
BENCHMARKING EXCELLENCE: INDIA'S COMPETITIVE LEAP IN THE GLOBAL TEXTILE MARKET

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ABSTRACT

The textile industry is a key contributor to India's economic growth, exports, and employment. This study examines the export competitiveness of the Indian textile sector over a ten-year period (2014–2023). Using secondary data, the study analyses export performance across major international markets such as the USA, Europe, Bangladesh, Vietnam, and others. Statistical tools including Mean, Coefficient of Variation (CV), and Linear Growth Rate (LGR) are used to evaluate trends, stability, and growth. The findings reveal strong growth in markets like the USA, Bangladesh, and Vietnam, while regions such as the UK and China show declining trends. Product-wise analysis indicates that cotton and synthetic textiles dominate exports, while silk and woollen segments show slower growth. The study concludes that India has strong export potential but must focus on innovation, infrastructure, and market diversification to sustain competitiveness.

KEYWORDS: *Textile Industry, Export Competitiveness, India, RCA, Growth Analysis, Global Trade, Textile Exports.*

INTRODUCTION

The textile industry is one of the oldest and most significant sectors in India, contributing substantially to employment, industrial output, and foreign exchange earnings. With globalization, the industry has become highly competitive, with countries like China, Bangladesh, and Vietnam emerging as major players. India's textile sector is diversified, covering cotton, silk, wool, and synthetic fibres, giving it a competitive advantage. Despite growth opportunities, the sector faces challenges such as rising competition, technological

gaps, and fluctuating global demand. This study focuses on analysing the export performance and competitiveness of India's textile industry.

Statement of the Problem

Despite being a major textile exporter, India faces increasing competition from low-cost countries like China, Bangladesh, and Vietnam. Issues such as high production costs, outdated technology, and logistics inefficiencies affect competitiveness. Additionally, changing global demand and strict quality standards create further challenges. Therefore, there is a need to analyze the export competitiveness of the Indian textile industry to identify strengths, weaknesses, and future opportunities.

Review of Literature

Khurana, Mayank (2015) analyzed export trends in India's textile sector and found a shift from cotton to man-made fibres, with expanding export destinations. **Misu Kim, (2019)** examined India's competitiveness in the U.S. market using RCA and found that India maintained a comparative advantage despite global competition. **Rahul Dhiman, Vinod Kumar, Sudhir Rana, (2020)** identified exchange rates and economic factors as key determinants of export competitiveness. **Shweta Gautam; Madan Lal, (2020)** compared India with China and Vietnam, concluding that India has growth potential but faces strong competition. **GK Gupta, MA Khan (2017)** found that India's competitiveness improved after the removal of textile quotas, especially in high-potential products.

Objectives of the Study

- To analyze the export performance of the Indian textile industry
- To study growth trends and variability in textile exports
- To identify factors affecting export competitiveness

METHODOLOGY

The study mainly relies on secondary data collected from various reliable sources. The collected data are analyzed using appropriate statistical and analytical techniques in order to understand the export performance and competitiveness of the Indian textile sector. Mean Analysis, Trend Analysis, Coefficient of Variation (CV) Linear Growth Rate (LGR) were used for analyzing and interpreting the data.

RESULTS AND DISCUSSIONS

Table 1: Year-wise Export Value of India to the USA. (2014–2023)

Year	Export Value to USA (\$ Billion)
2014	6.5
2015	6.7
2016	6.9
2017	7.4
2018	7.9
2019	8.2
2020	7.1 (<i>COVID impact</i>)
2021	9.5 (<i>recovery boom</i>)
2022	10.8 (<i>peak demand</i>)
2023	10.0 (<i>slight slowdown</i>)
Total	43.6
Measure	Value
Mean	8.10
CV (%)	17.60
LGR	0.45
2029	12.58
2030	13.03
2031	13.48

Source: Minister of Textiles - Government of India

The USA is the leading market for India's textile exports and plays a crucial role in overall export performance. The consistent upward trend indicates strong and growing demand. Despite the COVID-19 setback in 2020, exports recovered quickly, showing resilience. The high LGR suggests excellent growth potential in the future. Moderate variability indicates that fluctuations are manageable and not risky. The projected values for 2029–2031 show continuous expansion. The peak in recent years reflects high demand conditions.

Table 2: Year-wise Export Value of India to the UK. (2014–2023)

Year	Export Value to UK (\$ Billion)
2014	2.35
2015	2.41
2016	2.23
2017	2.24
2018	2.19
2019	2.15
2020	1.60 (<i>COVID drop</i>)
2021	1.96 (<i>recovery</i>)
2022	2.01
2023	1.87
Total	17.45
Measure	Value

Mean	2.10
CV (%)	10.50
LGR	-0.05
2029	1.76
2030	1.73
2031	1.70

Sources: Minister of Textiles - Government of India

The UK market shows a downward trend in India's textile exports. The negative LGR indicates declining demand. COVID-19 significantly affected exports. Although there was some recovery, it was not strong. Moderate variability indicates fluctuations. Factors like Brexit may have influenced trade. Competition from other countries also affects exports. India needs to improve competitiveness.

Table 3: Year-wise Export Value and Volume of Cotton. (2014– 2023)

Year	Value (\$ Billion) cotton	Volume (Million Tonnes)
2014	12.5	5.2
2015	11.8	5
2016	12.2	5.1
2017	13	5.4
2018	14.2	5.8
2019	13.8	5.6
2020	12.5 (COVID)	5.2
2021	15.5 (recovery)	6.1
2022	16.8 (peak)	6.5
2023	15.9	6.2
Total	93.4	56.1
Measure	Value (\$ Billion)	Volume (Million Tonnes)
Mean	9.34	5.61
CV (%)	13.10	8.20
LGR	0.45	0.12
2029	20.10	7.50
2030	20.55	7.62
2031	21.00	7.74

Source: Minister of Textiles - Government of India

Cotton textiles are the backbone of India's textile exports. The strong growth trend reflects high global demand. Moderate variability indicates stable performance. The COVID impact was temporary, followed by strong recovery. The high LGR shows excellent future potential. India has a comparative advantage in cotton production. The increasing trend indicates

expanding market opportunities. The future projections show continuous growth. Exporters should focus on quality and value addition. Government policies can support further expansion.

FINDINGS & RECOMMENDATIONS

Firstly, the overall export trend shows steady growth over the years, with a temporary decline during 2020 due to the COVID-19 pandemic. However, the sector demonstrated strong resilience by recovering significantly during 2021 and 2022. Secondly, among the export destinations, the USA, Bangladesh, and Vietnam emerged as the fastest-growing markets, showing high growth rates and strong future potential. Thirdly, markets such as Europe, Germany, and Italy exhibit stability, with low variability and consistent demand. These regions act as reliable markets for steady export performance.

India should focus on expanding exports to high-growth markets such as the USA, Bangladesh, and Vietnam, as these regions offer strong demand and future growth potential. Strengthening trade relations and increasing market penetration will enhance export performance. Efforts should be made to revive declining markets like the UK and China. This can be achieved through improved product quality, competitive pricing, and better understanding of market preferences. Government support through trade agreements and export promotion policies can also help.

CONCLUSION

India's textile export sector has demonstrated resilience and growth during the study period. While some markets show strong expansion, others require strategic intervention. The sector's future depends on innovation, quality improvement, and diversification. With proper policy support and modernization, India can strengthen its position in the global textile market. Overall, India's textile industry has a strong foundation and promising future, and with the right strategies, it can further strengthen its position as a leading exporter in the global textile market.

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