgraded skilling programme, Samarth 2.0 aims to modernise the textile skill ecosystem through deeper collaboration with industry and academic institutions. It seeks to ensure the availability of industry-ready skilled manpower across the value chain.

- **Sports Goods:** A dedicated push positions India as a global hub for affordable, high-quality sports goods manufacturing, with emphasis on R&D, innovation in equipment design, and material sciences. This aims to create a vibrant domestic market while boosting exports.

- **Women Entrepreneurship & Rural Retail:**

- Building on the Lakhpati Didi programme, Self-Help Entrepreneur (SHE) Marts were announced as community-owned retail outlets within SHG cluster-level federations. These will be managed by women groups, focusing on direct sales of their products (handicrafts, apparel, agro-processed goods, etc.) with better branding, packaging, and market linkages.
- Enhanced financing instruments support setup and operations. PM Divyasha Kendras (or similar centres) are being strengthened into modern retail-style outlets. This creates new rural retail touchpoints, formalizes women-led enterprises, and expands organized retail penetration into underserved areas while empowering local consumption and supply

## **Open Network for Digital Commerce (ONDC):**

The Open Network for Digital Commerce (ONDC) is a transformative initiative by the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce, Government of India aimed at democratizing digital commerce. Launched in April 2022, ONDC is an initiative aiming at promoting open networks for all aspects of exchange of goods and services over digital or electronic networks. ONDC is based on open-sourced methodology, using open specifications and open network protocols independent of any specific platform. It envisions creating a level playing field for sellers, buyers, and service providers across India, particularly small and medium enterprises (MSMEs). It serves as a unified platform where stakeholders can interact freely without the constraints of exclusive ecosystems. By fostering open

protocols and reducing dependency on monopolistic platforms, ONDC aims to catalyze innovation and inclusivity in the digital commerce landscape.

The ONDC initiative has several key objectives:

- **Democratization of Commerce:** Break the dominance of large e-commerce platforms by enabling interoperability across networks.
- **Inclusivity:** Empower small businesses, retailers, and local artisans to access the digital marketplace.
- **Cost Efficiency:** Lower the cost of customer acquisition and transaction processing for sellers.
- **Market Expansion:** Bridge regional and linguistic gaps, bringing untapped markets into the fold of digital commerce.
- **Customer Empowerment:** Increase options for buyers by providing access to a broader array of sellers.

Participants play various roles to ensure efficient functioning:

- **Buyer Applications:** Platforms enabling customers to access sellers on the ONDC network.
- **Seller Applications:** Interfaces for businesses to list and manage their offerings.
- **Logistics Providers:** Facilitators for the movement of goods across regions.
- **Technology Enablers:** Providers of IT infrastructure and tools.

## **National Logistics Policy (NLP):**

The National Logistics Policy (NLP) aims to transform India's logistics sector by reducing costs, enhancing efficiency, and ensuring the seamless movement of goods across the country. Currently, logistics costs are estimated to be 16% of GDP; the policy's goal is to bring this down to the global average of 8% by 2030. Additionally, the policy seeks to promote seamless movement of goods across the country, reducing transit times and increasing efficiency. Ultimately, by reducing logistics costs and increasing efficiency, the NLP aims to boost economic growth, create employment opportunities, and make Indian products more competitive in the global market, thereby achieving its overarching goal of transforming the logistics industry and driving economic development in India.

To achieve its objectives, the NLP will undertake four significant steps:

1. **Integration of Digital Systems (IDS):** The policy will integrate digital systems of seven different departments, including road transport, railways, aviation, and commerce ministries, to facilitate seamless data exchange and coordination.
2. **Unified Logistics Interface Platform (ULIP):** The ULIP will enable real-time information exchange and tracking of cargo movement, reducing transit times and increasing efficiency.
3. **Ease of Logistics (ELOG):** The ELOG will ensure transparency and accessibility in logistics operations, making it easier to do business in the sector.
4. **System Improvement Group:** The group will monitor and review logistics-related projects regularly, ensuring that they are on track to meet their objectives.

The NLP's impact will be further enhanced when combined with other infrastructure development programs, such as:

1. **Gati Shakti Programme:** This program aims to implement infrastructure connectivity projects, including roadways and railways, in a coordinated manner.
2. **Sagarmala:** This initiative seeks to leverage the potential of India's coastline and waterways to reduce infrastructure needs and increase efficiency.

3. **Bharatmala:** This program focuses on reducing critical infrastructure gaps to increase the effectiveness of road traffic circulation across the nation.

By combining these initiatives, the NLP aims to create a comprehensive and efficient logistics ecosystem that supports India's economic growth and development.

## **India Post 2.0: Tech push to power last-mile delivery across country**

The Indian retail sector is poised to receive a significant boost with the launch of India Post 2.0, a comprehensive digital transformation initiative aimed at revolutionizing the country's logistics industry. By leveraging technology-enabled services, India Post is set to become a public logistics platform in India, offering seamless, end-to-end logistics services comparable to those of established market players.

The initiative, which includes real-time track and trace capabilities, customized services for bulk customers, electronic proof of delivery, OTP-based authentication, digital payments, and open API integration, is expected to have a profound impact on the retail sector. With over 86,000 post offices already using the new application and the entire network of 165,000 post offices expected to migrate to the new platform by end of 2025, retailers can look forward to faster, more efficient, and more reliable logistics services.

The impact of India Post 2.0 on the retail sector will be multifaceted. For one, it will enable retailers to offer faster and more flexible delivery options to their customers, including Sunday and holiday deliveries, as well as morning and evening delivery options, thanks to the launch of 344 new Delivery Centres nationwide. This will not only enhance the overall customer experience but also give retailers a competitive edge in the market.

Additionally, the integration of India Post with e-commerce platforms such as ONDC and GeM will power e-commerce enablement, making it easier for retailers to access logistics services and send and receive parcels. This will be particularly beneficial for small and medium-sized enterprises and individual customers, who will be able to leverage the reach and reliability of India Post to expand their customer base and increase their sales.

Overall, the India Post 2.0 initiative is expected to have a positive impact on the Indian retail sector, enabling retailers to offer better services, improve their efficiency, and increase their competitiveness in the market.

## **Make in India Initiative**

The Make in India initiative, launched on September 25, 2014, is a flagship program aimed at transforming India into a global manufacturing and investment hub. It focuses on 25 priority sectors, including automobiles, electronics, textiles, pharmaceuticals, and food processing, with the core objectives of facilitating investment, fostering innovation, enhancing skill development, and protecting intellectual property.

The initiative operates on four pillars:

- New Processes (simplifying regulations and easing business operations)
- New Infrastructure (developing industrial corridors, smart cities, and logistics networks)
- New Sectors (identifying high-growth areas like renewable energy and defense)
- New Mindset (promoting a collaborative approach between government and industry).

Over the past decade, it has significantly boosted foreign direct investment (FDI) in manufacturing, with cumulative FDI equity inflows reaching substantial levels and contributing to a rise in the sector's GDP share, though the target of 25% by 2022 (later extended) remains a work in progress as of 2025. Key achievements include de-licensing and de-regulating industries, improving ease of doing business rankings, and integrating with complementary schemes like Production Linked Incentives (PLI) to drive self-reliance under the Atmanirbhar Bharat vision.

The Make in India initiative impacts retail sector growth in India by enhancing domestic manufacturing capabilities, which directly increases the availability of locally produced goods for retail outlets, thereby reducing import dependency and stabilizing supply chains. This leads to cost efficiencies for retailers through lower procurement prices and shorter lead times, enabling competitive pricing and wider product assortments in categories like consumer electronics, apparel, and FMCG. By fostering job creation and skill development, it boosts disposable incomes, particularly in urban and semi-urban areas, driving higher consumer spending and retail demand. Additionally, the initiative supports e-commerce and organized retail by promoting exports and integrating with digital platforms, allowing small retailers and MSMEs to access broader markets and compete effectively.

### **Production Linked Incentive (PLI) Scheme:**

India's manufacturing sector is on the cusp of a significant transformation, driven by the government's policies aimed at establishing the country as a global manufacturing hub. The Production Linked Incentive (PLI) Scheme, launched in 2020, is a key driver of this transformation, seeking to foster innovation, efficiency, and competitiveness across various industries.

The PLI Scheme's effects on the retail sector are far-reaching, as it strengthens supply chains for Micro, Small, and Medium Enterprises (MSMEs), enabling smaller retailers to source locally and integrate with digital platforms. This, in turn, improves retail efficiency and competitiveness, allowing smaller retailers to better compete with larger players. Moreover, the scheme's spillover effects, such as technology transfer and innovation, are expected to have a positive impact on the retail sector, driving growth and development in the industry.

As the PLI Scheme continues to gain momentum, it is likely to play a significant role in shaping the future of India's retail sector, enabling it to become more competitive, efficient, and responsive to the needs of consumers. By promoting domestic production and reducing dependence on imports, the scheme is also expected to contribute to the country's economic growth and self-reliance, making it an important component of India's economic development strategy.

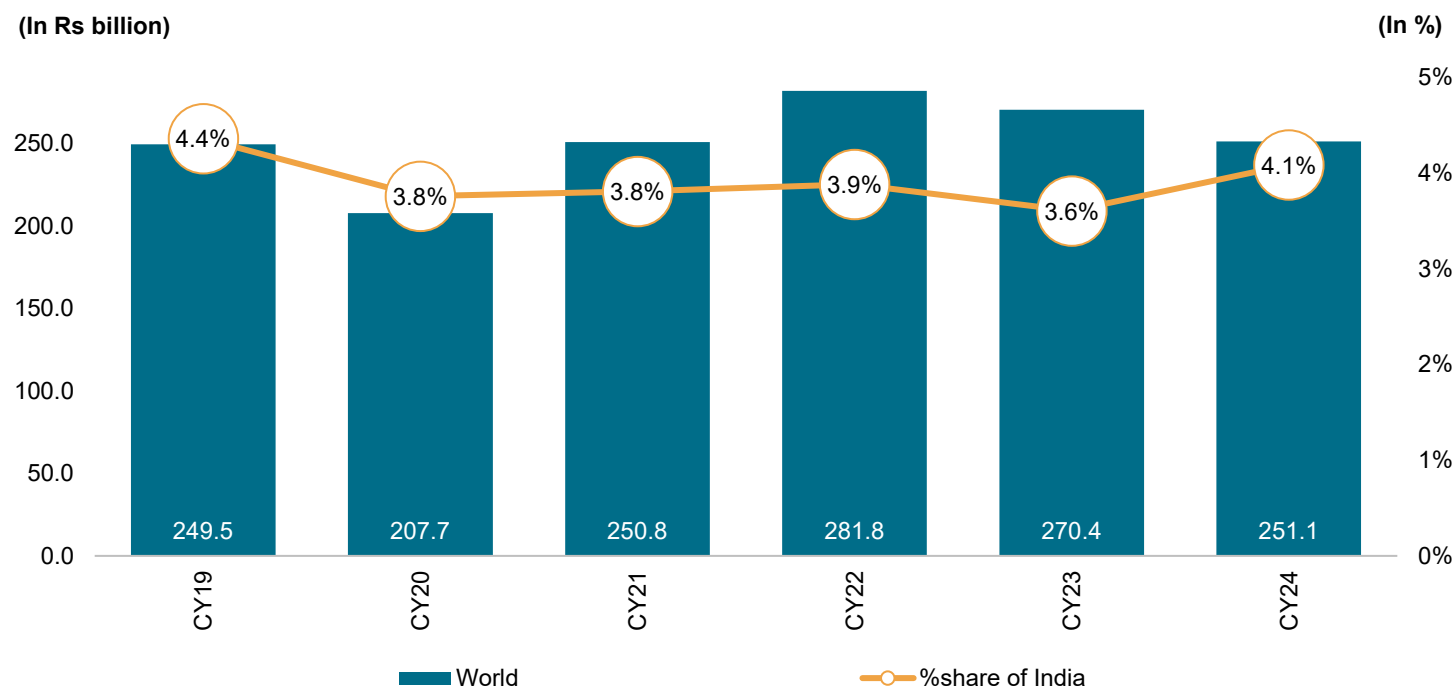
## Assessment of global apparel and footwear market

The global apparel and footwear market is a vast and dynamic industry, characterized by a diverse range of products, and consumer preferences. With a projected value of ~\$ 1,447 billion for apparels and ~\$ 383 billion for footwear in 2026, the market is driven by factors such as changing lifestyles, increasing disposable income, and evolving fashion trends.

The industry can be broadly classified into two main segments: the apparel market and the footwear market, which can be further divided into various sub-categories, including product type, end-user, fabric material, category, distribution channel, and geography. For instance, the apparel market can be categorized by product type, such as formal wear, casual wear, sportswear, etc. Additionally, the market can be divided by end-user, such as men, women, and children, and by fabric material, including natural and synthetic fibers. The category segment can be further divided into premium and mass market, while the distribution channel segment includes online and offline channels, such as retail stores, e-commerce platforms, and department stores. Geographically, the market can be segmented into regions, including North America, Europe, Asia-Pacific, and Latin America, each with its unique preferences, and consumer behavior. Overall, the global apparel and footwear market is expected to follow an upward trajectory, driven by e-commerce, sustainability, and digitalization, with growth anticipated to be steady in the coming years.

### Export trend in the retail industry (2019-2024 series)

The global clothing and footwear market's export trend shows the share of India declining from 4.4% in 2019 to 4.1% in 2024.



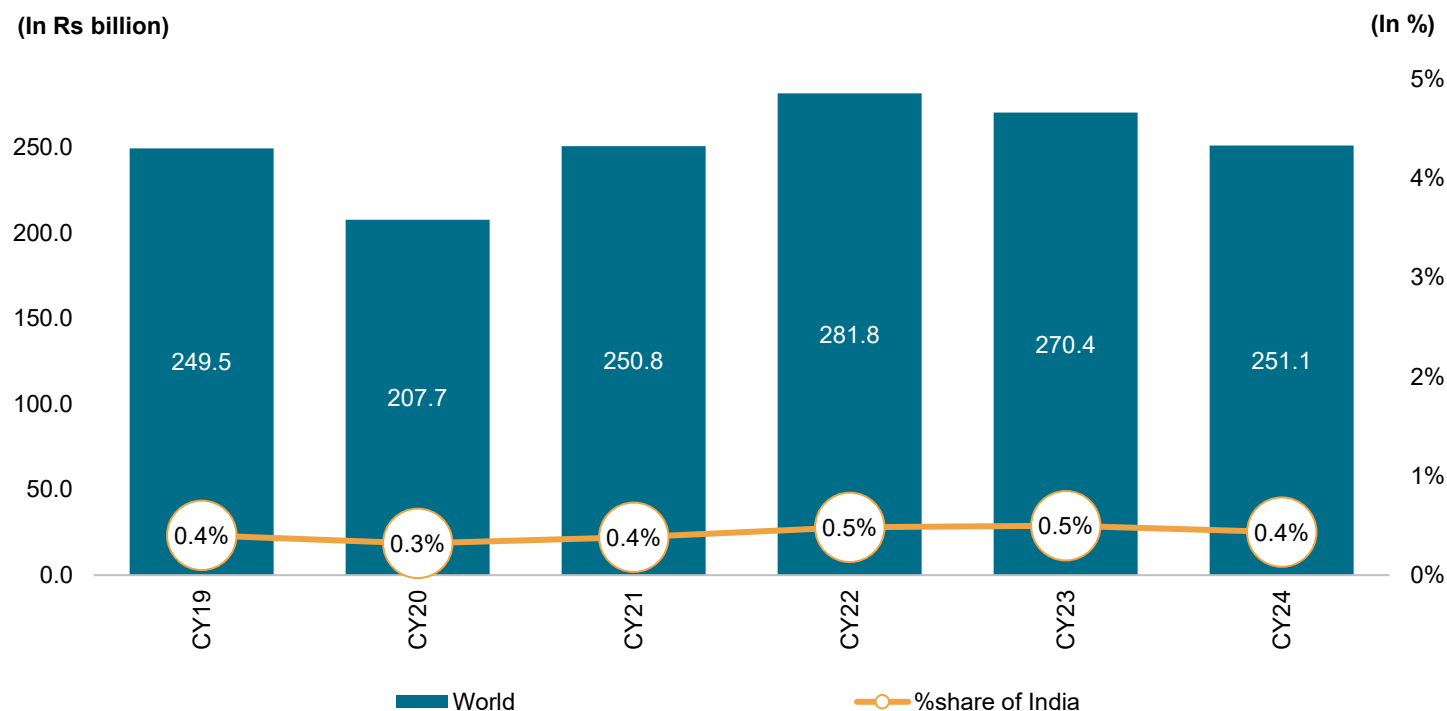
*Note: For the combined Apparel and Footwear data, following are the considered HS codes considered – 6108 ((Women's slips, nightdresses, and other similar articles); 6109 (T-shirts, singlets and other vests; knitted or crocheted); 6201 (Overcoats, car-coats, capes, cloaks, anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, men's or boys'); 6203 (Suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear); men's or boys' (not knitted or crocheted)); 6204 (Suits, ensembles, jackets, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear); women's or girls' (not knitted or crocheted)); 6205 (Shirts; men's or boys' (not knitted or crocheted)); 6206 (Blouses, shirts and shirt-blouses; women's or girls' (not knitted or crocheted)); 6211 (Blouses, shirts and shirt-blouses; women's or girls' (not knitted or crocheted)); 6309 (Textiles; worn clothing and other worn articles); 6402 (Footwear; with outer soles and uppers of rubber or plastics (excluding waterproof footwear))*

CY25 numbers are not completely updated on UN Comtrade as of April 2026

Source: UN Comtrade Database, Crisil Intelligence

## Import trend in the retail industry (2019-2024 series)

The global clothing and footwear market's export trend shows the share of India reaching a breakeven point at 0.4% between 2019 and 2024.



*Note: For the combined Apparel and Footwear data, following are the considered HS codes considered – 6108 (Women's slips, nightdresses, and other similar articles); 6109 (T-shirts, singlets and other vests; knitted or crocheted); 6201 (Overcoats, car-coats, capes, cloaks, anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, men's or boys'); 6203 (Suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear); men's or boys' (not knitted or crocheted)); 6204 (Suits, ensembles, jackets, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear); women's or girls' (not knitted or crocheted)); 6205 (Shirts; men's or boys' (not knitted or crocheted)); 6206 (Blouses, shirts and shirt-blouses; women's or girls' (not knitted or crocheted)); 6211 (Blouses, shirts and shirt-blouses; women's or girls' (not knitted or crocheted)); 6309 (Textiles; worn clothing and other worn articles); 6402 (Footwear; with outer soles and uppers of rubber or plastics (excluding waterproof footwear))*

CY25 numbers are not completely updated on UN Comtrade as of April 2026

Source: UN Comtrade Database, Crisil Intelligence

## Overview of global apparel market

### Global apparel market registered a CAGR of ~6% between CY2020-2025

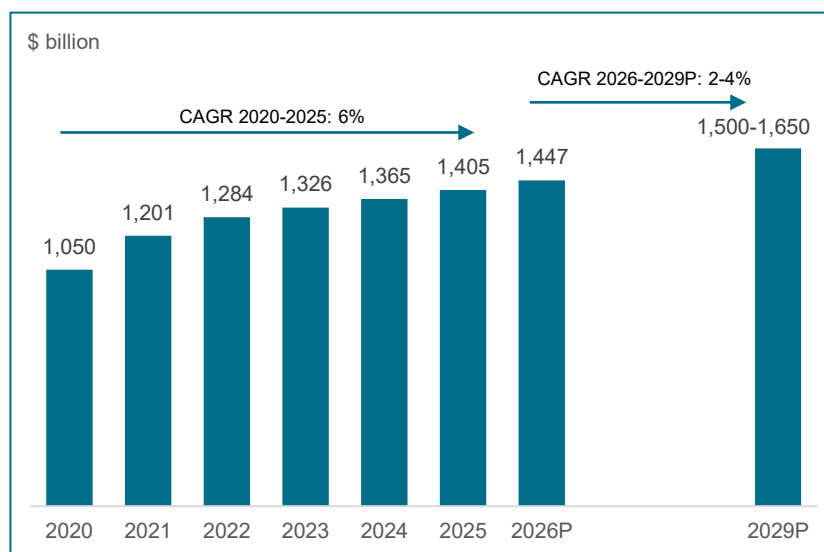
The global apparel market is valued at \$ 1,405 billion in CY2025 compared to \$ 1,050 billion in CY2020, thereby registering a CAGR of 6%. This substantial growth can be attributed to various factors, including shifting consumer preferences, advancements in e-commerce, and the rising demand for mid-range and premium products.

The market's projected to further increase to \$1,447 billion in 2026 is backed by continued demand, with Asia Pacific region emerging as the largest segment by revenue, accounting for 37% of the global apparel market. This dominance can be attributed to the demographic characteristics of countries such as China and India, which have a large and growing population of young people. This young population coupled with increasing disposable income and changing lifestyles of the young population have led to a growing demand for fashionable and affordable clothing, which has driven the growth of the apparel market in the Asia Pacific region.

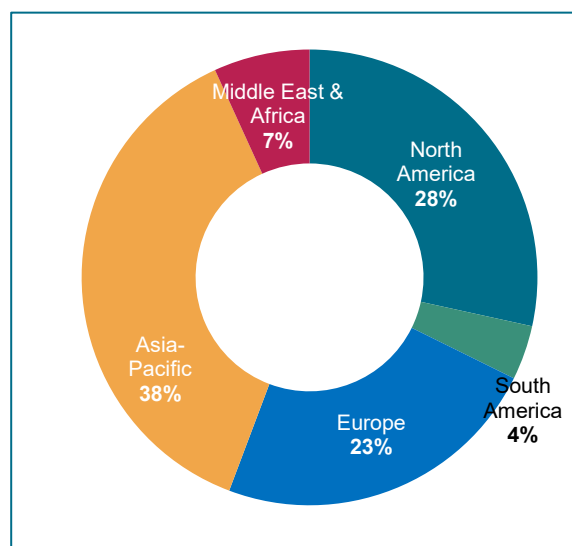
The Asia Pacific region is followed by North America, which accounts for 28% of the global apparel market. The North American market is driven by the demand for premium and high-end apparel products, particularly in the United States, where consumers are willing to pay a premium for high-quality and fashionable clothing.

Europe accounts for 23% of the global apparel market, with a significant presence of luxury and premium apparel brands. The European market is characterized by a high level of fashion consciousness, with consumers seeking high-quality and stylish clothing. Moving forward, over the period CY2026- 2029, it is expected that the market will grow at a CAGR of 2-4%, thereby resulting in the estimated value of \$ 1,500-1,650 billion by CY2029.

## Global apparel market (\$ billion)






## Geographical segmentation (2026)



Note: E: Estimated, P: Projected

Source: Mordor Intelligence, Crisil Intelligence

## Women's wear dominates the market with more than 50% share

End user	Description
 <b>Women's wear</b>	<ul style="list-style-type: none"> <li>The women's segment is estimated to dominate the global apparel industry, accounting for more than half of the revenue in 2025.</li> <li>This is due to the availability of a wide range of products, increasing participation of women in the workforce and growing focus of women on self-expression. Also, women typically tend to spend more on fashion products than men.</li> </ul>
 <b>Men's wear</b>	<ul style="list-style-type: none"> <li>The men's segment is estimated to account for nearly a third of the global apparel industry's revenue in 2025.</li> <li>This segment is driven by the growing demand for stylish and comfortable clothing, particularly in the casual and athleisure wear categories.</li> </ul>
 <b>Kid's wear</b>	<ul style="list-style-type: none"> <li>The balance of the industry is accounted by the kids' segment in 2025.</li> <li>This segment is driven by the growing demand for comfortable, durable, and stylish clothing for children. The rise of e-commerce and online shopping has made it easier for parents to purchase apparel for their kids.</li> <li>Furthermore, the kids' segment is also influenced by the growing trend of mini-me fashion, where children's clothing is designed to mimic adult fashion trends.</li> </ul>

Source: Mordor Intelligence, Crisil Intelligence

## Global footwear market

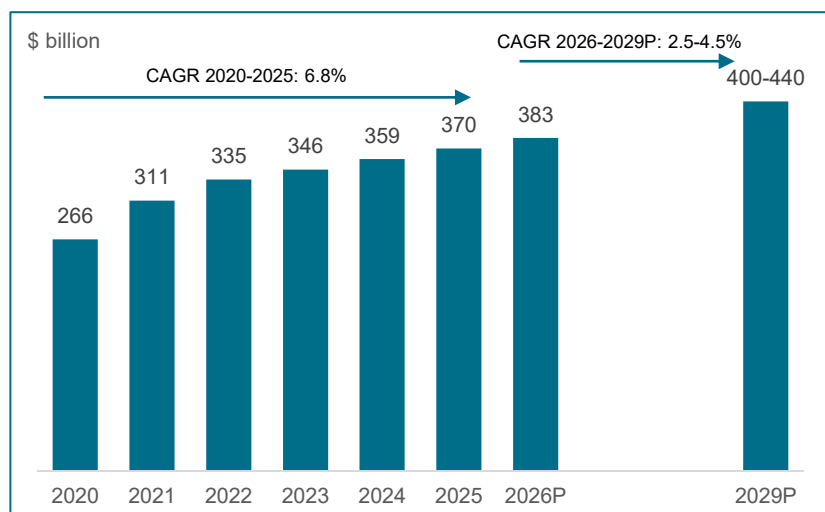
### Global footwear market clocked a CAGR of 6.8% between CY2020-2025P

The global footwear market, with an estimated value of \$370 billion in 2025, up from \$266 billion in 2020, exhibited a CAGR of 6.8%. This substantial growth can be attributed to various factors, including shifting consumer preferences, advancements in e-commerce, and the rising demand for mid-range and premium products.

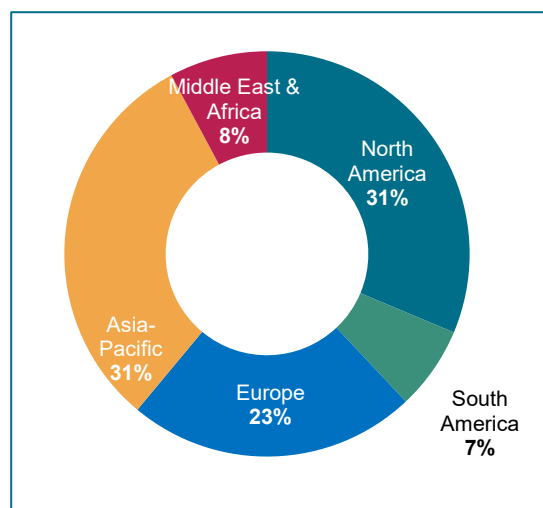
The market is expected to continue its growth trajectory, with Asia Pacific and North America regions as the key markets, each accounting for approximately 31% of the global market share, followed by Europe at 23%. These regions are driven by a growing middle class, increasing urbanization, and a rising demand for apparel products. The Asia Pacific region is expected to continue to drive growth in the apparel and footwear markets, driven by the growing middle class and increasing urbanization in countries such as China, India, etc. The rise of e-commerce and social media in the region has also contributed to the growth of the apparel and footwear markets, as consumers are increasingly seeking online platforms to purchase products.

Moving forward, the global footwear market is also expected to reach an estimated value of \$400-440 billion by 2029, representing a CAGR of 2.5-4.5%. This growth is driven by the increasing demand for comfortable, stylish, and high-quality footwear products. The rise of e-commerce and social media will continue to contribute to the growth of the footwear market, as consumers increasingly seek online platforms to purchase footwear products.

**Global footwear market (\$ billion)**



**Geographical segmentation (2026)**





Note: E: Estimated, P: Projected

The percentages do not add up to 100% due to rounding off numbers

Source: Mordor Intelligence, Crisil Intelligence

## Women's wear dominates the market with ~50% share

End user	Description
 <b>Women's wear</b>	<ul style="list-style-type: none"> <li>Women's wear is the largest segment (nearly 50%) in the global footwear industry, driven by the increasing demand for fashionable and comfortable footwear among women. This segment includes a wide range of products such as heels, flats, boots, sandals, and sneakers, among others.</li> <li>The women's footwear market is driven by increasing disposable incomes, growing financial independence, the influence of social media on fashion trends, etc.</li> </ul>
 <b>Men's wear</b>	<ul style="list-style-type: none"> <li>Men's wear is the second-largest segment in the global footwear industry, accounting for little more than a third of the market share. This segment includes a wide range of products such as dress shoes, boots, sneakers, and sandals, among others.</li> <li>The men's footwear segment is driven by several factors, including the growing trend of sneaker culture, the increasing popularity of fashion footwear, and the rising demand for comfortable and stylish footwear.</li> </ul>
 <b>Kid's wear</b>	<ul style="list-style-type: none"> <li>The kid's footwear market is driven by the growing demand for comfortable and stylish footwear among children, as well as the increasing awareness of the importance of proper foot health and development.</li> </ul>

Source: Mordor Intelligence, Crisil Intelligence

## Key growth drivers for global apparel and footwear markets

Key growth drivers	Description
<b>Emergence of Direct-to-Consumer (D2C) brands</b>	<ul style="list-style-type: none"> <li>One of the most significant advances resulting from the rise of e-commerce has been the emergence of D2C brands- brands which sell their products directly to end-users. So, they operate by eliminating all the conventional intermediary entities such as distributors, wholesalers, and retailers.</li> <li>This mode of operation enables D2C brands to position their products at very competitive prices and widen their geographical reach rapidly, which in turn positively influences the demand of overall apparel and footwear.</li> </ul>
<b>Rising disposable incomes</b>	<ul style="list-style-type: none"> <li>Rising disposable incomes is a major factor supporting the growth of both apparel and footwear markets across regions. Rising disposable incomes allow consumers to increase their spending on lifestyle upgradation which fuels the demand for both apparel and footwear.</li> <li>This effect is more pronounced in the emerging economies, where rising levels of industrialization and urbanization are leading to rapid economic growth, which in turn also influences the demand of lifestyle products like footwear and apparels.</li> </ul>
<b>Rise of e-commerce</b>	<ul style="list-style-type: none"> <li>Widespread availability of high-speed internet coupled with the development of global supply chains has led to the rise of e-commerce. With e-commerce, companies in both apparel and footwear industries have expanded their geographical reach, widened their product portfolios, and created a better shopping experience through filters, virtual try-ons, and doorstep delivery.</li> <li>The cumulative effect of these developments is apparent in the growing volume of online shopping which is expected to continue pushing the demand for both apparel and footwear across consumer segments.</li> </ul>
<b>Surging interest in health and fitness</b>	<ul style="list-style-type: none"> <li>Due to rising levels of health consciousness, consumers are increasingly making exercise and sports a part of their lifestyle. This leads to growing demand for athletic wear, in both apparels and footwear, as consumers opt for specialized apparel and footwear to optimize their performance during work-out sessions.</li> <li>In response, apparel and footwear manufacturing companies are coming up with increasingly innovative products aimed at improving their consumers' work-out experience. This widening array of athletic apparel and footwear options is also adding momentum to market growth.</li> </ul>

<p><b>Growing usage of social media</b></p>	<ul style="list-style-type: none"> <li>• Social media is a major growth driver for both apparel and footwear markets at the global level. This is primarily due to the increasing duration of time spent by consumers scrolling through their social media feeds and the growing number of influencers and celebrities marking their presence on social media platforms.</li> <li>• By consistently posting engaging content on fashion, social media influencers drive the demand for apparel and footwear by cultivating interest in fashion among followers by providing information on fashion trends, inspiring followers to experiment with their looks, recommending ways to incorporate fashion into everyday life, and shaping fashion choices.</li> </ul>
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Source: Crisil Intelligence

## Key challenges for global apparel and footwear markets

Structural challenges	Description
<p><b>Counterfeiting</b></p>	<ul style="list-style-type: none"> <li>• Counterfeiting is rampant in the global apparel and footwear market, where counterfeiting companies often manufacture replicas of expensive apparels and footwear using poor-quality materials and sell them to the end consumers at cheaper prices.</li> <li>• This hinders the growth of the industry in several ways. It dilutes the exclusivity of premium brands, damages the reputation of original brands, and causes revenue losses for legitimate businesses. Additionally, counterfeiting escalates cost for brands as they are forced to allocate resources to protect their products from being counterfeited</li> </ul>
<p><b>Rising emphasis on sustainability</b></p>	<ul style="list-style-type: none"> <li>• Rising emphasis on sustainability stems from increasing awareness among consumers of the environmental and socio-economic impact of their consumption. This growing emphasis on sustainability translates into growing demand for the adoption of sustainable practices across value chains for both apparel and footwear industries.</li> <li>• This is a challenge for the industry as entities in the global apparel and footwear industry may need to incorporate changes, which includes using eco-friendly materials for production, sourcing labour ethically by adopting fair labour practices, introducing initiatives for recycling or safe disposal, etc.</li> <li>• Though introducing these changes will be good for the environment and brand profile, they are likely to push costs higher.</li> </ul>
<p><b>Geopolitical Tensions</b></p>	<ul style="list-style-type: none"> <li>• Geopolitical tensions are a major threat to the growth of apparel and footwear markets at the global level. Geopolitical tensions result from changing dynamics of relationships among countries. These dynamics are usually unpredictable, which aggravates the hardships that companies face when trade policies and tariff structures change in response to geopolitical events.</li> <li>• Geopolitical tensions restrain market growth by disrupting global supply chains which directly affects the movement of goods and cause price fluctuations in the retail market.</li> </ul>
<p><b>Increasing market fragmentation</b></p>	<ul style="list-style-type: none"> <li>• The emergence of e-commerce has lowered the barriers to entry into the apparel market. This has resulted in a proliferation of players in the apparel and footwear market, thereby increasing market fragmentation.</li> <li>• The resulting competition among players in each segment leads to mounting pressure on operations, causing aggressive price cuts, thinning margins on products, and eroding profitability.</li> </ul>

Source: Crisil Intelligence

# Assessment of retail Industry in India

## Overview of retail industry

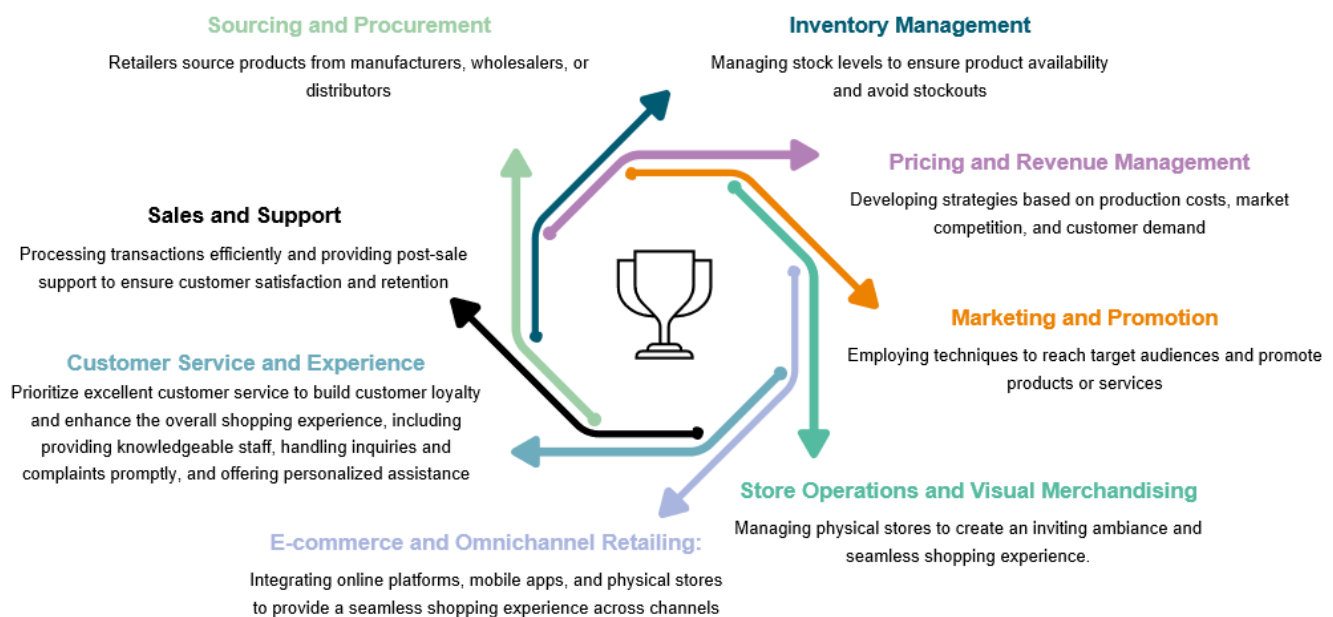
### India's retail landscape is a complex and diverse ecosystem

The Indian retail landscape is a vibrant and dynamic industry that plays a crucial role in shaping consumer behavior and driving business growth. At its core, retailing involves the direct sale of goods and services to end-consumers, encompassing a broad spectrum of business models, from quaint local boutiques to sprawling multinational corporations. As the final link in the supply chain, retail ensures that products reach the masses through a diverse range of channels, including traditional brick-and-mortar stores, e-commerce platforms, and mobile apps.

In India, the retail sector is a vital component of the economy, contributing significantly to GDP growth, employment generation, and consumer spending. As a bridge between producers and consumers, the retail industry connects the supply and demand sides of the market, fostering competition, innovation, and economic development. Retail establishments not only create jobs across various sectors, such as sales, marketing, logistics, and customer support, but also serve as community hubs, influencing local economies and social interactions.

The Indian retail industry functions through a multifaceted network of processes and components that interact and overlap in a complex manner, as mentioned below

### Key processes in retail

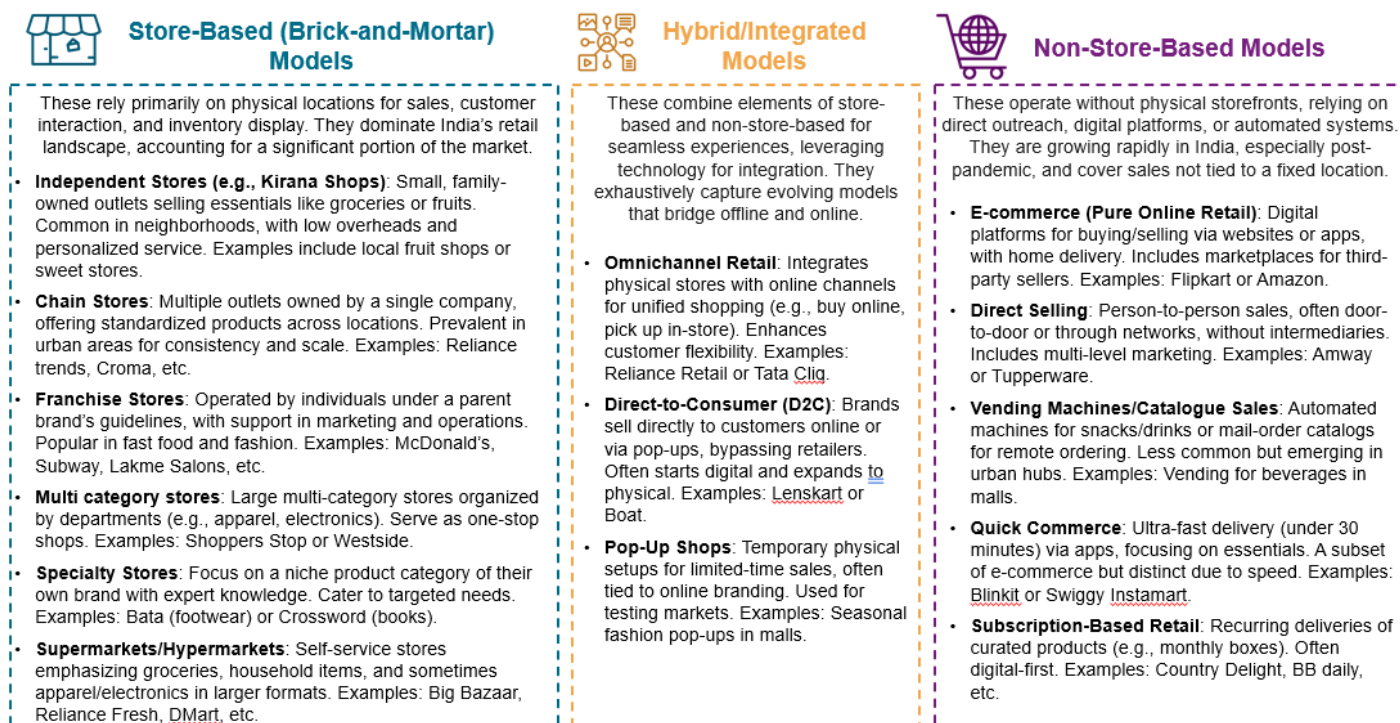


Source: Crisil Intelligence

## Type of retail

The Indian retail landscape is diverse, comprising various store-based and non-store-based models. Store-based models, such as independent stores and chain stores, dominate the market, especially in rural areas. Non-store-based models, including e-commerce and direct selling, are growing rapidly. Hybrid models, like omnichannel retail and direct-to-consumer sales, are also emerging. These models cater to different consumer needs and preferences. Understanding these retail models is crucial for businesses to develop effective strategies. The Indian retail market is evolving, with technology playing a key role in shaping consumer behavior.

### Types of retail



Note: Not exhaustive

Source: Crisil Intelligence

## Different business models of retails currently being utilised by large brands

**COCO Model (Company Owned, Company Operated):** In the COCO model, the parent company or franchisor fully owns the outlet, store, or property and directly operates it using its own employees, management team, and resources. There is no external franchisee involved in either ownership or day-to-day operations.

**COFO Model (Company Owned, Franchise Operated):** The COFO model involves the company or franchisor owning the outlet or making the primary capital investment in the property and assets, while an independent franchisee or operator handles the day-to-day management and operations according to the brand's guidelines and standards. The franchisee acts more like a professional manager or operator rather than a full owner-investor, focusing on execution while the brand retains ownership of the assets and strategic oversight.

**FOCO Model (Franchise Owned, Company Operated):** In the FOCO model, the franchisee provides the investment and owns (or funds) the outlet, property, or setup costs, while the franchisor or company takes full responsibility for operating and managing the business on a daily basis. This includes handling staff recruitment and management, quality control, customer service, inventory, and compliance. The franchisee essentially acts as a passive or semi-passive investor who

benefits from professional brand-led operations without being involved in day-to-day execution. It is particularly suitable for investors seeking lower operational involvement while still participating in a branded business.

**FOFO Model (Franchise Owned, Franchise Operated):** FOFO is the most common and widely adopted franchise model in India. Here, the franchisee both owns the outlet (through investment in interiors, equipment, lease or property, and working capital) and independently operates it on a daily basis while strictly following the franchisor's brand guidelines, Standard Operating Procedures (SOPs), menu or service standards, and branding.

## Market size of retail in India

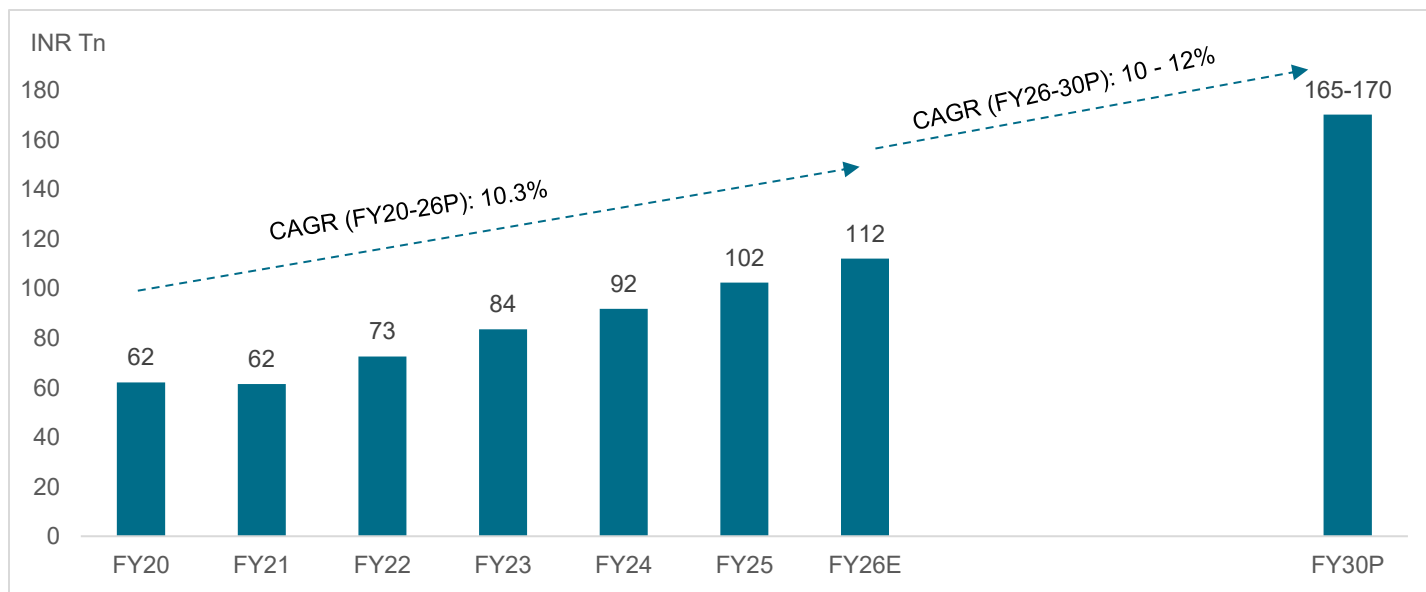
### Retail to grow by 10-12% till FY30 fuelled by enhanced consumer confidence

The Indian retail industry, estimated to reach a total market size of INR 112 trillion by fiscal 2026, is heavily contingent upon factors such as disposable income, affordability, and consumer sentiment. These factors, in turn, are influenced by the overall performance of the economy, as measured by the GDP.

In fiscal 2025, the growth of the retail sector moderated to 11-12%. The benefit of higher realizations was absent, and easing commodity prices resulted in marginal price hikes. Furthermore, a decline in consumption amid inflationary pressures impacted demand.

Looking ahead to fiscal 2026, the retail sector is predicted to grow by 10%, driven by enhanced consumer confidence amid reduced inflation. The consumption revival, coupled with economic growth, is expected to boost consumer sentiment and drive-up discretionary spending in the medium to long term. Between fiscals 2026 and 2030, the growth of the retail sector is expected to accelerate at a CAGR of 10-12%. This growth will be driven by the pickup in economic activity, inflation remaining in a low to moderate range, and consumption revival. Improved investments by large retailers will further propel retail growth, boosting consumer sentiment and driving discretionary spending. Overall, the Indian retail industry is poised for significant growth, driven by a combination of factors, including economic growth, improving consumer sentiments, and investments by large retailers.

#### Total domestic retail market



Notes: P-Projected

Source: Crisil Intelligence

## Organised retail penetration to reach 17-19% by fiscal 2030

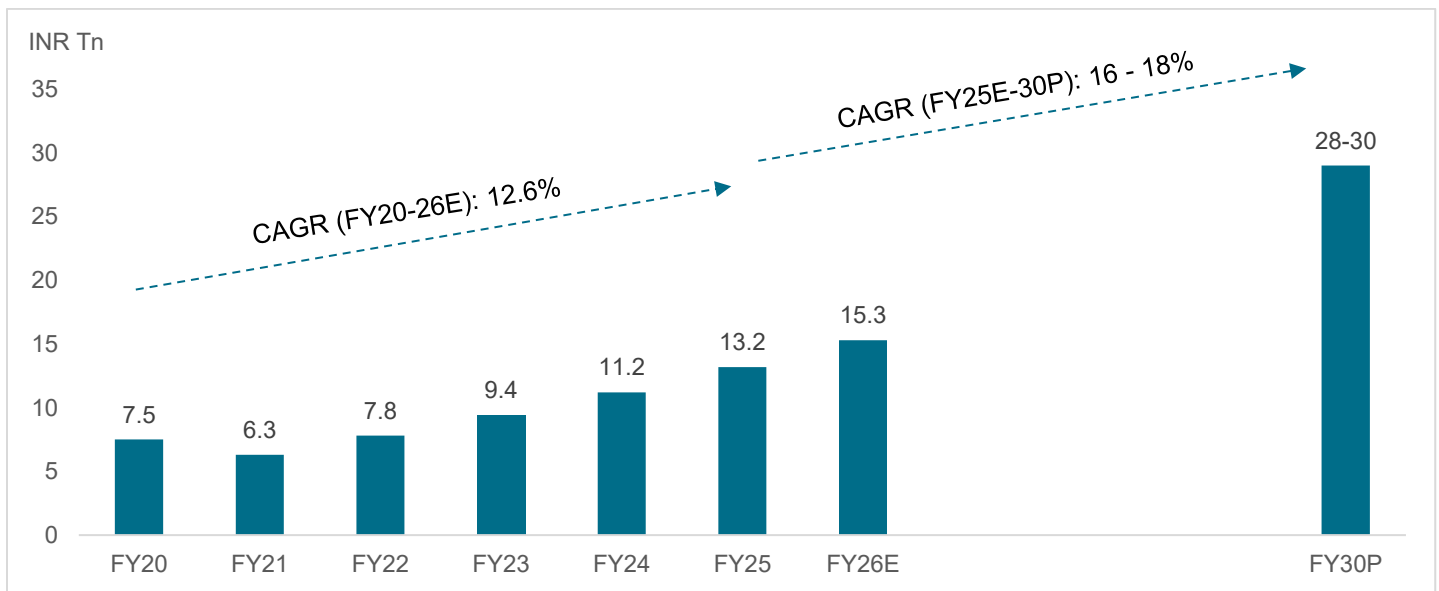
In line with the overall retail growth, organized retail's growth moderated in fiscal 2024, as the benefit of increased realisation was absent due to lower commodity prices. Consequently, the sector is estimated to have grown by 18-19% in fiscal 2024, compared to 20-21% in fiscal 2023. In fiscal 2025, the sector's growth rate was 18%. However, tax relief, low inflation, interest rate cuts, and store additions are driving organised retail growth in fiscal 2026 and expected to grow at 16%.

In the long term, the organised retail sector is expected to experience significant growth, driven by new-store rollouts and increasing penetration into Tier-II and Tier-III cities, apart from metros and Tier-I cities. With a pickup in the macroeconomic environment and improved consumer spending, the sector is expected to grow at a CAGR of 16-18% over fiscals 2026 to 2030, reaching a size of Rs 28-30 trillion. This growth will be driven by a combination of factors, including increasing consumer spending, improving economic conditions, and the expansion of organised retail players into new markets.

*Definition: Tier-I/metro cities include 8 cities - Mumbai, Delhi NCR (Gurugram, Ghaziabad, Noida, Faridabad), Bangalore, Pune, Chennai, Hyderabad, Ahmedabad, and Kolkata. Tier-II cities include cities like Jaipur, Lucknow, Surat, Chandigarh, Nagpur, Coimbatore, Kochi, Bhubaneswar, Bhopal, Ganga Nagar, Hisar, Mangalore, Rohtak, Udaipur, Dehradun, Indore, Agra, Ambala, Patna, Prayagraj, etc. & the remainder of the cities are in considered in Tier-III cities category such as Ahmednagar, Ankola, Kharagpur, Ghuggi, Baramati, Anand, Bilaspur, etc.*

*Regional split of the states: North: includes Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand, Chandigarh, Delhi (NCT), Jammu & Kashmir, Ladakh; South India includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Puducherry, Lakshadweep, Andaman & Nicobar Islands; East includes Bihar, Jharkhand, Odisha (Orissa), West Bengal, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura; West includes Goa, Gujarat, Maharashtra, Dadra & Nagar Haveli and Daman & Diu and Central India includes Chhattisgarh, Madhya Pradesh*

### Organised retail market of India

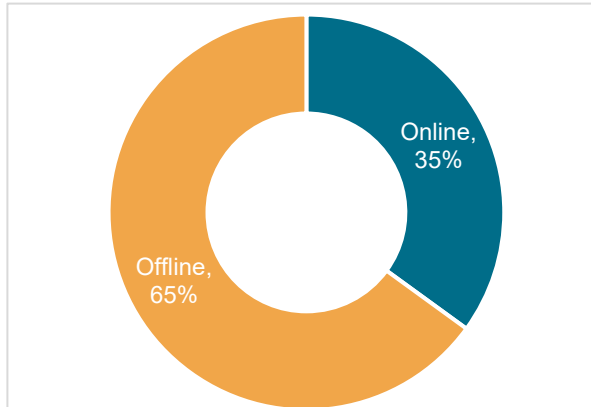


Notes: P-Projected

Source: Crisil Intelligence

## Share of online retail in organised retail stood at 35% in fiscal 2026

### Split of organised retail market across offline vs online (FY25)



The online retail industry in India is estimated to have reached a size of ~Rs 5,100-5,300 billion in fiscal 2026, accounting for around 35% of the total organised retail market, driven by the increasing popularity of quick commerce.

Looking ahead to fiscal 2027, revenue growth is expected to improve further, reaching 20-22%, driven by improving consumption, moderating inflation, and the expected healthy performance of quick commerce.

In the long term, the online retail industry is expected to witness healthy growth, driven by increasing internet penetration, growing consumer adoption of e-commerce, and the expansion of online retail players into new markets and categories.

Notes: P-Projected

Source: Crisil Intelligence

## Franchise and licensing business model held 25-35% in FY26

In the fashion retail industry, franchising involves brand partnering with another company to operate stores using its brand name and standardized procedures, whereas licensing allows a partner to use specific brand elements, such as logos, on products or in specific sales channels without having full control over operations.

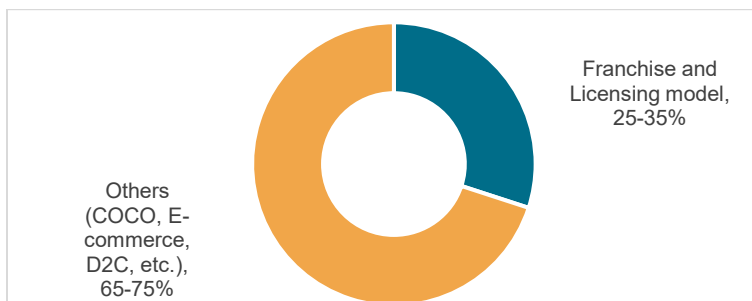
Franchising involves the transfer of a complete business model, including the brand, trademarks, store design, operational guidelines, quality standards, and ongoing support, with the parent company maintaining significant control to ensure consistency across all locations. On the other hand, licensing grants permission to use a brand's intellectual property, such as trademarks and brand names, for specific products, categories, or regions, with the brand owner having relatively less control over the daily operations and store management of the licensee.

Both franchising and licensing are popular strategies in India's fashion sector, enabling rapid expansion with minimal capital investment, standardized processes, and dedicated brand support. The most common franchising models used in apparel and accessories retailing are Franchise Owned Franchise Operated (FOFO) and Franchise Owned Company Operated (FOCO).

- Franchise Owned, Franchise Operated (FOFO), where the partner invests in and manages the store, following the brand's standard operating procedures, and receives support from the brand in areas like training, product selection, and marketing. This model is often used for rapid expansion.
- Franchise Owned, Company Operated (FOCO), where the partner provides the initial investment, but the brand retains control over the store's operations, ensuring a consistent customer experience and tight control over product offerings, pricing, and service. This model is typically used for premium or specialized brands that require a high level of control and curation.

As of FY26, share of franchise & licensing model in organized retail industry in India is 25-35%

## Share of franchise & licensing model in organized retail industry in India (FY26)



Source: Industry, Crisil Intelligence

## Key advantages of franchise and licensing business model

The franchise and licensing models have become increasingly popular in India's fashion retail industry. Brands prefer these models for several key reasons.

- Firstly, they enable faster expansion with lower capital expenditure. By adopting the Franchise Owned, Franchise Operated (FOFO) and Franchise Owned, Company Operated (FOCO) models, brands can leverage franchisee investments to scale their store presence into Tier II, and III markets, thereby accelerating their footprint growth in organized fashion retail. This approach reduces the brand's capital expenditure, allowing them to expand rapidly without shouldering the entire financial burden.
- Franchise models ensure standardized execution at scale, which is crucial for maintaining consistency and protecting brand equity across different markets. By embedding their standard operating procedures (SOPs) for merchandising, visual merchandising, service, and store design, brands can ensure that their customers receive a consistent experience, regardless of the location.
- Another significant advantage of the franchise model is the ability to exert control when it matters most. The FOCO model, in particular, allows brands to maintain control over critical aspects of the business, such as assortments, pricing, and service standards, while the franchisee funds the setup. This approach is particularly useful for premium or specialized brands that require a high level of control and curation.
- Furthermore, licensing provides brands with the flexibility to enter new categories or channels quickly, without having to directly operate stores. For instance, a brand may use licensing to enter the accessories or kids' wear market, or to distribute its products through online marketplaces, thereby complementing its core franchise footprint.

Local partners, on the other hand, prefer the franchise and licensing models for different reasons.






- One of the primary advantages is the turnkey playbook provided by franchisors, which includes proven operating manuals, brand identity assets, and store-level SOPs. This reduces the setup risk for partners, who can rely on the franchisor's expertise and experience to establish a successful store.
- Additionally, franchisors often provide comprehensive training for owners and staff, as well as visual merchandising guidelines, store design kits, centralized POS/IT systems, replenishment support, and brand campaigns that drive traffic and conversion. This level of support enables partners to focus on running their stores efficiently, while the franchisor handles the broader marketing and operational aspects.
- Local partners also benefit from the demand leverage that comes with partnering with established brands. By tapping into national campaigns and curated assortments, partners can improve sell-through and inventory turns, ultimately driving sales and profitability.


- The scale and supply chain capabilities of the franchisor also enable partners to offer a wider range of products, which can help to attract and retain customers. Overall, the franchise and licensing models offer a win-win proposition for both brands and local partners, enabling rapid expansion, standardized execution, and improved profitability, while minimizing risk and capital expenditure.

## Food & grocery and apparel accounts for almost half of organized retail pie

Organized retailers have a significant presence in various verticals, with a strong foothold in apparel, consumer durables, footwear, etc.






### End-use sector and estimated share (fiscal 2026)




End-use sector and its estimated share	Overview
 <p><b>Food and grocery: 30%</b></p>	<ul style="list-style-type: none"> <li>• Of the total organised retail industry, the food and grocery segment accounts for about 30% share (value terms) as of fiscal 2026 but remains the most under-penetrated segment at ~7%, with unorganised players (such as mom-and-pop kirana stores, cart vendors and wet markets) still dominating the market.</li> <li>• However, food &amp; grocery is expected to grow at a healthy pace on back of low penetration and rising demand for quick commerce</li> </ul>
 <p><b>Consumer durables, mobile &amp; IT: 21%</b></p>	<ul style="list-style-type: none"> <li>• Consumer durables is one of the vertical where organised players have a strong foothold. The vertical gained popularity on account of the housing boom, easy access to funding, increasing disposable incomes, changing lifestyle and growing nuclearisation.</li> <li>• Expectation of a normal summer and improvement in consumer sentiments have aided the growth of consumer durables in fiscal 2025, whereas higher summer temperatures coupled with rising mobile production will aid growth in the segment in fiscal 2026.</li> <li>• Growth in the medium term will be led by store additions, enhanced in-store experience and better affordability in terms of instant financing options.</li> </ul>
 <p><b>Apparel: 20%</b></p>	<ul style="list-style-type: none"> <li>• The sector experienced a slowdown in fiscal 2024 due to inflationary pressures but recovered in fiscal 2025 driven by improving demand for fast fashion.</li> <li>• This trend is expected to continue in fiscal 2026, with growth driven by sustained demand for fast fashion and improving consumer sentiment.</li> <li>• Furthermore, rising preference for branded clothing, along with players' ability to differentiate (based on colours, fabric, etc.) helps them improve their reach.</li> </ul>
 <p><b>Footwear: 3%</b></p>	<ul style="list-style-type: none"> <li>• Of the total organised retail industry, the footwear segment accounts for about 3% share (value terms) as of fiscal 2026</li> <li>• However, weak sales in low-priced footwear (below Rs 1,000) is expected to affect demand growth in medium term</li> <li>• Reduction in GST from 12% to 5% on footwear upto Rs 2,500 from earlier Rs 1,000 to aid growth</li> </ul>
 <p><b>Furniture*: 1%</b></p>	<ul style="list-style-type: none"> <li>• Of the total organised retail industry, the furniture and furnishing segment accounts for about 1% share (value terms) as of fiscal 2026, with the organised retail penetration at ~5%</li> <li>• Some pan-India multi-category retailers, who also sell furniture, have been facing headwinds and are rationalising store formats. However, managing inventories remains a challenge. Competition from the unorganized segment and a lack of customization will keep growth lower for the furniture segment.</li> </ul>

End-use sector and its estimated share	Overview
 <p><b>Others: 25%</b></p>	<ul style="list-style-type: none"> <li>The "others" sector includes pharmaceuticals, books, music, gems and jewellery etc.</li> <li>The organised pharmacy vertical comprises over 6 lakh outlets with a majority of them having small, independent businesses. However, pharmacy chains are a growing force in this sector.</li> <li>Presently, consumers find it easy to purchase books and music online, given the proliferation of e-retailing and limited differentiation among products. As a result, brick-and-mortar players have not expanded significantly. Some retailers are foraying into new areas and adding high-margin items such as games, toys, stationery, gift items and accessories to their portfolio.</li> <li>Growth in fiscal 2026 mainly led by rise in gold price which has increased in the range of 60-70%</li> </ul>

Note:  
\* including furnishing  
Source: Crisil Intelligence

## Growth drivers and trends for Indian retail industry

Growth drivers	Details
 <p><b>Rising income levels</b></p>	<ul style="list-style-type: none"> <li>India's per capita income, a broad indicator of living standards, rose from INR 1,59,557 in FY23 to INR 193,152 in FY26, logging 6.6% CAGR. Growth was led by better job opportunities, propped up by overall GDP growth INR 1,59,557 in FY23 to INR 193,152 in FY26.</li> <li>The proportion of poor in India (defined as those living on Rs 125,000 per annum or less) declined from ~16% in fiscal 2016 to ~14% in fiscal 2021. Conversely, the proportion of those in the middle- and high-income groups increased from 85% to ~86%. By fiscal 2031, this share is expected to reach ~95% and projected to grow to 98% in fiscal 2047, supported by growth in per capita income.</li> <li>Robust economic growth of the country is boosting disposable income and spending power, leading to greater demand for discretionary and non-discretionary items. In conjunction with the rise in disposable income, people also consume retail products in various categories like apparel and fashion, electronics, food, groceries, etc. which is supporting the growth of overall retail segment in India</li> </ul>
 <p><b>Increasing Urbanisation</b></p>	<ul style="list-style-type: none"> <li>India's urban population has been rising over years and is expected to continue with the rise in economic growth. From ~31% of the total population in 2010, it is projected to rise to nearly 40% by 2030</li> <li>As people move to cities, their disposable incomes increase, leading to a rise in demand for consumer goods and services. This, in turn, is driving the growth of the retail sector. In addition, urbanization is contributing to the growth of the middle class in India, which is expected to reach 547 million by 2025. This growing middle class is driving demand for retail goods and services.</li> </ul>
 <p><b>Nuclearization of families</b></p>	<ul style="list-style-type: none"> <li>Nuclear families tend to have a higher disposable income, as there are fewer dependents to support. This increased disposable income is leading to a rise in consumer spending, which is driving the growth of the retail sector</li> <li>Nuclear families are more likely to adopt modern consumption patterns, such as eating out, ordering food online, and purchasing packaged goods. This shift in consumption patterns is creating new opportunities for retailers to offer a range of products and services.</li> </ul>
 <p><b>Behaviour shift</b></p>	<ul style="list-style-type: none"> <li>Key macroeconomic factors like rising per capita income, rising urbanization levels are leading to a shift in consumer behaviour, with people becoming more aspirational and seeking better quality products and services. This is creating opportunities for retailers to offer a wider range of products and services which in turn is supporting the retail sector in India</li> </ul>
	<ul style="list-style-type: none"> <li>Organised retail typically means large-scale chain stores which are corporatised, apply modern management techniques and have relatively higher level of self-service in nature</li> <li>Organised retail penetration (ORP) is likely to reach ~18% in fiscal 2029 from ~12% in fiscal 2024. ORP is expected to grow, as urban consumers move up the economic ladder and increase their</li> </ul>

Growth drivers	Details
Increasing organised retail penetration	preference for branded products, and the youth becomes more aspirational. On the supply side, store expansions by existing players and entry of new players would support growth of organised retail and in turn overall retail market.
 Increased e-commerce activities	<ul style="list-style-type: none"> <li>E-commerce penetration has increased over the years with rising internet subscriber base and access mobile data options in the country. This has propelled the use of ecommerce platform across the country.</li> <li>Ecommerce allows companies to reach to wider audience and offer diverse range of products, which has led to an increase in demand for retail products from Tier II and Tier III cities in India, besides facilitating the demand in tier I and metro cities</li> </ul>
 Government support	<ul style="list-style-type: none"> <li>Government support in terms of various schemes like Atmanirbhar Bharat and PLI scheme is driving the domestic manufacturing industries creating demand for domestic industries including retail industry</li> <li>Launched in March 2020, the PLI scheme focuses on 14 sectors with an incentive outlay of Rs 1.97 trillion (~\$ 26 billion) to strengthen the economy's production capabilities. These sectors include auto components, automobile, aviation, chemicals, electronic systems, medical devices, metal and mining, pharmaceuticals, renewable energy, specialty steel, telecom, textiles and apparel, food processing and white goods.</li> </ul>
 Formalization and experience-led retail in Tier II and Tier III cities	<ul style="list-style-type: none"> <li>The industry is focusing on developing modern, mixed-use retail spaces (malls, lifestyle centers) that blend apparel/footwear shopping with entertainment and dining experiences.</li> <li>Tier II and Tier III cities are expected to account for ~40% of new organized retail projects launched between 2024 and 2028</li> <li>Cities like Jaipur, Indore, Lucknow, and Bhubaneswar are seeing a surge in leasing activity, with fashion and apparel being a top category for new store openings</li> <li>This shift moves retail from stand-alone, transactional shops to integrated, aspirational destinations that are necessary for large-format apparel and footwear brand presence</li> </ul>

Source: Crisil Intelligence

## Government-led initiatives for Apparel and Footwear industry

Initiative	Details
Focus Product Scheme for Footwear & Leather Sector	<ul style="list-style-type: none"> <li><b>Announced/Implementation Year:</b> 2025</li> <li><b>Rationale:</b> A targeted scheme introduced in the Union Budget 2025 to strengthen domestic manufacturing of footwear and leather products, focusing on supporting design capabilities, component manufacturing, and machinery uptake to enhance quality and competitiveness of Indian brands. Includes full customs duty exemption on wet blue leather, duty rationalisation, and incentives aimed at promoting productivity across the value chain</li> <li><b>Goals:</b> Plans to generate ~22 lakh jobs, boost sector turnover to ~₹4 lakh crore, and expand exports beyond ₹1.1 lakh crore. Also, this initiative is expected to make India a compelling manufacturing hub under the Make in India agenda</li> </ul>
Indian Footwear and Leather Development Programme (IFLDP) & Brand Promotion Sub-Scheme	<ul style="list-style-type: none"> <li><b>Announced/Implementation Year:</b> Ongoing with approvals and extensions through 2025</li> <li><b>Rationale:</b> The IFLDP is a dedicated central government programme (via DPIIT/Commerce Ministry) with allocated funding to develop infrastructure, clusters, design centres, and capacity for the footwear and leather ecosystem. A Brand Promotion of Indian Brands in Footwear &amp; Leather Sector sub-scheme under IFLDP has been approved through March 2026, providing financial support for global branding and market entry of Indian footwear/leather brands</li> <li><b>Goals:</b> Aims to enhance global visibility of Indian brands, strengthen export potential, and promote international competitiveness of domestic manufacturers in footwear and leather related categories</li> </ul>
India's Textile Policy 2024 & PLI Scheme for Textiles	<ul style="list-style-type: none"> <li><b>Announced/Implementation Year:</b> Textile Policy 2024 launched; PLI revisions in 2025</li> <li><b>Rationale:</b> The Textile Policy 2024 was launched to strengthen the entire textile ecosystem, including apparel, technical textiles and modern manufacturing. It provides capital subsidies, interest support,</li> </ul>

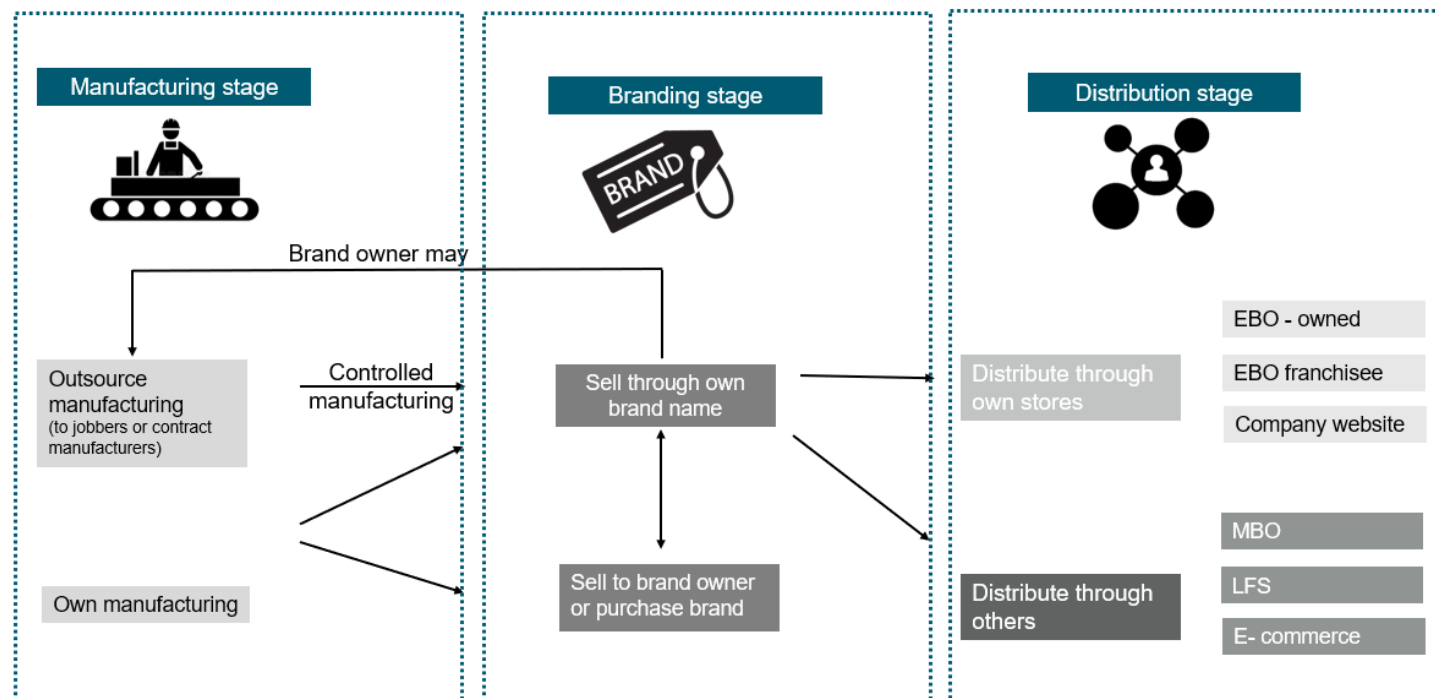
Initiative	Details
<p><b>(Including Apparel Segment)</b></p>	<p>and electricity cost incentives to domestic manufacturers. Additionally, the Production Linked Incentive (PLI) scheme for textiles (covering MMF apparel, fabrics, and technical textiles) was revised in late 2025 to ease eligibility norms and attract broader industry participation. PLI revisions include lower investment thresholds and relaxed conditions allowing existing companies to participate, broadening uptake across the apparel and textile manufacturing segments</p> <ul style="list-style-type: none"> <li>• <b>Goals:</b> Aimed at boosting investment, export growth, job creation, and shifting India's textile &amp; apparel value chain upstream</li> </ul>
<p><b>BIS Quality control orders for footwear</b></p>	<ul style="list-style-type: none"> <li>• The Department for Promotion of Industry and Internal Trade (DPIIT) issued the “Footwear made from Leather and other materials (Quality Control) Order, 2024” and the “Footwear made from all Rubber and all Polymeric material and its components (Quality Control) Order, 2024”, both effective from 1 August 2024. Together, these QCOs cover 24 footwear product categories and require mandatory BIS certification (ISI mark) for any covered footwear that is manufactured, imported, sold, distributed, leased, stored or exhibited for sale in India.</li> </ul>

Source: Crisil Intelligence

## Apparel and footwear retail market in India

The fashion and footwear retail industry in India is a significant sector that encompasses a wide range of products, including clothing, and footwear for men, women, and children. The industry is characterized by a diverse mix of local, national, and multinational players, offering a broad range of products across various price points and distribution channels.

### Apparel and footwear industry – value chain



Note: EBO: Exclusive Brand Outlet; MBO: Multi-brand outlet; LFS: Large format stores;

Source: Crisil Intelligence

The apparel and footwear value chain involves various stages, including manufacturing, selling, and distribution:

- Manufacturing Stage:** In the manufacturing stage, companies can either opt for own manufacturing or contract manufacturing. Own manufacturing involves setting up and operating own production facilities, where the company has complete control over the production process, quality, and costs. However, it also requires significant investments in infrastructure, equipment, and human resources. On the other hand, contract manufacturing involves partnering with third-party manufacturers to produce products on behalf of the company. This approach allows companies to leverage the expertise and capabilities of specialized manufacturers, reduce capital expenditures, and improve flexibility. However, it also involves risks such as loss of control over quality, potential delays, and dependence on third-party suppliers.
- Selling Stage:** In the selling stage, companies can either sell their products under their own brand or through a brand owner/purchase brand. Selling under one's own brand involves creating and promoting a company's own brand, which allows for greater control over branding, pricing, and distribution. This approach enables companies to build strong brand equity, differentiate themselves from competitors, and command premium prices. Selling through a brand owner/purchase brand, on the other hand, involves partnering with established brands to sell their products. This approach allows companies to leverage brand equity and distribution networks of established brands.

- **Distribution Stage:** In the distribution stage, companies can either sell their products through their own distribution channels or through others. Own distribution channels include company-owned stores, e-commerce platforms, and direct-to-consumer sales. This approach allows companies to maintain control over customer experience, build strong relationships with customers, and collect valuable customer data. Selling through others involves partnering with third-party distributors, such as multi-brand outlets (MBOs), e-commerce platforms, and wholesalers.

## Segmentation of apparel and footwear retail industry



Source: Crisil Intelligence

The industry can be structured into various segments, including organized retail, and unorganized retail. Organized retail includes modern retail formats such as malls, ecommerce, department stores, and specialty stores. Unorganized retail, on the other hand, comprises traditional retail formats such as street vendors, small shops, and local markets. Within organized segments, e-commerce is a rapidly growing segment, with players offering a wide range of fashion and footwear products to consumers across the country.

The market is catered by local, national as well as international players offering apparel and footwear across price points:

- **Local players,** comprising small, family-owned businesses and regional retailers, dominate the local unorganized market, offering western and ethnic wear, as well as affordable, mass-market fashion products.
- **National players,** such as Reliance Retail, Aditya Birla Fashion and Retail, and Future Group, operate across multiple states, offering a range of products, including fashion apparel, footwear, etc.
- **International players,** including Zara, H&M, and Marks & Spencer offer premium and international fashion products to the growing middle class and affluent consumers.

The distribution channels in this industry mirror those of the broader retail sector, encompassing physical stores, e-commerce platforms, and wholesale networks. Retailers operate brick-and-mortar outlets in prime locations such as high-footfall malls—including DLF Mall of India (Noida), Select Citywalk (Saket, Delhi), DLF Cyberhub (Gurugram), DLF Promenade (Vasant Kunj, Delhi), Nexus Ahmedabad One, and Inorbit Cyberabad (Hyderabad)—as well as on prominent high streets like Connaught Place (New Delhi), Brigade Road (Bangalore), and Sector 17 Market (Chandigarh). Complementing these physical outlets, e-commerce platforms provide a wide range of products with flexible delivery options such as home delivery, in-store pickup, and cash-on-delivery. Additionally, retailers supply products to smaller retailers and wholesalers, who then distribute to consumers through their own channels, ensuring broad market reach.

Overall, the fashion and footwear retail industry in India is an evolving sector, with a wide range of offerings catered to by multiple players.

## Market size of domestic apparel and footwear industry

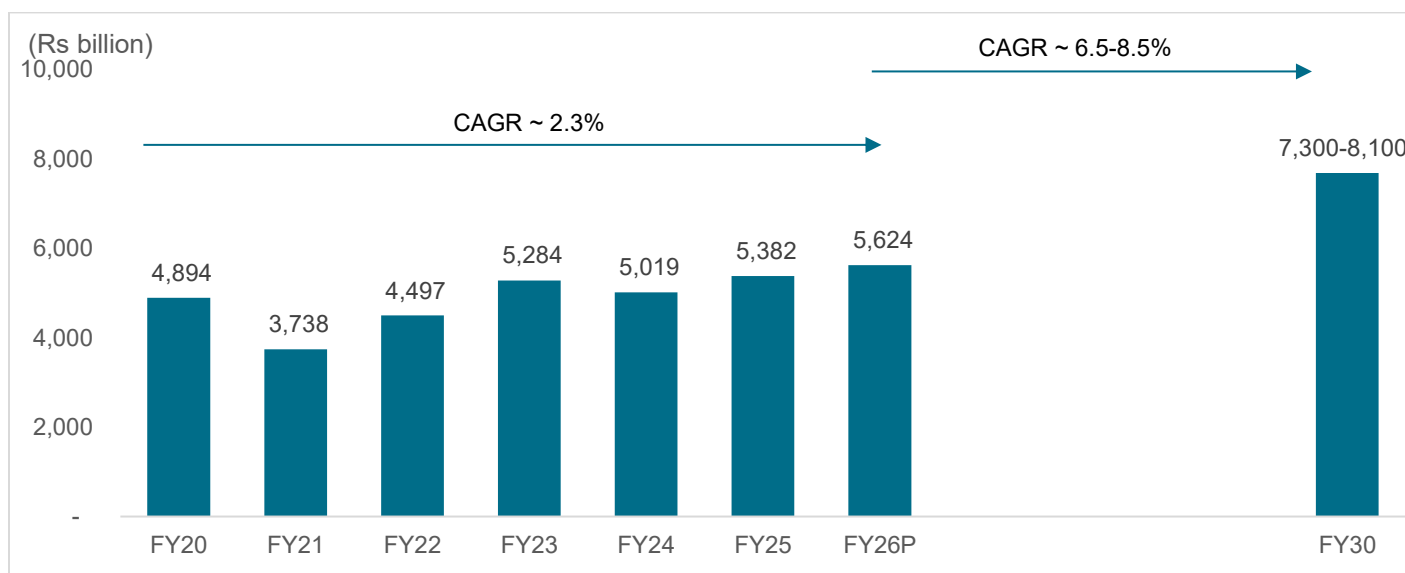
### Apparel industry estimated to grow at a CAGR of 6.5-8.5% between FY25-30

The domestic apparel and footwear market in India has exhibited a CAGR of ~2.3% between FY20 to FY26, to reach Rs. 5,624 billion in FY25 compared to Rs. 4,894 billion in FY20. This slow growth can be attributed to several factors, including inflationary pressures, and impact of the COVID-19 pandemic, which led to a significant decline in consumer spending and demand for non-essential products, including apparel and footwear. Furthermore, the unorganised sector faced liquidity challenges due to Covid-19 and slow recovery during this period owing to limited digital adoption further restricted the volume growth in the section.

Additionally, proliferation of ecommerce and intensified discount driven competition in the price sensitive domestic market kept the overall growth subdued during this period

Moving forward, the market size is expected to reach Rs. 7,300-8,100 billion by FY30, with a potential CAGR of 6.5-8.5%. This growth can be attributed to the increasing penetration of organized retail and e-commerce in the country, which is expected to drive demand for apparel products. Additionally, the growing awareness of international fashion trends and the increasing influence of social media on consumer purchasing decisions are also expected to contribute to the growth of the market.

### Market size of domestic apparel retail industry



Source: Crisil Intelligence

India's women's premium activewear segment has emerged as one of the fastest-growing sub-segments within the broader fashion landscape. It is propelled by rising women's workforce participation, increasing fitness penetration across yoga, pilates, gym sessions, and running, as well as social media-led aspirational adoption of athleisure styling. Urban and semi-urban women are increasingly seeking versatile garments that combine performance with everyday wearability, making premium activewear a natural fit for modern lifestyles. This segment stands out through its focus on high-quality technical fabrics offering moisture-wicking properties, four-way stretch, breathability, and climate adaptability suited to India's varied conditions, alongside inclusive sizing that caters to diverse Indian body proportions.

Premium positioning is further strengthened by advanced fabric technology, including recycled polyester and sustainable materials, along with thoughtful design elements that emphasize comfort, modesty options, and stylish transitions from workout to casual settings. Women-led design and marketing approaches have proven particularly effective in building

resonance and loyalty. Brands differentiate themselves through superior durability, functionality, and aesthetic appeal, encouraging consumers to invest in pieces that deliver long-term value and confidence.

The premium tier within women’s activewear is growing at a mid-teens pace, outpacing the overall category as consumers trade up for better quality and performance. This momentum has attracted significant international interest, with recent entries and expansions by global players such as ATHLETIFREAK and Sweaty Betty in 2025, alongside Lululemon’s planned entry and wider product pushes from Nike Women, adidas Women, and Puma’s women’s lines. These developments signal that India has become a strategic priority market for global women’s premium activewear brands, bringing elevated options while competing with strong domestic innovators like BlissClub that address local needs around fit and versatility.

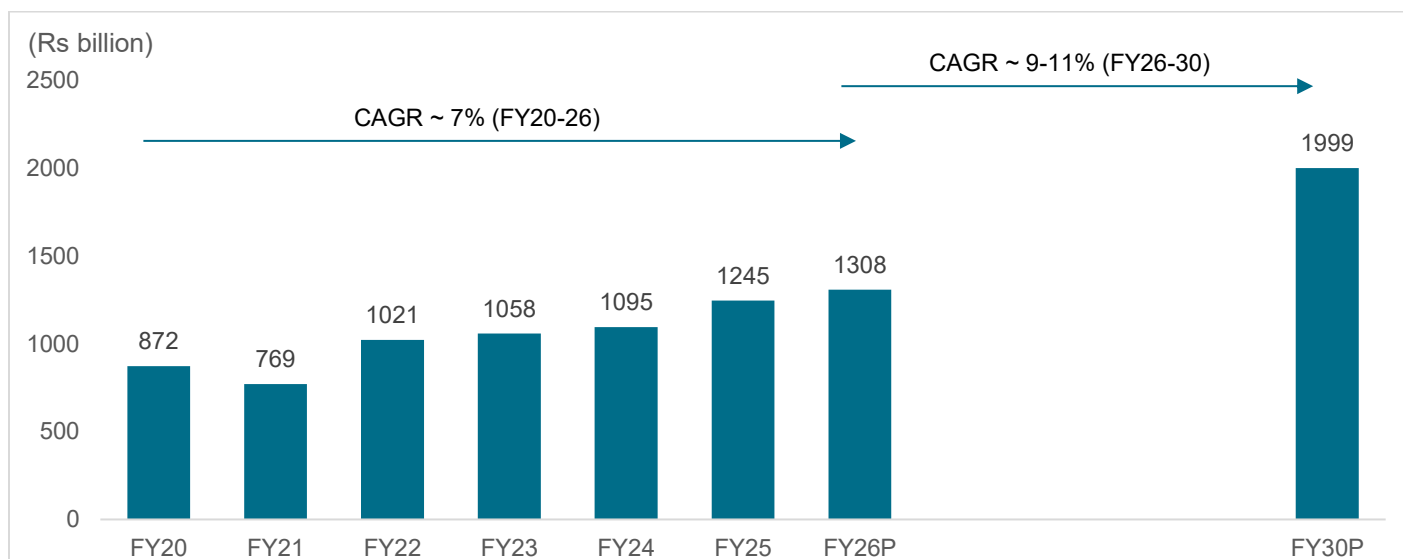
The women’s premium activewear segment reflects India’s evolving consumer preferences, sitting at the intersection of health, fashion, empowerment, and lifestyle aspiration. As fitness communities, corporate wellness initiatives, and digital discovery continue to expand, this category is poised to play an increasingly prominent role in shaping how women express modernity, confidence, and well-being through their wardrobe choices.

## Footwear industry estimated to grow at a CAGR of 9-11% between FY26-30

The domestic footwear market in India has exhibited CAGR of ~7% between FY20 and FY26, to reach Rs 1,308 billion in FY26 compared to Rs. 872 billion in FY20. This high growth rate can be attributed to a rapid expansion of e-commerce in India coupled with higher share of organized retail, which has made it easier for consumers to access a wide range of apparel and footwear products. Additionally, the increasing disposable income of Indian consumers, particularly in the urban areas, has also contributed to the growth of the market.

Looking ahead, the market size is expected to reach Rs. 1,900-2,100 billion by FY30, with a CAGR of 9-11% from FY25 to FY30. This growth will be driven by the increasing penetration of organized retail and e-commerce, as well as the growing awareness of fashion and lifestyle products among Indian consumers. Furthermore, increasing demand for premium and luxury products will support the overall market.

### Market size of domestic footwear retail industry



Source: Crisil Intelligence

India’s premium athletic sneaker sub-segment has rapidly become one of the most vibrant and fastest-growing areas within the footwear landscape. Fueled by a nationwide surge in fitness awareness, marathon running, gym culture, and the broader athleisure movement, urban and semi-urban consumers are turning to sneakers that deliver high-performance

features while doubling as stylish everyday wear. Premium athletic sneakers emphasize advanced cushioning technologies, lightweight construction, superior breathability, and durable outsoles engineered for India's varied terrains and climates, making them ideal for both intense workouts and casual urban commuting. This category appeals strongly to Gen Z and millennial professionals who seek versatility, comfort, and subtle status signaling in their footwear choices.

What sets the premium tier apart is its focus on innovation and lifestyle integration, with brands incorporating sustainable materials, eco-friendly production, and design-forward aesthetics that blend performance with fashion-forward details. From minimalist "executive" sneakers suitable for office-to-evening transitions to bold lifestyle models with premium leathers and hidden comfort tech, these shoes prioritize all-day wearability without compromising on support or style. Inclusive sizing and gender-specific engineering further enhance appeal, particularly as women and younger buyers drive demand for multifunctional pairs that transition seamlessly from training sessions to social settings.





The sub-segment is experiencing robust momentum as consumers increasingly trade up for superior quality, performance, and brand prestige amid rising health consciousness and casualization of fashion. Global players continue to dominate through innovation and marketing, while recent international entries and expansions have intensified competition and elevated options. Notable developments include Foot Locker's entry strengthening premium sneaker culture through multi-brand access, ASICS' aggressive push in performance running shoes with ambitious store rollouts, Lotto's 2025 debut with its Italian-inspired premium sneaker line, and luxury streetwear arrivals like Golden Goose bringing high-end appeal to the athletic space. These moves, alongside established leaders such as Nike, Adidas, Skechers and Puma, signal India's growing strategic importance for global athletic footwear brands.

The premium athletic sneaker sub-segment mirrors India's evolving consumer mindset, where footwear transcends utility to become a symbol of active living, personal empowerment, and modern style. As fitness communities expand, social media amplifies trends, and omnichannel retail improves accessibility, this category continues to thrive at the crossroads of performance, fashion, and everyday aspiration.

## **Premium / bridge-to-luxury / luxury fashion in India**

India's fashion market is undergoing rapid premiumization, driven by rising disposable incomes, a booming middle and affluent class (especially millennials and Gen Z), urbanization, social media influence, and a shift toward intentional, value-driven consumption. Consumers increasingly prioritize quality, craftsmanship, durability, brand storytelling, and experiences over sheer volume or low prices. Even in higher tiers, purchases are often rationalized around utility, occasions (festivals, weddings), discounts, or aspirational "step-up" value rather than pure extravagance.

The market segments into distinct tiers—Premium, Super Premium, Bridge-to-Luxury, and Luxury—each with unique positioning, consumer appeal, and growth dynamics. Fashion apparel forms a significant but not dominant part of the broader luxury goods ecosystem (where jewelry, watches, and experiences often lead).

	 Premium	 Bridge to luxury	 Luxury	 Ultra Luxury
Description	The volume engine and entry point for premiumization—often called “value-based luxury” or “affordable premium.” Everyday/occasion wear with strong “premium for the price” appeal (INR 5000–10,000)	Elevated tier above standard premium, offering refined near-luxury polish, heritage touches, and lifestyle signaling while remaining wearable and accessible. Pricing is between INR 10,000-25,000	Higher-end ready-to-wear, emerging couture, and investment pieces with clear prestige and craftsmanship. Pricing is between INR 25,000-50,000	Exceptional artistry (hand-embroidery, scarcity), storytelling, and personalization; often occasion/wedding-focused with global heritage or elite Indian craftsmanship. Price range is above INR 50,000
Key demographics	Primarily millennials and Gen Z (core drivers; aged 18–35, urban/semi-urban professionals in Tier I–III cities. Emerging middle/upper-middle class with monthly incomes supporting discretionary spends	Upper-middle-class executives and successful young professionals (25–45). Emerging HNIs testing higher tiers; stronger in Tier I–II cities. Aspirational yet price-sensitive relative to true luxury; includes families and corporate gifting buyer	HNIs and upper affluent (25–50+, including younger Gen Z entrants) concentrated in metros (Mumbai/Delhi/Gurugram etc.) but Tier II rising	Ultra-HNWIs and top HNIs aged 30–60+ (plus younger celebrities/influencers). Metro-dominant but spreading; connoisseurs seeking legacy and status.
Channel Mix	Omnichannel dominant—e-commerce and marketplaces (Myntra, Ajio, Flipkart) drive discovery and convenience while offline (malls, multi-brand outlets, D2C pop-ups) provides tactile experience	Mixed online and offline tilt (malls, high-street, premium chains ) for experiential validation, supplemented by omnichannel and select e-commerce. In-store preferred for fit/quality assurance in this price band	Predominantly offline flagships and experiential malls (e.g., DLF Emporio in Gurugram) for validation; selective e-commerce (Nykaa Luxe) and omnichannel for discovery	Exclusive offline (private events, flagships, invitation-only), with minimal digital for select discovery. Experiential and relationship-driven

## Key International brands entered in India in recent years:

<input type="checkbox"/> Bershka	<input type="checkbox"/> Amiri
<input type="checkbox"/> Cos	<input type="checkbox"/> Max&Co
<input type="checkbox"/> Hollister	<input type="checkbox"/> Maison Margiela
<input type="checkbox"/> Pull&bear	<input type="checkbox"/> Sandro
<input type="checkbox"/> Shein	<input type="checkbox"/> Ben Sharman
<input type="checkbox"/> Lululemon	<input type="checkbox"/> Abercrombie & Fitch
<input type="checkbox"/> Maje	<input type="checkbox"/> Off-White
<input type="checkbox"/> Foot locker	<input type="checkbox"/> Stella McCartney
<input type="checkbox"/> Sweaty betty	<input type="checkbox"/> .....
<input type="checkbox"/> Bcbgmaxazria	
<input type="checkbox"/> Golden Goose	

Note(s): Above mentions are not exhaustive

## Key Growth Drivers of India’s Premium, Bridge-to-Luxury, Luxury, and Ultra-Luxury Fashion Segments

- Increasing Income levels:** With the growing middle-class population seeking to upgrade their lifestyle and purchase branded and premium products. As per the survey by ICE, the proportion of the middle-class and high-income groups increased to ~35% in FY21 from 29% in FY16 and is further expected to reach ~58% by FY31, supported by growth in per capita income.
- Favorable demographics with young aspirational consumers:** India’s massive Gen Z population of around 377 million, which drives nearly half of fashion spending, alongside millennials and young professionals in tech, finance, and entrepreneurship. They prioritize versatile, culturally relevant, experience-oriented, and utility-focused products, strongly supporting bridge-to-luxury prêt lines for repeat wear and influencing demand across all price bands.
- Broad premiumization shift in consumer preferences:** Consumers are moving from price/volume-driven buying to quality, durability, craftsmanship, sustainability, and emotional value. Purchases are rationalized around festivals, weddings, work, and self-expression, driving strong volume in premium apparel and footwear, accessibility in bridge-to-luxury designer diffusion lines, and exclusivity in luxury and ultra-luxury segments.

- **“Indiafication” and cultural fusion:** Growing blend of global aesthetics with Indian crafts, motifs, and modern-ethnic fusion, which makes offerings more relevant and desirable across segments, especially in bridge-to-luxury and luxury prêt collections.
- **Retail infrastructure development and omnichannel expansion:** Proliferation of experiential malls like DLF Emporio in Gurugram, flagship stores, and digital platforms such as Nykaa Luxe, Tata CLiQ, Myntra, and Ajo. This lowers barriers particularly for premium and bridge segments, while Tier 2 and Tier 3 cities now contribute nearly 45% of higher-segment demand.
- **Surge in international brand entries:** Nearly 27 new fashion and footwear brands entered in 2024 with continued momentum in 2025–2026, mostly through licensing and franchise partnerships with Reliance Brands Ltd, Aditya Birla Fashion & Retail, etc.. This brings fresh aspirational options and reinforces the entire market pyramid.
- **Digital influence, social media, and global exposure:** Social platforms, influencers, international travel, and diaspora connections shape discovery and validation, especially among younger buyers who engage across premium to ultra-luxury tiers.
- **Corporate investments and ecosystem support:** Major conglomerates actively investing in designer prêt lines, global partnerships, and scaling operations, which enhances supply, visibility, and accessibility particularly in bridge-to-luxury and premium segments.






## Key Challenges of India’s Premium, Bridge-to-Luxury, Luxury, and Ultra-Luxury Fashion Segments

- **Persistent price sensitivity and value consciousness:** Even among growing affluent and HNI consumers, there is notable “price fatigue” and rationalization of spends. Aspirational buyers in premium and bridge-to-luxury demand strong perceived value, durability, and utility, making it challenging for brands to sustain premium pricing without corresponding enhancements in quality, storytelling, or experiences.
- **Widespread counterfeiting and brand protection issues:** India faces a thriving market for “first copies,” superfakes, and dupes, particularly in high-demand luxury and premium categories. Notorious markets and e-commerce platforms undermine brand equity, confuse consumers, and result in substantial revenue losses, complicating enforcement across all tiers.
- **Intense competition from local and bridge-to-luxury players:** Robust domestic designer prêt lines and affordable premium offerings provide culturally relevant, value-driven alternatives that capture share from international brands. This creates pressure to adapt products, pricing, and storytelling while maintaining exclusivity and heritage appeal.
- **Global economic headwinds and external pressures:** While India remains resilient, worldwide luxury slowdowns, price-led growth fatigue, and macroeconomic uncertainties influence sentiment. Sustainability demands, ethical sourcing expectations, and the need for genuine cultural adaptation add further complexity.

## Select case studies in domestic apparel and footwear retail

The domestic apparel and footwear retail industry has experienced change driven by evolving consumer demand, digital adoption, and market expansion. The following case studies examine the business models, growth journeys, retail channels and brand associations of some of the companies operating in domestic apparel and footwear market, providing an overview of their retail presence.


## Gaurik Fashions Limited

Gaurik Fashions Limited	
<b>Founded in</b>	2017
<b>Business models</b>	Retail, Retail & Distribution (Exclusive), Distribution (Non-exclusive)
<b>Journey</b>	 <p><b>2017:</b> Incorporation of the Company as a Private Limited in the name of "Gaurik Fashions Private Limited".</p> <p><b>2017:</b> The company was operating the Franchise and Distribution business for sportswear and lifestyle brands</p> <p><b>2019:</b> The company has entered into Franchise agreement with Skechers South Asia Private Limited bearing rights and license to operate retail stores of Skechers Brand.</p> <p><b>2024:</b> The Company has acquired 100% shareholding of "Gaurik Lifestyle Private Limited," which has entered into a non-exclusive Franchise Agreement with Guess India Private Limited to operate retail stores across various locations under the Guess? brand</p> <p><b>2024:</b> The Company acquired 78% shareholding rights in "Gaurik South Private Limited", managing stores for Skechers brand in South India</p> <p><b>2025:</b> The Company has acquired shareholding rights of "Nuvora Retail Private Limited" from promoters and made it subsidiary company with 80% shareholding.</p> <p><b>2025:</b> Subsidiary of the company i.e., Nuvora Retail Private Limited acquired exclusive distribution rights of the brand Bugatti, TT. Bagatt and Bagatt.</p> <p><b>2025:</b> The company has entered into exclusive distribution agreement effective from July 01, 2025 authorising the company to retail and distribute, and grant rights to franchisees to operate retail stores for "Sweaty Betty" in India</p>
<b>Business channels</b>	<p><b>Retail channels:</b></p> <ul style="list-style-type: none"> <li>As of March 2026, 59 stores (COCO and FOFO) of brands like Skechers, Guess?, and Bugatti</li> </ul> <p><b>Distribution channels:</b></p> <ul style="list-style-type: none"> <li>Distributor of Shrey, and Luxottica across Delhi</li> </ul>
<b>Major brands associated with:</b>	<div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">  <div style="border: 1px solid black; padding: 5px; margin: 5px;">Guess?</div> </div> <div style="text-align: center;">  <div style="border: 1px solid black; padding: 5px; margin: 5px;">Skechers</div> </div> </div> <div style="display: flex; justify-content: space-around; align-items: flex-start; margin-top: 20px;"> <div style="text-align: center;">  <div style="border: 1px solid black; padding: 5px; margin: 5px;">Bugatti</div> </div> <div style="text-align: center;">  <div style="border: 1px solid black; padding: 5px; margin: 5px;">Sweaty Betty</div> </div> </div>

Gaurik Fashions Limited	
<b>Retail stores presence and Offerings</b>	<p><b>States where company is present:</b> Delhi NCR, Uttar Pradesh, Maharashtra, Haryana, Punjab, Rajasthan, Madhya Pradesh, Karnataka, Tamil Nadu, West Bengal, Gujarat, Uttarakhand and Telangana</p> <p><b>Retail stores across each brand</b></p> <ul style="list-style-type: none"> <li>• 1. Skechers: 33</li> <li>• 2. Guess?: 20</li> <li>• 3. Bugatti: 6</li> </ul> <p><b>Product Offerings:</b></p> <ul style="list-style-type: none"> <li>• Footwear</li> <li>• Apparel</li> <li>• Accessories</li> </ul>

Source: Company Website, Crisil Intelligence

## Brand Concepts Limited

Brand Concepts Limited	
<b>Founded in</b>	<b>2007</b>
<b>Business models</b>	Licensing, franchising and distribution, Product designing
<b>Journey</b>	 <ul style="list-style-type: none"> <li><b>2010:</b> Licensing agreement with 'Tommy Hilfiger' for travel gear</li> <li><b>2011:</b> Launched 'Paris Hilton' collection</li> <li><b>2013:</b> Launched the 1st Bagline store</li> <li><b>2017:</b> Launched 'AND' &amp; 'Globaldesi' lifestyle accessories</li> <li><b>2021:</b> Listed on NSE and BSE</li> <li><b>2023:</b> Acquired licensing rights for 'United Colors of Benetton' and 'Aeropostale' fashion and lifestyle accessories.</li> <li><b>2025:</b> Launched Juicy Couture in India Signed Exclusive Distribution Agreement of Off-White brand for India</li> </ul>

Brand Concepts Limited	
<b>Offerings</b>	<p><b>Retail channels:</b></p> <ul style="list-style-type: none"> <li>• 4 Stores of Tommy Hilfiger Travel Gear (THTG)</li> <li>• 50 Stores of Bagline</li> <li>• 2 Stores of Juicy Couture</li> </ul> <p><b>Manufacturing:</b> (As of FY25)</p> <ul style="list-style-type: none"> <li>• 8-acre facility</li> <li>• 3.5 Lakh units production capacity</li> </ul> <p><b>Product Offerings:</b></p> <ul style="list-style-type: none"> <li>• Backpacks</li> <li>• Handbags, clutches and wallets</li> <li>• Small leather goods</li> <li>• Luggage</li> </ul>
<b>Exclusive Brand License</b>	<ul style="list-style-type: none"> <li>• United Colors of Benetton</li> <li>• Tommy Hilfiger</li> <li>• Juicy Couture</li> <li>• Superdry</li> <li>• Off-White</li> <li>• Aeropostale</li> </ul>
<b>Retail stores presence</b>	<p>Rajasthan, Madhya Pradesh, Delhi NCR, Haryana, Punjab, Chandigarh, Chhattisgarh, Assam, Odisha, Karnataka, Tamil Nadu, Uttar Pradesh, Maharashtra, West Bengal, Gujarat, and Telangana</p> <ul style="list-style-type: none"> <li>• 4 Stores of Tommy Hilfiger Travel Gear (THTG)</li> <li>• 50 Stores of Bagline</li> <li>• 2 Stores of Juicy Couture</li> <li>• 6 Brand License and 2 Private label brands</li> </ul>

Source: Company Website, Crisil Intelligence

## Overview of key players in apparel and footwear retail market in India

Name of the Company	Incorporation Year	Revenue- Q3FY26 (INR million)^	No. of stores <sup>2</sup>	Description and expansion plan <sup>1</sup>
Arvind Fashions Limited	2016	39,014 <sup>^</sup>	1,022 (EBOs)	<ul style="list-style-type: none"> <li>Arvind Fashions is a multi-brand apparel company operating with both in-house and licensed brands.</li> <li>It is headquartered in Ahmedabad and is a part of the Ahmedabad-based Lalbhai group</li> <li><b>Expansion plan:</b> As of Q3 FY2026, Company is planning in below aspects <ul style="list-style-type: none"> <li>Continued investments in advertisement to drive market share gains</li> <li>Focus on driving the business through direct channels for better inventory control</li> <li>Gross opening of ~150 stores, largely through FOFO route</li> <li>Higher net sq. ft. addition compared to FY25</li> </ul> </li> </ul>
Ace Turtle Omni Pvt. Ltd.	2021	N.A.	110+	<ul style="list-style-type: none"> <li>Ace Turtle is a tech-native retail company which is vertically integrated from design, local manufacturing and marketing to reach consumers directly.</li> <li>It is headquartered in Bengaluru and deals in multi-brand apparels, Toys and Baby products</li> <li><b>Expansion plan:</b> N.A.</li> </ul>
Apparel Group India Pvt. Ltd.	2001	N.A	304	<ul style="list-style-type: none"> <li>Apparel Group offers brands from the USA, Canada, Europe, Australia, and Asia.</li> <li>It is headquartered in Mumbai and has presence in Departmental Store, Accessories, Fashion, Cosmetics, Food &amp; Beverages, Footwear segments</li> <li><b>Expansion plan:</b> As of September 2024, The Apparel group has plans to expand its portfolio by adding another five or six brands and 750 new stores in coming years</li> </ul>
Reliance Brands Limited	2007	N.A	19,340*	<ul style="list-style-type: none"> <li>Reliance Brand limited caters to the segments of luxury, bridge-to-luxury, high-premium and high-street lifestyle and has 85 international brands</li> <li>Reliance Brand limited is headquartered in Mumbai</li> <li><b>Expansion plan:</b> As of March 2025, Company is focusing to expand its presence in Tier II and Tier III markets</li> </ul>

Name of the Company	Incorporation Year	Revenue- Q3FY26 (INR million)^	No. of stores <sup>2</sup>	Description and expansion plan <sup>1</sup>
Aditya Birla Fashion and Retail Limited	2007	73,550^^	1,226	<ul style="list-style-type: none"> <li>Aditya Birla Fashion and Retail Limited (ABFRL) is the apparel retail venture of the Aditya Birla group.</li> <li>It is headquartered in Mumbai and has products related to ethnic wear, masstige and value retail, luxury fashion and digital-first brands</li> <li><b>Expansion plan:</b> As of Q3FY26, ABFRL plans to <ul style="list-style-type: none"> <li>Continue network expansion and growth capex, building on recent area additions to drive future operating leverage.</li> <li>Resume expansion with about 20 new Pantaloons stores per year (FY27–FY28). New stores to be larger format: Typically 18,000+ sq. ft., up to 25,000–30,000 sq. ft. depending on market</li> <li>Plan to open 40–50 OWND! stores in the coming year and Once the model is fully refined, management is open to scaling beyond 50 stores per year</li> <li>Continue rapid store-led expansion from current base (~85 stores), adding more stores for TASVA brand</li> <li>Plan to add 50–60 TCNS stores next year (starting Q4 of current year into FY27).</li> </ul> </li> </ul>
Page Industries Limited	1994	39,942	1,660 (EBOs) – Jockey 34 (EBOs) – Speedo	<ul style="list-style-type: none"> <li>Incorporated by the Genomal family, Page Industry Limited (PIL) is the exclusive licensee of Jockey International Inc. US, in India, the UAE, Sri Lanka, Republic of Maldives, Bangladesh, and Nepal, for manufacturing and distributing the Jockey brand of innerwear and leisurewear for men, women and kids.</li> <li>PIL is also the exclusive licensee of Speedo International Ltd. UK for manufacturing, marketing and distributing of the Speedo brand in India.</li> <li>It is headquartered in Bengaluru</li> <li><b>Expansion plan: Company is focussing on</b> <ul style="list-style-type: none"> <li>Channel expansion and product innovation</li> <li>Increasing JKY Groove brand expansion to ~500 EBOs</li> </ul> </li> </ul>
Brand Concepts Limited	2007	2,577^	56	<ul style="list-style-type: none"> <li>Brand Concept Limited is engaged in the trading of travel gear and small leather goods, handbags and accessories and is the exclusive licensee for brands namely Tommy Hilfiger, UCB and Aeropostale.</li> <li>Company is headquartered in Indore.</li> <li><b>Expansion plan:</b> As of Q3 FY2026, company has planned to increase the store sizes of existing stores and open more Mono brand stores and focussing more on channel health by cutting down the tail which is low performing stores</li> </ul>

Name of the Company	Incorporation Year	Revenue- Q3FY26 (INR million)^^	No. of stores <sup>2</sup>	Description and expansion plan <sup>1</sup>
Gaurik Fashions	2017	2,204 <sup>^</sup>	59	<ul style="list-style-type: none"> <li>Gaurik Fashions Limited is engaged in the business of retail and distribution of various fashions and sports brands catering to mid-premium and premium segment of customers in the categories including footwear, apparel, and accessories.</li> <li>It operates Retail, Retail &amp; Distribution (Exclusive), Distribution (Non-exclusive) for following brands like               <ul style="list-style-type: none"> <li>Skechers (U.S.A)</li> <li>Guess? (U.S.A)</li> <li>Bugatti (Germany)-Nuvora Retail (subsidiary) has exclusive retail and distribution rights in India</li> <li>Sweaty Betty (United Kingdom) – Gaurik fashions has exclusive retail and distribution rights of this brand in India.</li> <li>Ray-Ban</li> </ul> </li> <li>Nuvora Retail Private Limited, holds the rights to manufacture, distribute, and promote accessories under the brand “T.T. Bagatt” and apparel under the brand “Bagatt”. In connection with such rights, Nuvora has entered into arrangements with third-party contract manufacturers for the production of accessories under the “T.T. Bagatt” brand and apparel under the “Bagatt” brand.</li> <li>It has presence in around 14 states including union territory): Delhi NCR, Uttar Pradesh, Maharashtra, Haryana, Punjab, Rajasthan, Madhya Pradesh, Karnataka, Tamil Nadu, West Bengal, Gujarat, Uttarakhand, Telangana and Chandigarh</li> <li>Company's registered office is in New Delhi and its corporate office is in Bengaluru, Karnataka.</li> <li><b>Expansion plan:</b> Gaurik Fashions aims to expand its retail presence with approximately 18 new stores by FY27, strategically located across major Tier I and Tier II cities. The expansion plan includes:               <ul style="list-style-type: none"> <li>Skechers: 6</li> <li>Guess?: 7</li> <li>Bugatti: 5</li> </ul> </li> </ul>

Note:

\*\* Revenue from operations

\*The number of stores are associated with Reliance Retail Limited (parent company of Reliance Brands Limited)

<sup>^</sup> On consolidated basis, Others are Standalone

<sup>^^</sup> Revenue from continuing operation

<sup>1</sup>The data presented is only indicative and not exhaustive representation of the company's expansion plans

<sup>2</sup>The data is as per FY25 annual reports and company websites (accessed in April 26)

Source: Industry, Crisil Intelligence

## Overview of select brands in apparel and footwear retail market in India

Name of the Company	Description and expansion plan <sup>1</sup>
<b>Lee</b>	Lee is an American denim and casualwear brand founded in 1889 in Salina, Kansas, by Henry David Lee. Renowned for its innovative workwear roots, durable fabrics like the first zip-fly jeans, and timeless styles such as the 101 Cowboy Pant, Lee has evolved into a global staple for comfortable, rugged everyday apparel with a strong emphasis on quality and heritage.
<b>Wrangler</b>	Wrangler is an American denim and westernwear brand established in 1947, known for its performance-driven jeans designed for cowboys and everyday durability. With roots in authentic western heritage, heavy-duty fabrics, and functional innovations like reinforced stitching, Wrangler delivers tough, stylish clothing that embodies freedom, hard work, and timeless American spirit
<b>Arrow</b>	Arrow is a classic American menswear brand with origins dating back to 1851, celebrated for its dress shirts, sportswear, and tailored essentials. Famous for pioneering the detachable collar and delivering authentic, comfortable American style with modern fabrications, Arrow offers polished yet effortless options for the modern professional and casual wearer
<b>U.S. Polo Assn</b>	U.S. Polo Assn. is the official lifestyle brand of the United States Polo Association, founded in 1890 and launched as apparel in 1981. It captures the spirit of polo with premium casual sportswear, apparel, footwear, and accessories featuring iconic pony logos, blending heritage athleticism, classic American elegance, and global appeal across men's, women's, and children's lines
<b>Victoria's Secret</b>	Victoria's Secret is an American intimate apparel and lifestyle brand founded in 1977, renowned for its glamorous, fashion-forward collections of lingerie, bras, panties, sleepwear, swim, and beauty products. With a focus on empowerment, innovation, and seductive confidence, it has built a massive global following through signature styles and aspirational experiences.
<b>Charles &amp; Keith</b>	Charles & Keith is a Singaporean fashion label established in 1996, specializing in stylish, affordable footwear, handbags, accessories, and eyewear. Known for trendy designs, quality craftsmanship, and modern feminine aesthetics, it has grown into a global fast-fashion favorite with a strong presence in Asia and beyond.
<b>Coach</b>	Coach is an American luxury house founded in 1941 in New York City, celebrated as the Original American House of Leather. It crafts timeless handbags, accessories, ready-to-wear, and more with exceptional quality, creativity, and a blend of heritage craftsmanship and contemporary New York-inspired style
<b>Armani Exchange</b>	Armani Exchange (often styled A X) is the youthful, urban diffusion line of the Giorgio Armani Group, launched in 1991. It offers accessible, contemporary fashion with sleek designs, casual streetwear vibes, and metropolitan appeal for a dynamic, trend-conscious generation seeking Armani elegance at everyday prices
<b>Skechers</b>	Skechers is an American footwear and apparel brand established in 1992, known for its comfort technology, innovative designs, and stylish casual, athletic, and lifestyle shoes. With a focus on performance, trend-forward looks, and all-day wear for men, women, and kids, it offers products for active and everyday use.

Name of the Company	Description and expansion plan <sup>1</sup>
<b>Burberry</b>	Burberry is a British luxury fashion house founded in 1856 by Thomas Burberry. Famous for its innovative gabardine fabric, iconic trench coats, Nova check pattern, and timeless British heritage, it blends outdoor functionality with modern elegance across apparel, accessories, and ready-to-wear.
<b>Bugatti,</b>	Bugatti, German fashion brand specializing in high-quality men's and women's clothing, shoes, and accessories with a focus on elegant, contemporary European style. Known for premium materials, refined tailoring, and versatile everyday-to-formal pieces, it delivers sophisticated comfort and timeless appeal.
<b>Ted Baker London</b>	Ted Baker London is a British lifestyle brand founded in 1988, recognized for its attention to detail, quirky British humor, and high-quality clothing, accessories, and fragrances. It combines classic tailoring with playful modern twists for men and women seeking distinctive, stylish everyday and occasion wear
<b>Guess?</b>	An American fashion brand founded in 1981 by the Marciano brothers, iconic for its sexy, European-influenced denim, bold black-and-white advertising, and glamorous lifestyle appeal. It offers stylish jeans, apparel, accessories, and more that embody youthful confidence and adventurous spirit
<b>Sweaty Betty</b>	Sweaty Betty is a premium global activewear and lifestyle brand founded in 1998 in London, United Kingdom. Known for its high-quality fabrics, body-sculpting designs, and focus on comfort and durability, Sweaty Betty has built a strong and loyal customer base globally.

Source: Industry, Crisil Intelligence

## Key growth drivers in the apparel and footwear retail industry

### Growing working age population

India's demographic landscape is poised to drive significant growth in the domestic apparel and footwear market. By 2030, the proportion of the population aged 25-49 years is projected to increase to approximately 38% of the total population, indicating a substantial rise in disposable income. This demographic shift is anticipated to fuel demand for mid-to-premium range apparel and footwear, as the growing working-age population seeks out products that embody a perfect blend of fashion, comfort, and affordability.

As a consequence, companies operating in the domestic apparel and footwear market are expected to benefit from this trend, with opportunities for growth and expansion.

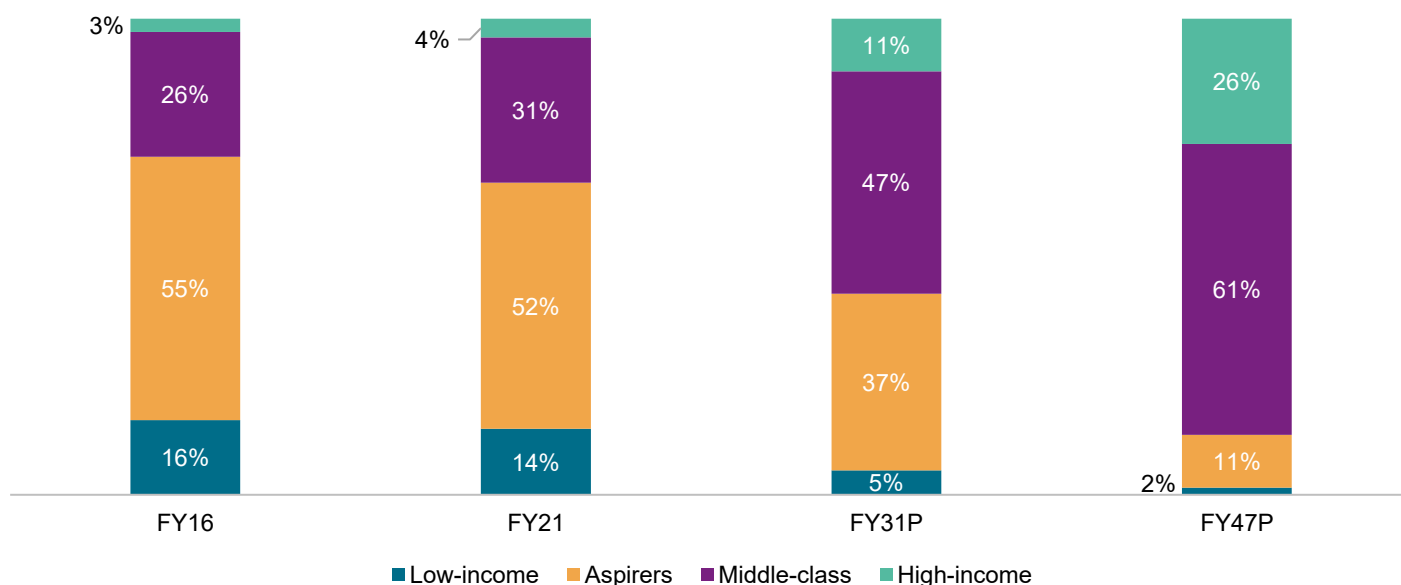
### Increasing income levels

The domestic apparel and footwear market in India is being driven by an increase in disposable income among the population. As the country's economy continues to grow, the middle-class population is expanding, leading to a rise in disposable income and a subsequent increase in demand for apparel and footwear.

This trend is expected to continue, with the growing middle-class population seeking to upgrade their lifestyle and purchase branded and premium products. As per the survey by ICE, the proportion of the middle-class and high-income groups increased to ~35% in FY21 from 29% in FY16 and is further expected to reach ~58% by FY31, supported by growth in per capita income.

As a result, companies operating in the domestic apparel and footwear market are expected to benefit from this trend, with opportunities for growth and expansion in the both apparel and footwear market.

## Income-based comparison of India's population



Note: P - Projected

The low-income group comprises those earning less than INR 125,000 per annum, while aspirers are group those earning between INR 125,000 to INR 0.5 million. The middle-class group includes those earning between INR 0.5 million and INR 3 million per annum and the high-income group those earning more than INR 3 million per annum. Percentages have been rounded off

Source: People Research on India's Consumer Economy (ICE) 360° survey, Crisil Intelligence

## Changes in consumers' lifestyles

A significant shift in consumer preferences is also driving the growth of the domestic apparel and footwear market in India. Consumers are increasingly seeking out fashion, comfort, and quality in their apparel and footwear purchases, driving demand for branded and premium products. This shift in consumer preferences is being driven by a growing awareness of international fashion trends, as well as an increasing desire for unique and high-quality products. As a result, companies operating in the domestic apparel and footwear market are focusing on developing products that meet these changing consumer preferences, with an emphasis on fashion, comfort, and quality.

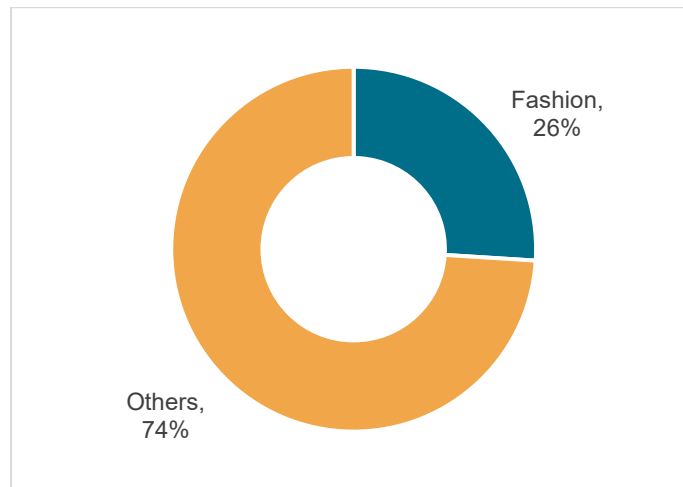
## Growth of e-commerce

The increasing penetration of e-commerce in India has been a catalyst for the growth of the domestic apparel and footwear market, rendering it increasingly convenient for consumers to access a vast array of apparel and footwear products.

As of FY26, fashion formed 26% of the e-retail pie, with apparel accounting for over three-fourth of the segment. Low ticket size, deep discounts, availability of a wide product range, and shopping festivals have led to significant online sales. The online apparel market gained acceptance despite widespread apprehensions that Indian shoppers' preference to touch, feel and check the fit of their clothing may deter online sales.

Moving forward, growth is expected to accelerate in the medium term led by fast fashion and increasing number of Gen Z shopping online. Additionally, variety, fit and convenience will drive the market rather than just discounts.

## Share of fashion in overall e-retail (fiscal 2026)



Source: Crisil Intelligence

Overall, rapid proliferation of online platforms has enabled consumers to procure products from the comfort of their own domicile, with the option to return or exchange products if they are not satisfied, thereby augmenting consumer convenience and driving sales in the domestic apparel and footwear market.

Furthermore, e-commerce platforms have also enabled companies to reach a more extensive audience, including consumers in rural and tier-II and tier-III cities, who may not have had access to branded apparel and footwear products otherwise, thereby underscoring the vast potential for growth and expansion in the domestic market.

## Increasing social media influence

The burgeoning influence of social media is also playing a pivotal role in driving the growth of the domestic apparel and footwear market in India, with social media platforms being utilized by companies to promote their products and engage with consumers. Social media influencers are also playing a significant role in promoting apparel and footwear products, with many influencers partnering with companies to promote their products to their followers, thereby underscoring the vast potential for growth and expansion in the domestic market.

As a consequence, social media is becoming an increasingly important channel for companies operating in the domestic apparel and footwear market. This emerging phenomenon is a major driver for fashion retail as brands are increasingly collaborating with content-creators and benefiting from being able to relay messages that are specifically tailored according to the targeted consumer segments.

## SWOT analysis of Apparel and Footwear industry

Strength ●	Weakness ●
<ul style="list-style-type: none"> <li>• <b>Large and growing domestic market</b> — India's textile &amp; apparel market is with a strong domestic consumption, providing scale for brands and manufacturers</li> <li>• <b>Rising branded/organized retail and omnichannel players</b> — Established domestic brands and retail chains are expanding store networks and omnichannel play, improving margins vs unbranded sales</li> <li>• <b>Competitive footwear segment with fast growth potential</b> — Footwear market shows strong CAGR projections and expanding consumer demand for athleisure &amp; comfort segments</li> <li>• <b>Government policy support (PLI, textile policy, export schemes)</b> — Central schemes &amp; brand-promotion / cluster support boost investments, technology adoption and exports</li> <li>• <b>Young population &amp; rising disposable income</b> — Demographics favour higher per-capita clothing and footwear spend over the medium term</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Fragmented manufacturing base &amp; variable quality</b> — Large MSME presence leads to uneven quality, compliance and scale limitations versus global competitors</li> <li>• <b>Dependence on commodity inputs &amp; price sensitivity</b> — Raw material volatility (cotton, polyester feedstocks) compresses margins.</li> <li>• <b>Logistics / last-mile challenges in tier II/ III markets</b> — Higher fulfillment costs and longer lead-times for pan-India distribution (affects e-commerce margins).</li> <li>• <b>Limited R&amp;D/design depth for premium segments</b> — India still building capabilities for high-end fashion/design compared to some exporters.</li> <li>• <b>Channel Conflict and Disintermediation:</b> As brand owners expand their direct-to-consumer (D2C) channels and appoint additional franchise partners or distributors, traditional franchise networks experience increased competition and market overlap.</li> <li>• <b>E-commerce Disruption:</b> The growth of owned and third-party e-commerce platforms by brand owners intensifies competition, threatening the market share and profitability of established franchise operators.</li> <li>• <b>Erosion of Market Exclusivity:</b> The ability of brand owners to operate their own channels and appoint multiple partners reduces the exclusivity and territorial control traditionally held by franchisees, leading to potential market saturation and reduced margins.</li> </ul>
Opportunity ●	Threat ●
<ul style="list-style-type: none"> <li>• <b>Rapid e-commerce and digital market expansion</b> — Online fashion is scaling fast — big opportunity for direct-to-consumer, private labels, and data-driven assortment</li> <li>• <b>Value-chain upgrading via PLI &amp; Textile Policy</b> — Incentives to move up the value chain (MMF, technical textiles, branded exports) can capture higher margins and FDI</li> <li>• <b>Sustainability &amp; circular fashion adoption</b> — Growing consumer preference and brand commitments create premium niches (recycled fibres, traceability, repair)</li> <li>• <b>Nearshoring advantage as firms diversify from China</b> — Cost arbitrage plus policy push can attract relocation of labour-intensive production</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Global trade volatility &amp; tariff changes</b> — Export markets remain exposed to protectionist moves and tariff shifts which can erode competitiveness. (Recent trade headwinds and tariff changes remain a risk.)</li> <li>• <b>Cheap imports / competing low-cost suppliers</b> — Bangladesh, Vietnam and China continue to compete aggressively on price and lead-time</li> <li>• <b>Raw material &amp; input price volatility</b> — Cotton and polymer price swings (and energy costs) can sharply affect margins and inventory valuation</li> <li>• <b>Sustainability/regulatory compliance costs rising</b> — New ESG standards (traceability, chemical controls) require investment—small players may struggle to comply</li> </ul>

<ul style="list-style-type: none"> <li>• <b>Domestic demand in tier II/ III &amp; premiumisation —</b> Rising incomes in smaller cities create demand for branded apparel &amp; footwear</li> </ul>	
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Source: Crisil Intelligence

## Key challenges in the apparel and footwear retail industry

Key challenges	Description
<b>Changing international regulations</b>	<ul style="list-style-type: none"> <li>• The dynamics of India's relationship with other countries is shaped by several factors including trade regulations, global economy, etc. This is a challenge for India's fashion retail industry because some critical aspects of this industry depend on international trade.</li> <li>• India manufactures about 22,000 million pieces of garments annually. A portion of these garments are bought by prominent international brands.</li> <li>• However, in August 2025, US President Donald Trump imposed 50% tariffs on exports of apparel from India to the US. Following this, India's garments exporters have expressed fears that these high tariffs will incentivize international brands to shift to apparel suppliers from India's main competitors, Bangladesh and Vietnam, which have their tariffs capped at 20%. This can also have repercussions affecting the domestic supply of apparel.</li> </ul>
<b>Increasing demand for sustainability</b>	<ul style="list-style-type: none"> <li>• Increasing demand for sustainability stems from growing awareness of environmental and ethical issues. Consumers, especially the urban and the young segments, are increasingly demanding that companies make sustainable choices in each of the following stages of a product lifecycle.</li> <li>• This growing emphasis on sustainable practices is a challenge for India's fashion retail industry as switching to sustainable practices increases cost pressure on companies.</li> <li>• However, companies are making efforts to shift to eco-friendly practices. For instance, several major e-commerce players have begun using paper-based packaging for last mile delivery to their customers.</li> </ul>
<b>High competition</b>	<ul style="list-style-type: none"> <li>• With the rise of e-commerce, the barriers to entry have lowered for India's fashion and footwear retail space. In addition, several global and international brands have also expanded their operations in India.</li> <li>• The resulting competition in India's fashion retail industry is a major challenge for all players. Furthermore, the market is increasingly fragmented with price wars in several segments leading to declining margins in those segments.</li> </ul>
<b>Counterfeiting and high unorganised sector</b>	<ul style="list-style-type: none"> <li>• Counterfeiting is a critical challenge for India's fashion retail industry. A major reason for this is the high share of unorganized retail and poor enforcement of Intellectual Property rights.</li> <li>• Though counterfeiting is more common in tier-II and tier-III cities, there are places in metros that are famous primarily for selling counterfeit products at throw-away prices.</li> <li>• These places usually attract price-conscious lower-to-middle class consumers, but they are also frequented by youngsters, affluent shoppers looking for a bargain, and even some social media fashion influencers.</li> </ul>

Source: Crisil Intelligence

## Competitive landscape assessment of domestic Apparel and footwear retail industry

In this section, Crisil has analysed some key players operating in the domestic apparel and footwear retail industry. Data has been obtained from publicly available sources, including annual reports available in the public domain/ filed with the Registrar of Companies (RoC), investor presentations of listed players, regulatory filings, rating rationales, and/or company websites.

The financial information and ratios used in this report are based on the numbers as disclosed by the companies themselves, as reflected in their annual reports and financial filings with the Registrar of Companies (RoC).

All the positioning statements mentioned in the report are with respect to the considered peer set.

**Note:** The list of competitive peers considered in this section is not exhaustive but indicative in nature.

### Key operational parameters

#### Overview

Company	Incorporated in	About
<b>Arvind Fashions Limited</b>	2016	Arvind Fashion Limited was incorporated in 2016. Company is headquartered in Ahmedabad and It is a part of the Ahmedabad-based Lalbhai group. Company is a multi-brand apparel company operating with both in-house and licensed brands. Company has partnered with trusted third-party vendors for all its product sourcing. They have Franchise Owned Franchise Operated (FOFO) model
<b>Ace Turtle Omni Private Limited</b>	2021	Incorporated in 2021, Ace Turtle is a leading tech-native retail company which vertically integrated from design, local manufacturing and marketing to reach consumers directly It is headquartered in Bengaluru and deals in multi-brand apparels, Toys and Baby products
<b>Apparel Group India Private Limited</b>	2001	Apparel Group India incorporated in 2001 is headquartered in Mumbai. Company offers top brands from the USA, Canada, Europe, Australia, and Asia. It has presence in Departmental Store, Accessories, Fashion, Cosmetics, Food & Beverages, Footwear segments
<b>Reliance Brands Limited</b>	2007	Incorporated in 2007, Reliance Brand limited is headquartered in Mumbai. It's a fellow subsidiary of Reliance retail Limited. Company has brought 85 international brands to India. Company caters to the segments of luxury, bridge-to-luxury, high-premium and high-street lifestyle
<b>Aditya Birla Fashion and Retail Limited</b>	2007	Incorporated in 2007, Aditya Birla Fashion and Retail Limited (ABFRL) is the apparel retail venture of the Aditya Birla group. Company is headquartered in Mumbai and has products related to ethnic wear, masstige and value retail, luxury fashion and digital-first brands
<b>Page Industries Limited</b>	1994	Incorporated in 1994 by the Genomal family, Page Industry Limited (PIL) is the exclusive licensee of Jockey International Inc. US, in India, the UAE, Sri Lanka, Republic of Maldives, Bangladesh, and Nepal, for manufacturing and distributing the Jockey brand of innerwear and leisurewear for men, women and kids. PIL is also the exclusive licensee of Speedo International Ltd. UK for manufacturing, marketing and distributing of the Speedo brand in India. It is headquartered in Bengaluru

<b>Brand Concepts Limited</b>	2007	Incorporated in 2007 and headquartered in Indore, Brand Concept Limited has partnered with top international and domestic brands as an exclusive licensee in key product categories like trading of travel gear and small leather goods, handbags and accessories.
<b>Gaurik Fashions Limited</b>	2017	Incorporated in 2017, Gaurik Fashions Limited is a retail and distribution company catering to the mid-premium and premium segments of customers in footwear, apparel, and accessories. The company operates franchises, exclusive and non-exclusive distributions for brands like Skechers, Guess?, Bugatti, and Sweaty Betty, with a presence in 12 states across India. Headquartered in New Delhi and with its corporate office in Bengaluru, Karnataka

Source: Crisil Intelligence, Annual reports, Company's website

## Operational overview

Company	Number of stores	Geographical presence	Number of brands	Names <sup>1</sup>
Arvind Fashions Limited	1,022	150+ Across India	5	Arrow, U.S. Polo Assn., Calvin Klein, Tommy Hilfiger, And Flying Machine
Ace Turtle Omni Pvt. Ltd.	110+	Across India	3	Lee, Wrangler, G-Star
Apparel Group India Pvt. Ltd.	304	50+ cities across India	20+	Victoria's Secret, Charles & Keith, Aldo, Crocs, Aldo Accessories, Bath & Body Works, Tim Hortons, Carrefour, Ben Sherman, BCBG, Ingot, Call It Spring, Anne Klein, Herschel Supply Co., R&B, Brunomagli, Sur La Table, Martha Stewart, Dolce & Gabanna, Cotton On, Levis Kids, Wing Stop, Nike
Reliance Brands Limited	19,340*	Across India	85	Armani Exchange, Burberry, Coach, Dune, Canali, Diesel, Satya Paul, Superdry, Ritu Kumar, etc.
Aditya Birla Fashion and Retail Limited	1,226	Across India	27	Pantaloons, Style Up, Jaypore, Tasva, Sabyasachi, Shantnu & Nikhil, House Of Masaba, Tarun Tahiliani, TCNS (W, Folksong, Aurelia, Wishful, Elleven) Galeries Lafayette, The Collective (Ted Baker London, Hackett London, Fred Perry, Polo Ralph Lauren), TMRW (Bewakoof, TIGC, Nobero, WROGN, Urbano, Veirido,
Page Industries Limited	1,694	Across India	3	Jockey, Speedo, JKY Groove
Brand Concepts Limited	49	Across India	6	Off White, Juicy Couture, Tommy Hilfiger Travel Gear, United Colors Of Benetton, Aeropostale, SuperDry
Gaurik Fashions Limited	50+	20+ Cities across India	4	Skechers, Guess?, Bugatti, and Sweaty Betty

Note:

\* Represent Reliance Retail Limited stores

<sup>1</sup> Kindly note that list of name of brands is only indicative and not exhaustive

Source: Crisil Intelligence, Annual reports, Company's website

## Category mapping of companies

Company	Mass and Mid Market*	Mid-Premium	Premium	Bridge to Luxury	Luxury	Ultra Luxury
Ace Turtle Omi Private Limited	✓	✓	✓	✓		
Aditya Birla Fashion and Retail Limited	✓	✓	✓	✓	✓	✓
Apparel Group Private Limited	✓	✓	✓	✓	✓	✓
Arvind Fashions Limited	✓	✓	✓	✓		
Brand Concepts Limited	✓	✓	✓	✓	✓	
Gaurik Fashion Limited	✓	✓	✓	✓	✓	
Page Industries Limited	✓	✓				
Reliance Brands Limited	✓	✓	✓	✓	✓	✓

Note: Price range of category as follows: Mass and Mid Market: < 2,000, Mid-Premium: 2000-5000, Premium: 5,000-10,000, Bridge to luxury: 10,000-25,000, Luxury: 25,000-50,000, Ultra Luxury:>50,000

\*Mass and Mid Market includes Merchandise goods like T-Shirt, Shirts, lowers, caps, trousers and more

Source: Crisil Intelligence, Annual reports, Company's website

### Key observations

Gaurik Fashions Private Limited offers a wide range of products catering to various customer segments, from mass and mid-market to luxury.

## Financial overview

### Revenue from operations (Rs million)

Company name	FY23	FY24	FY25	9MFY26	CAGR (FY23-25)
Ace Turtle Omni Private Limited <sup>#</sup>	2,841.19	3,110.30	n.d.	n.d.	N.A
Aditya Birla Fashion and Retail Limited*	124,179.00	139,958.60 <sup>^</sup>	149,733.50 <sup>^</sup>	61,867.8	9.81%
Apparel Group India Private Limited*	6,460.92	8,817.55	10,979.62	n.d.	30.36%
Arvind Fashions Limited*	40,694.90	42,591.20	46,198.40	39,014.00	6.55%
Brand Concepts Limited*	1,632.16	2,901.49	2,919.19	2,576.45	33.74%
Gaurik Fashion Limited *	579.78	1,720.05	2,204.03	2,025.86	94.97%
Page Industries Limited <sup>#</sup>	47,141.93	45,692.31	49,349.09	39,941.76	2.31%
Reliance Brands Limited <sup>#</sup>	20,145.00	22,622.50	23,370.70	n.d.	7.71%

Note: n.d. – Not disclosed, n.m. – Not meaningful; N.A – Not applicable

<sup>#</sup> Financials parameters are on standalone basis, \* Financials parameters are on consolidated basis

<sup>^</sup> The revenue from operations for Aditya Birla Fashion and Retail Limited includes revenue from discontinued operations, amounting to ₹76,186.20 million for FY25 and ₹75,543.70 million for FY24; 9MFY26 Revenue is of only from continued operations of ABFRL

The numbers may not be comparable across the peer set as formulae used by companies may vary. They are reported by companies in their filings, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

Source: Company filings, Crisil Intelligence

## EBITDA (Rs million)

Company name	FY23	FY24	FY25	9MFY26	CAGR (FY23-25)
Ace Turtle Omni Private Limited <sup>#</sup>	n.d.	n.d.	n.d.	n.d.	n.m
Aditya Birla Fashion and Retail Limited <sup>*^</sup>	16,170.00	5,200.00	8,540.00	n.d.	-27.33%
Apparel Group India Private Limited <sup>*</sup>	n.d.	n.d.	n.d.	n.d.	n.m
Arvind Fashions Limited <sup>*</sup>	4,730.00	5,440.00	6,370.00	5,150.00	16.05%
Brand Concepts Limited <sup>*</sup>	216.20	252.70	205.89	218.80	-2.41%
Gaurik Fashion Limited <sup>*</sup>	123.33	443.97	570.71	529.46	115.12%
Page Industries Limited <sup>#</sup>	8,627.00	8,598.00	10,625.00	n.d.	10.98%
Reliance Brands Limited <sup>#</sup>	n.d.	n.d.	n.d.	n.d.	n.m

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

<sup>#</sup> Financials parameters are on standalone basis, <sup>\*</sup> Financials parameters are on consolidated basis

<sup>^</sup> EBITDA and EBITDA margin is from continued operations of ABFRL

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Source: Company filings, Crisil Intelligence

## EBITDA Margin (%)

Company name	FY23	FY24	FY25	9MFY26
Ace Turtle Omni Private Limited <sup>#</sup>	n.d.	n.d.	n.d.	n.d.
Aditya Birla Fashion and Retail Limited <sup>*</sup>	14.53%	8.08%	11.62%	n.d.
Apparel Group India Private Limited <sup>*</sup>	n.d.	n.d.	n.d.	n.d.
Arvind Fashions Limited <sup>*</sup>	11.63%	12.78%	13.78%	n.d.
Brand Concepts Limited <sup>*</sup>	13.2%	8.71%	7.05%	8.40%
Gaurik Fashions Limited <sup>*</sup>	21.27%	25.81%	25.89%	26.14%
Page Industries Limited <sup>#</sup>	18.60%	18.80%	21.50%	n.d.
Reliance Brands Limited <sup>#</sup>	n.d.	n.d.	n.d.	n.d.

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

<sup>#</sup> Financials parameters are on standalone basis, <sup>\*</sup> Financials parameters are on consolidated basis

<sup>^</sup> EBITDA and EBITDA margin is from continued operations of ABFRL

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Source: Company filings, Crisil Intelligence

## Profit after tax (Rs million)

Company name	FY23	FY24	FY25	9MFY26	CAGR (FY23-25)
Ace Turtle Omni Private Limited <sup>#</sup>	-134.66	-565.58	n.d.	n.d.	n.m
Aditya Birla Fashion and Retail Limited*	-594.7	-7,359.1 <sup>^</sup>	-4,558.2 <sup>^</sup>	-6,661.2	n.m
Apparel Group India Private Limited*	272.53	-109.2	205.1	n.d.	-13.25%
Arvind Fashions Limited*	869.60 <sup>^^</sup>	1,371.10 <sup>^^</sup>	329.80 <sup>^^</sup>	1,173.2	-38.42%
Brand Concepts Limited*	97.75	120.47	52.33	2.02	-26.83%
Gaurik Fashions Limited*	3.48	34.86	122.63	173.25	494.50%
Page Industries Limited <sup>#</sup>	5,712.49	5,691.93	7,291.42	5,850.93	12.98%
Reliance Brands Limited <sup>#</sup>	-1,851.60	-2,889.60	-2,768.00	n.d.	n.m

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

<sup>#</sup> Financials parameters are on standalone basis, \* Financials parameters are on consolidated basis

The numbers may not be comparable across the peer set as formulae used by companies may vary. They are reported by companies in their fillings, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

<sup>^</sup> The PAT for Limited Arvind Fashions Limited includes PAT from discontinued operations, amounting to ₹-14.2 million for FY25 and 1,683.50 million for FY24 and for ₹1,711.10 million in FY23

<sup>^^</sup> The PAT for Aditya Birla Fashion and Retail includes PAT from discontinued operations, amounting to ₹305.20 million for FY25 and ₹-222.9 million for FY24.

Source: Company filings, Crisil Intelligence

## PAT margins (%)

Company name	FY23	FY24	FY25	9MFY26
Ace Turtle Omni Private Limited <sup>#</sup>	-4.74%	-18.18%	n.d.	n.d.
Aditya Birla Fashion and Retail Limited*	-0.48%	-5.26%	-3.04%	-10.77%
Apparel Group India Private Limited*	4.22%	-1.24%	1.87%	n.d.
Arvind Fashions Limited*	2.14%	3.22%	0.71%	3.01%
Brand Concepts Limited*	5.99%	4.15%	1.79%	0.08%
Gaurik Fashions Limited*	0.60%	2.03%	5.56%	8.55%
Page Industries Limited <sup>#</sup>	12.12%	12.46%	14.78%	14.65%
Reliance Brands Limited <sup>#</sup>	-9.19%	-12.77%	-11.84%	n.d.

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

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<sup>#</sup> Financials parameters are on standalone basis, \* Financials parameters are on consolidated basis

PAT Margin = PAT/Operating revenue

Source: Company filings, Crisil Intelligence

## Return on equity (RoE)

Company name	FY23	FY24	FY25
Ace Turtle Omni Private Limited <sup>#</sup>	82.42%	-412.07%	n.d.
Aditya Birla Fashion and Retail Limited <sup>#</sup>	3.97%	-6.60%	1.83%
Apparel Group India Private Limited*	35.00%	-12.83%	18.94%
Arvind Fashions Limited*	9.80%	10.62%	n.d.
Brand Concepts Limited*	44.00%	26.00%	7.00%
Gaurik Fashions Limited	7.61%	37.50%	41.35%
Page Industries Limited <sup>#</sup>	46.00%	38.00%	49.00%
Reliance Brands Limited	38.00%	56.00%	-18.00%

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

The numbers may not be comparable across the peer set as formulae used by companies may vary. They are reported by companies in their filings, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

# Financials parameters are on standalone basis, \* Financials parameters are on consolidated basis

Source: Company filings, Crisil Intelligence

## Return on capital employed (RoCE)

Company name	FY23	FY24	FY25
Ace Turtle Omni Private Limited <sup>#</sup>	0.49%	-23.65%	n.d.
Aditya Birla Fashion and Retail Limited <sup>#</sup>	7.30%	3.22%	5.80%
Apparel Group India Private Limited*	23%	4.07%	13.31%
Arvind Fashions Limited*	16.96%	18.77%	23.72%
Brand Concepts Limited*	36.30%	21.72%	11.12%
Gaurik Fashions Limited	17.24%	31.18%	36.08%
Page Industries Limited <sup>#</sup>	50.00%	51.00%	73.00%
Reliance Brands Limited	7.00%	2.00%	0.00%

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

The numbers may not be comparable across the peer set as formulae used by companies may vary. They are reported by companies in their filings, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

# Financials parameters are on standalone basis, \* Financials parameters are on consolidated basis

Source: Company filings, Crisil Intelligence

## Current ratio

Company name	FY23	FY24	FY25
Ace Turtle Omni Private Limited <sup>#</sup>	0.81	1.07	n.d.
Aditya Birla Fashion and Retail Limited <sup>#</sup>	1.13	1.15	2.19
Apparel Group India Private Limited*	0.83	0.78	NA
Arvind Fashions Limited*	1.20	1.27	1.28
Brand Concepts Limited*	1.39	1.34	1.31
Gaurik Fashions Limited	0.91	0.97	1.09
Page Industries Limited <sup>#</sup>	1.64	2.00	1.72
Reliance Brands Limited	2.40	2.63	2.48

Note: n.d. – Not disclosed; n.m. – Not meaningful; N.A – Not applicable

The numbers may not be comparable across the peer set as formulae used by companies may vary. They are reported by companies in their fillings, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

# Financials parameters are on standalone basis, \* Financials parameters are on consolidated basis

Source: Company filings, Crisil Intelligence

## Key observations

- Gaurik Fashions Limited / Gaurik Group has established itself as a retail partner for Skechers in India, with four of the brand's top ten highest revenue-generating stores operated by the Company for the period from January 2025 to February 2026.
- Nuvora Retail Private Limited, a subsidiary of Gaurik Fashions Limited, has exclusive distribution rights in India for internationally known footwear brands Bugatti, TT. Bagatt and Bagatt pursuant to its Distribution (License) Agreement with Astormueller Shoes Pvt. Ltd. positioning the Company to strengthen its foothold in India's fast-growing premium and lifestyle footwear market.
- Gaurik Fashions Limited has strengthened its premium lifestyle portfolio through securing exclusive distribution rights for the globally recognised activewear brand Sweaty Betty in India pursuant to its Distribution (License) Agreement with Wolverine World Wide, Inc., positioning the Company to capitalise on the growing demand for premium women's athleisure and performance wear in the Indian market.
- As on March 31, 2026, Gaurik Lifestyle Private Limited/ Gaurik Group has established itself as the important franchise partner for Guess in India, operating 22 out of 29 retail stores and playing a pivotal role in the brand's retail presence in the country.

## Abbreviations:

Abbreviation	Full form / Description (as used in the report)
ABFRL	Aditya Birla Fashion and Retail Limited
AI	Artificial Intelligence
bps	Basis points
CAGR	Compound Annual Growth Rate
CPI	Consumer Price Index
COCO	Company Owned, Company Operated (retail model)
COFO	Company Owned, Franchise Operated (retail model)
COCO / COFO / FOCO / FOFO	Group of ownership/operation retail models described in the report
CPSEs	Central Public Sector Enterprises
CY	Calendar Year (e.g., CY19 = Calendar Year 2019)
D2C	Direct-to-Consumer (brands selling directly to end customers)
DLF	Delhi Land & Finance (real estate developer; appears in mall names such as DLF Emporio, DLF Mall of India)
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EBO	Exclusive Brand Outlet
ELOG	Ease of Logistics (component under National Logistics Policy)
ESG	Environmental, Social and Governance
FDI	Foreign Direct Investment
FPRT	Food Product Retail Trading
FRE	First Revised Estimates (national accounts)
FOFO	Franchise Owned, Franchise Operated (retail model)
FOCO	Franchise Owned, Company Operated (retail model)
FY	Fiscal Year (Indian financial year, e.g., FY23 = 2022–23)
FYxxP	Projected fiscal year (e.g., FY30P = projected for FY2030)
FDI	Foreign Direct Investment in retail trading
Gati Shakti	Gati Shakti Programme (infrastructure connectivity programme; formal long name not given in text)
GeM	Government e-Marketplace
GDP	Gross Domestic Product
GVA	Gross Value Added
GST	Goods and Services Tax
HNI / HNIs	High Net-worth Individual(s)
HS codes	Harmonized System codes (international customs classification for trade)
ICE 360° survey	People Research on India's Consumer Economy (ICE) 360° survey (as named in the report)
IFLDP	Indian Footwear and Leather Development Programme
IMF	International Monetary Fund
INR	Indian Rupee
ISI mark	Certification mark of the Bureau of Indian Standards (referred to as mandatory BIS certification / ISI mark)
IT	Information Technology
LFS	Large Format Store(s)
LPG	Liquefied Petroleum Gas
M&A	Mergers and acquisitions
MMF	Man-Made Fibres (in context of textile policy and PLI)
MoSPI	Ministry of Statistics and Programme Implementation
MSME(s)	Micro, Small and Medium Enterprises
n.a. / N.A.	Not Applicable
n.d.	Not Disclosed

Abbreviation	Full form / Description (as used in the report)
n.m.	Not Meaningful
NCT (Delhi)	National Capital Territory of Delhi
NLP	National Logistics Policy
NSO	National Statistics Office
ONDC	Open Network for Digital Commerce
PAT	Profit After Tax
PAT margin	Profit After Tax Margin (PAT / Operating revenue)
PFCE	Private Final Consumption Expenditure
PLI	Production Linked Incentive (Scheme)
POS	Point of Sale (in context of “centralized POS/IT systems”)
Q2	Second Quarter (calendar or fiscal, as context-specific)
Q3FY26	Third quarter of Fiscal Year 2025–26
QCO(s)	Quality Control Order(s) (BIS footwear quality control orders)
RBI	Reserve Bank of India
RoCE	Return on Capital Employed
RoE	Return on Equity
SAE	Second Advance Estimates (national accounts)
SBRT	Single-Brand Retail Trading
SHE Marts	Self-Help Entrepreneur Marts (women-led community retail outlets under Lakhpati Didi-type programmes)
SHG(s)	Self-Help Group(s)
SME(s)	Small and Medium Enterprises (in FDI conditions for multi-brand retail)
T&A	Textiles and Apparel
Tex-Eco Initiative	Textile-Eco Initiative (programme promoting globally competitive and environmentally sustainable textiles & apparel)
TMRW	Brand / digital-first platform under ABFRL – not expanded in report
TReDS	Trade Receivables Discounting System
UAE	United Arab Emirates
UK	United Kingdom
ULIP	Unified Logistics Interface Platform
UN	United Nations
US	United States
USA	United States of America
WEO	World Economic Outlook (IMF publication)
WPP 2024	World Population Prospects 2024 (UN)

## Key Definitions:

Term	Definition
Company Owned, Company Operated (COCO)	Retail model where the company/brand owns the store assets and directly manages day-to-day operations using its own staff.
Company Owned, Franchise Operated (COFO)	Model where the company owns or funds the store assets, while a franchise partner runs daily operations under the brand's standards.
Franchise Owned, Company Operated (FOCO)	Model where the franchisee funds and owns the store setup, but the company operates the store, managing staff, inventory and customer experience.
Franchise Owned, Franchise Operated (FOFO)	Model where the franchisee both owns and operates the store, following the brand's guidelines and receiving merchandising and marketing support.
Exclusive Brand Outlet (EBO)	A store format that sells only one brand (or closely related brand family), designed to provide a focused brand experience and full assortment.
Large Format Store (LFS)	A big-box retail format with large floor space, offering wide product assortments under one roof, often including multiple categories.
Direct-to-Consumer (D2C)	Business model in which a brand sells directly to end customers (online and/or own stores), bypassing traditional distributors and wholesalers.
Point of Sale (POS)	The physical or digital system where a retail transaction is completed, including billing, payments and integration with inventory/customer data.
Department for Promotion of Industry and Internal Trade (DPIIT)	Government of India department under the Ministry of Commerce and Industry responsible for industrial policy, FDI, start-ups and internal trade initiatives.
Production Linked Incentive Scheme (PLI)	Incentive scheme that provides performance-linked financial benefits to manufacturers based on incremental sales of goods made in India.
National Logistics Policy (NLP)	Government policy framework aimed at reducing logistics costs, improving efficiency and enabling seamless multimodal movement of goods across India.
Unified Logistics Interface Platform (ULIP)	Digital platform under NLP that integrates logistics data from multiple ministries/agencies to enable real-time visibility and streamlined documentation.
Ease of Logistics (ELOG)	Mechanism under NLP to simplify logistics-related processes, improve coordination and address industry grievances to reduce operational frictions.
Integration of Digital Systems (IDS)	NLP component focused on digitally integrating systems of various ministries to enable seamless logistics data sharing and coordination.
Indian Footwear and Leather Development Programme (IFLDP)	Central government programme supporting infrastructure, modernisation, design and brand promotion in the footwear and leather ecosystem.
Foreign Direct Investment (FDI)	Cross-border investment where an entity from one country invests in and typically takes a controlling stake in a business located in another country.
Micro, Small and Medium Enterprises (MSMEs)	Enterprises classified by the Government of India based on investment and turnover thresholds; a priority segment for jobs and manufacturing.
Small and Medium Enterprises (SMEs)	Businesses larger than micro but smaller than large firms; often a policy focus for sourcing and credit support.
Trade Receivables Discounting System (TReDS)	RBI-regulated electronic platform where MSME invoices are financed (discounted), enabling earlier realisation of receivables and improved cash flows.
Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)	Trust that provides credit guarantees to lenders for collateral-free loans extended to micro and small enterprises.
Government e-Marketplace (GeM)	Government of India's online procurement platform where public agencies procure goods and services from registered vendors.
Open Network for Digital Commerce (ONDC)	Open, protocol-based network designed to unbundle and democratise e-commerce by enabling interoperability between buyer apps, seller apps and logistics providers.

Term	Definition
Gati Shakti Programme	Government programme to coordinate planning and implementation of infrastructure projects (roads, rail, ports, etc.) to improve multimodal connectivity.
Sagarmala	Initiative focused on port-led development, including modernisation of ports and development of port-linked infrastructure to reduce logistics costs.
Bharatmala	Road and highways development programme aimed at improving freight and passenger movement through economic corridors and strategic road networks.
India Post 2.0	Digital transformation initiative of India Post to become a modern logistics platform with track-and-trace, digital payments and integrated last-mile delivery.
Make in India	Flagship initiative aimed at transforming India into a global manufacturing hub by improving investment climate, infrastructure and domestic production.
Atmanirbhar Bharat	Policy vision of making India more self-reliant by strengthening domestic manufacturing, supply chains and reduced import dependence.
Gross Domestic Product (GDP)	Total monetary value of all final goods and services produced within a country's borders over a given period.
Gross Value Added (GVA)	Measure of the value of goods and services produced in an economy, equal to output minus intermediate consumption.
Private Final Consumption Expenditure (PFCE)	Component of GDP capturing household and non-profit spending on goods and services for final consumption.
Consumer Price Index (CPI)	Price index that tracks changes over time in the cost of a basket of consumer goods and services, used to measure inflation.
Core CPI	CPI measure excluding volatile items such as food and fuel, used to gauge underlying inflation trends.
Repo rate	Policy interest rate at which the Reserve Bank of India lends to banks; influences borrowing costs and credit conditions in the economy.
Bureau of Indian Standards (BIS)	National standards body of India responsible for formulating standards and operating product certification schemes.
ISI mark	Product certification mark of BIS indicating conformity with relevant Indian Standards.
Quality Control Order (QCO)	Statutory order mandating compliance with specified quality standards and often BIS certification for certain products.
Harmonized System (HS) codes	International customs classification codes used to identify goods in trade for tariffs, statistics and regulatory purposes.
World Economic Outlook (WEO)	IMF's flagship report providing analysis and projections of the global economy.
World Population Prospects 2024 (WPP 2024)	UN Population Division's set of global and country-level population estimates and projections.
ICE 360° survey	"People Research on India's Consumer Economy" survey providing data on incomes, consumption and economic status of Indian households.
High Net-worth Individual (HNI)	Individual with relatively high investible wealth, typically above a specified threshold used by financial institutions.
Self-Help Group (SHG)	Community-based group, often of women, that pools savings and provides small loans to members, supporting livelihoods and financial inclusion.
Self-Help Entrepreneur Marts (SHE Marts)	Community-owned retail outlets run by SHG federations to sell products such as handicrafts, apparel and agro-goods in a formal retail format.

Term	Definition
EBITDA	EBITDA is used by management to evaluate the operating performance of our business before the impact of financing costs, taxation and non-cash charges. It helps in assessing core profitability and operational efficiency across periods.
EBITDA (%) Margin	EBITDA margin is used to measure operating profitability as a percentage of revenue from operations. Our management monitors this metric to evaluate cost efficiency, pricing strategy and overall margin sustainability.
ROCE (%)	Return on Capital Employed is used to evaluate the efficiency with which our Company utilizes its capital to generate returns. Management uses this metric for capital allocation decisions and to assess overall financial performance.
Current Ratio	Current ratio is used by management to assess the liquidity position of the Company and its ability to meet short-term obligations. It helps in monitoring working capital adequacy and financial stability.
PAT	Profit After Tax margin is used to measure net profitability after all expenses, including taxes. Management uses this metric to evaluate overall financial performance and profitability trends.
ROE/ RoNW	Return on Equity is used to assess the return generated on shareholders' funds. Management monitors this metric to evaluate value creation for shareholders and overall efficiency in equity utilization.
Debt-Equity Ratio <sup>(13)</sup>	Debt-equity ratio is used by management to evaluate the capital structure and financial leverage of the Company. It helps in monitoring the balance between debt and equity and assessing financial risk.



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Crisil Intelligence is a leading provider of research, consulting, risk solutions and advanced data analytics, serving clients across government, private and public enterprises. We leverage our expertise in data-driven insights and strong benchmarking capabilities to help clients navigate complex external ecosystems, identify opportunities and mitigate risks. By combining cutting-edge analytics, machine learning and AI capabilities with deep industry knowledge, we empower our clients to make informed decisions, drive business growth and build resilient capacities.

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