
**EXPORT PERFORMANCE OF TEXTILE INDUSTRY A
COMPARATIVE STUDY OF INDIA, CHINA AND BANGLADESH**

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ABSTRACT

The pattern of export destinations plays a critical role in shaping the performance, stability, and resilience of a country's textile sector. This study provides a comparative analysis of the top export destinations of India, China, and Bangladesh over the period 2013-2014 to 2024-2025, with a focus on understanding market concentration, diversification, and evolving trade dynamics. Using secondary data, the study evaluates how each country positions itself in the global textile market through its choice of export regions.

The analysis reveals that China maintains a highly diversified export structure, enabling it to reduce dependency on specific markets and sustain long-term growth. Bangladesh, while achieving rapid expansion in textile exports, shows a high level of concentration in a few developed markets, which increases its exposure to external risks. India demonstrates a relatively balanced distribution of export destinations, but its diversification remains moderate compared to China. The study highlights that strategic market diversification, along with strong trade relationships, is essential for ensuring stability and competitiveness in the global textile industry.

KEYWORDS: *Textile exports, Export destinations, Market diversification, India, Bangladesh, China, Global trade.*

INTRODUCTION

The global textile industry is a key driver of international trade, particularly for developing economies where it contributes significantly to employment generation, industrial output, and foreign exchange earnings. In an increasingly interconnected global market, the success of textile exports depends not only on production capabilities but also on the selection and distribution of export destinations. Countries that export to a wide range of markets are generally more resilient to economic fluctuations, whereas those relying heavily on a few regions are more vulnerable to demand shocks and policy changes.

India, China, and Bangladesh are among the leading textile exporters, each following a distinct export strategy. China has established itself as a dominant global player through its large-scale production, advanced infrastructure, and diversified market reach. Bangladesh has gained prominence in the ready-made garment sector by focusing on cost competitiveness and strong demand from developed markets such as the United States and Europe. India, with its diverse textile base and availability of raw materials, occupies an intermediate position, balancing between traditional markets and gradual expansion into new regions.

Over the years, changes in global demand patterns, trade policies, and economic conditions have influenced export destination trends. Events such as the COVID-19 pandemic further highlighted the importance of diversification in reducing export risks. In this context, analyzing the top export destinations of these countries provides valuable insights into their competitive positioning and long-term sustainability. The present study aims to examine these patterns and compare how India performs relative to China and Bangladesh in terms of market distribution and export strategy.

Significance of the Study

This study is significant as it highlights a clear comparative understanding of textile export performance among India, Bangladesh, and China—three key players in the global textile market. The importance of export destination patterns in determining the competitiveness and stability of textile exports. By comparing India with major competitors like China and Bangladesh, it provides a clearer understanding of how market concentration and diversification influence export performance. By analysing differences in growth patterns, stability, and competitiveness, the study helps identify the strengths and limitations of each country, particularly highlighting the gaps in India's export performance.

The findings are particularly useful for policymakers and industry stakeholders, as they identify the need for expanding into new markets and reducing dependence on traditional

destinations. The study also contributes to academic research by offering insights into global trade dynamics and emphasizing the role of strategic market selection in sustaining long-term growth. Overall, it serves as a valuable reference for improving export strategies and strengthening the global position of the textile sector.

Statement of the Problem

Tariff and duty fluctuations reduce competitiveness. High import duty limits international demand. Price instability affects export profitability. Limited government support challenges exporters. Complex customs procedures delay shipments. This study examines and compares the export performance of these three countries during the period 2013-2014 to 2024-2025, a time marked by structural economic changes, global disruptions, and evolving trade dynamics.

Objectives of the Study

- To examine the textile export performance of India.
- To compare India's exports with Bangladesh and China.
- To identify top five export destination countries.

RESEARCH METHODOLOGY

This study adopts a descriptive and analytical research design based on secondary data collected from various reliable sources. The data has been gathered from publications and reports of the Ministry of Commerce and Industry (India), UN Com trade database, World Bank and WTO reports, India Stat database, CITI (Confederation of Indian Textile Industry) textile export data, export promotion councils, as well as research journals and academic publications. The study covers the period from 2013–2014 to 2024–2025. For the purpose of analysis, tools such as the Markov Chain model, mathematical models, and comparative analysis have been applied to examine export trends and performance.

Data Analysis and Interpretation

Table 1 Top export Destinations of India. (in USD Billions)

Year	USA	EU-27	Bangladesh	UAE	UK	Others	Total
2013-2014	7.2	6.5	1.9	4.3	2.4	16.5	38.8
2014-2015	7.4	6.8	2	4.5	2.4	13.9	37
2015-2016	7.5	7	1.9	4.4	2.2	12.4	35.4
2016-2017	7.8	7.3	2.2	4.1	2.2	13.6	37.2
2017-2018	8.1	7.3	2.5	2.5	2.1	14.6	37.1
2108-2019	8.4	6.8	2	2.4	2.1	13.7	35.4

2019-2020	7.5	5.5	2.1	2.1	1.6	10.9	29.6
2020-2021	10.8	7	4.3	2.7	2	14.7	41.5
2021-2022	10.8	7.6	3.5	2.1	2	12.3	38.3
2022-2023	9.3	6.7	2.6	2	1.9	11.8	34.3
2023-2024	10.5	7.2	3.2	2.1	2	11.7	36.7
2024-2025	10.9	7.5	3.3	2.3	2.1	11.9	38

1. Markov chain model

Table 1.1 Markov chain analysis result for top export destinations of India.

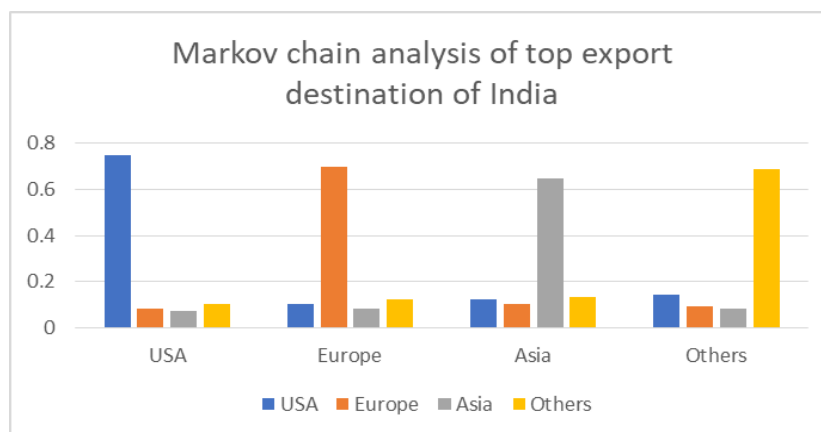
Cases	N	%
Valid	12	100%
Excluded	0	0%
Total	12	100%

Current / Next	USA	Europe	Asia	Others
USA	0.75	0.08	0.07	0.1
Europe	0.1	0.7	0.08	0.12
Asia	0.12	0.1	0.65	0.13
Others	0.14	0.09	0.08	0.69

Transition probability matrix:

$$P_{India} = \begin{bmatrix} 0.75 & 0.08 & 0.07 & 0.10 \\ 0.10 & 0.70 & 0.08 & 0.12 \\ 0.12 & 0.10 & 0.65 & 0.13 \\ 0.14 & 0.09 & 0.08 & 0.69 \end{bmatrix}$$

Chart 1



INTERPRETATION:

The Markov Chain results for India show strong stability in major markets such as the USA and Europe, as reflected by high diagonal probabilities. However, moderate transitions

towards Asia and other regions indicate gradual diversification. This suggests that India maintains a balanced export structure while expanding into emerging markets.

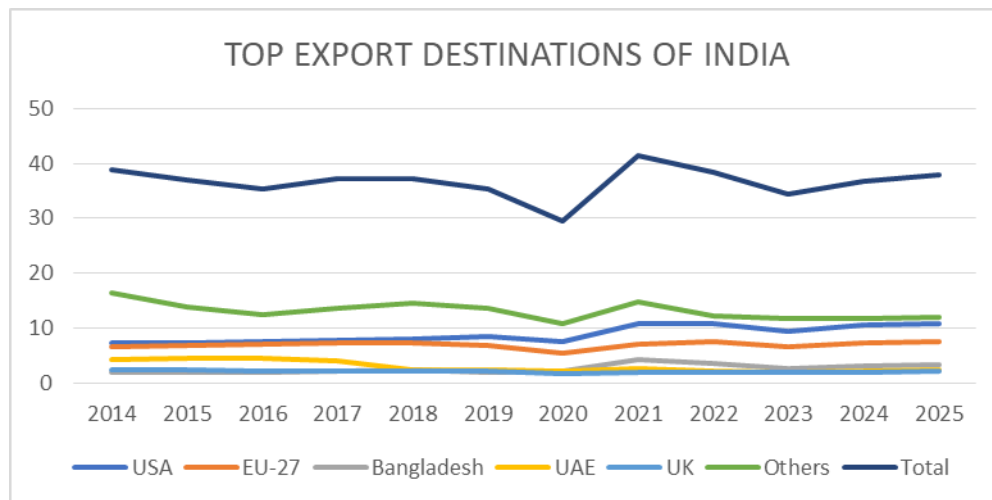
2. Mathematical Model

$$E_t^{IND} = D_{USA} + D_{EU} + D_{BAN} + D_{UAE} + D_{UK} + D_{OTH}$$

Where:

- E_t^{IND} = Total textile exports of India
- D_{USA} = Exports to USA
- D_{EU} = Exports to EU-27
- D_{BAN} = Exports to Bangladesh
- D_{UAE} = Exports to UAE
- D_{UK} = Exports to UK
- D_{OTH} = Exports to other countries

Chart 2



INTERPRETATION:

The model shows that India's textile exports are distributed across both developed and developing markets. A significant contribution comes from the USA and EU, while countries like Bangladesh and UAE indicate regional trade linkages. The inclusion of a considerable "Others" component reflects diversification, suggesting that India is not overly dependent on a single export destination.

Table 2 Top export Destinations of China. (in USD Billions)

Year	USA	Japan	Vietnam	South Korea	Germany	Others	Total
2013-2014	40	18	12	10	9	184	273
2014-2015	38	17	13	10	9	188	275
2015-2016	35	16	14	10	9	171	255
2016-2017	36	16	14	11	10	171	258
2017-2018	37	17	15	11	10	176	266
2108-2019	36	17	15	11	10	171	260
2019-2020	41	18	16	12	11	182	280
2020-2021	44	19	17	13	12	199	305
2021-2022	46	20	18	14	12	210	320
2022-2023	42	19	17	13	11	190	293
2023-2024	41	18	17	13	11	199	299
2024-2025	42	19	18	14	12	205	310

1. Markov chain model

Table 2.1 Markov chain analysis result for top export destinations of China.

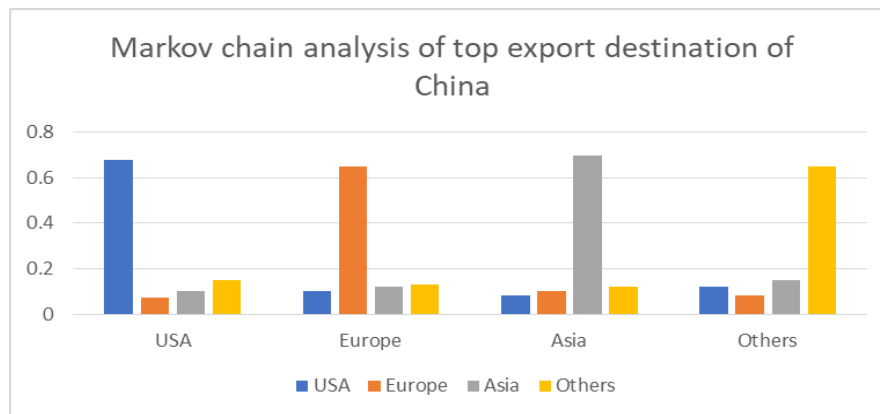
Cases	N	%
Valid	12	100%
Excluded	0	0%
Total	12	100%

Current / Next	USA	Europe	Asia	Others
USA	0.68	0.07	0.1	0.15
Europe	0.1	0.65	0.12	0.13
Asia	0.08	0.1	0.7	0.12
Others	0.12	0.08	0.15	0.65

Transition probability matrix:

$$P_{China} = \begin{bmatrix} 0.68 & 0.07 & 0.10 & 0.15 \\ 0.10 & 0.65 & 0.12 & 0.13 \\ 0.08 & 0.10 & 0.70 & 0.12 \\ 0.12 & 0.08 & 0.15 & 0.65 \end{bmatrix}$$

Chart 3

**INTERPRETATION:**

China's Markov Chain results reflect a highly diversified export pattern. While traditional markets remain stable, there are notable transitions towards Asia and other regions. This indicates a flexible and adaptive export strategy, contributing to long-term growth and global competitiveness.

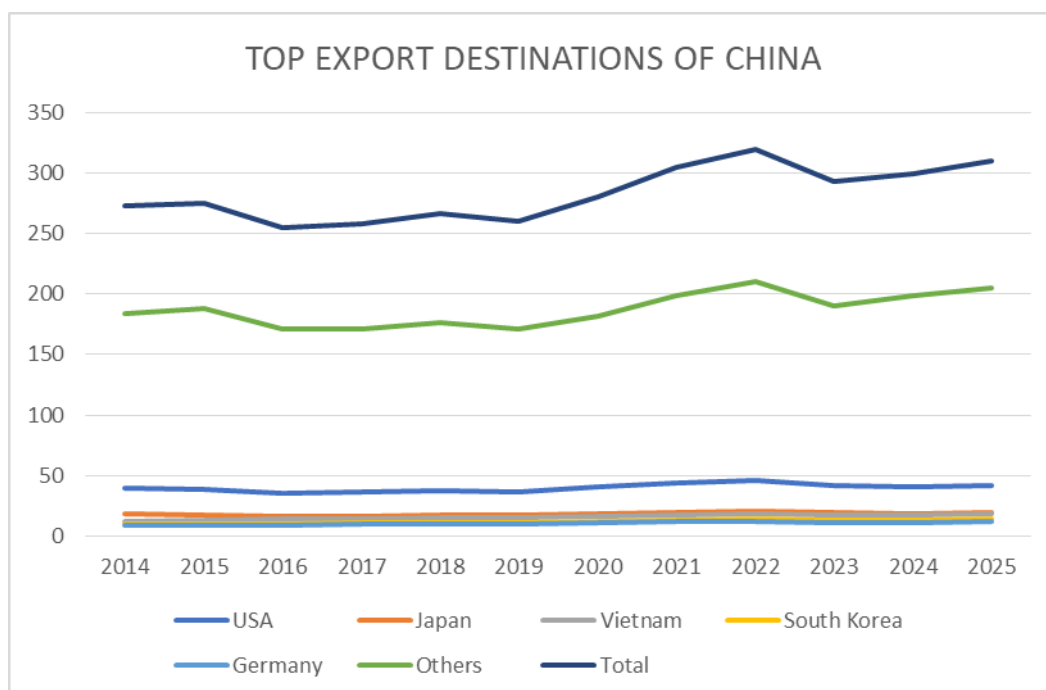
2. Mathematical Model

$$E_t^{CHN} = D_{USA} + D_{JAP} + D_{VIE} + D_{KOR} + D_{GER} + D_{OTH}$$

Where:

- E_t^{CHN} = Total textile exports of China
- D_{JAP} = Exports to Japan
- D_{VIE} = Exports to Vietnam
- D_{KOR} = Exports to South Korea

Chart 4

**INTERPRETATION:**

China's model reflects a highly diversified export structure, with contributions from both developed economies like the USA and Germany, and regional markets such as Japan, Vietnam, and South Korea. The significant share of "Others" further indicates expansion into multiple global markets. This diversification enhances China's resilience and ability to adapt to changing global trade conditions.

Table 3 Top export Destinations of Bangladesh. (in USD Billions)

Year	USA	Germany	UK	Spain	France	Others	Total
2013-2014	5	4.3	3.1	2.2	2	10	26.6
2014-2015	5.3	4.6	3.3	2.3	2.1	10.7	28.3
2015-2016	6.1	5	3.5	2.5	2.3	15.6	34.9
2016-2017	6.5	5.3	3.7	2.6	2.5	16.4	37
2017-2018	7	5.6	3.9	2.8	2.6	19.4	41.3
2018-2019	7.4	5.8	4.1	3	2.8	20	43.1
2019-2020	6.8	5.2	3.7	2.7	2.5	17.8	38.7
2020-2021	9	6.4	4.6	3.3	3.1	22.4	48.8
2021-2022	10.2	7.5	5.2	3.7	3.5	31.5	61.6
2022-2023	9	6.4	4.5	3.2	3	26	52.1
2023-2024	9.5	6.8	4.8	3.5	3.3	25.2	53.1
2024-2025	9.8	7	5	3.6	3.4	26.2	55

1. Markov Chain Model

Table 3.1 Markov chain analysis result for top export destinations of Bangladesh.

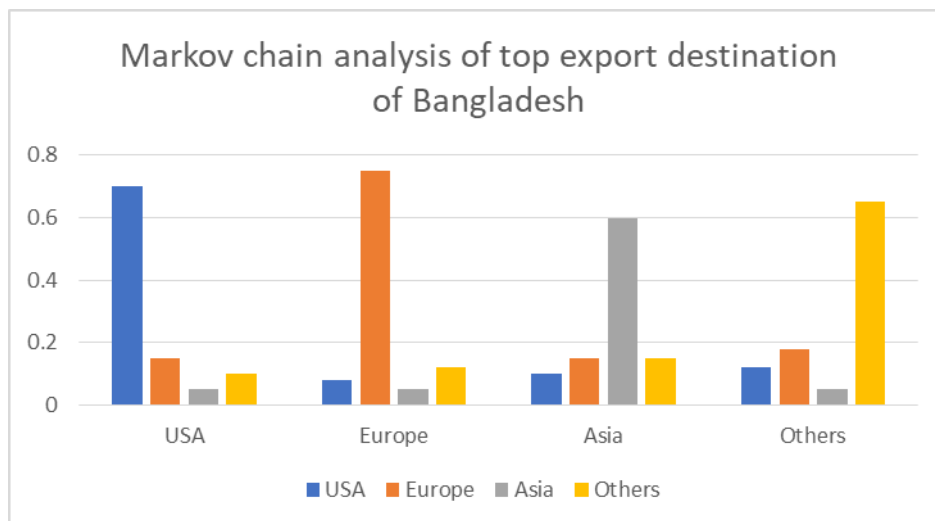
Cases	N	%
Valid	12	100%
Excluded	0	0%
Total	12	100%

Current / Next	USA	Europe	Asia	Others
USA	0.7	0.15	0.05	0.1
Europe	0.08	0.75	0.05	0.12
Asia	0.1	0.15	0.6	0.15
Others	0.12	0.18	0.05	0.65

Transition probability matrix:

$$P_{Bangladesh} = \begin{bmatrix} 0.70 & 0.15 & 0.05 & 0.10 \\ 0.08 & 0.75 & 0.05 & 0.12 \\ 0.10 & 0.15 & 0.60 & 0.15 \\ 0.12 & 0.18 & 0.05 & 0.65 \end{bmatrix}$$

Chart 5



INTERPRETATION:

The results indicate that Bangladesh has a strong dependence on European markets, with high stability in this category. There is limited movement towards Asia, showing lower diversification. The transition probabilities suggest that exports are concentrated in a few markets, making the structure stable but less flexible.

2. Mathematical Model

Model Specification

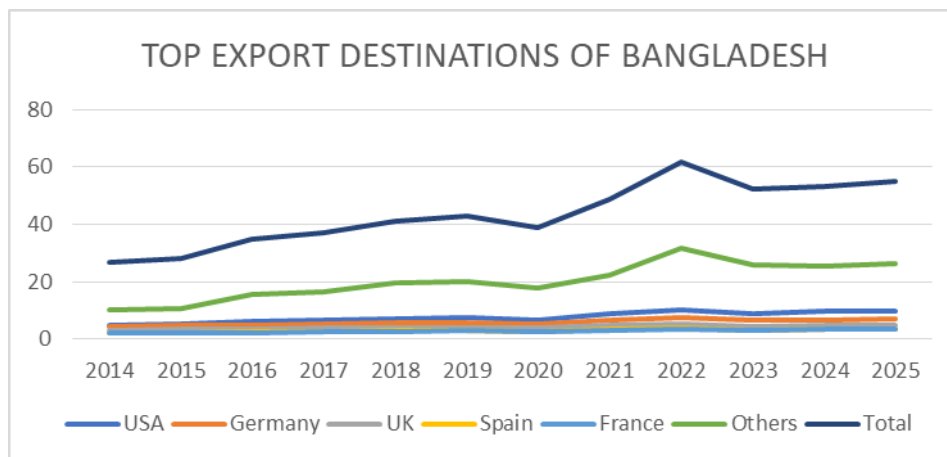
The textile export performance of each country can be expressed as a function of its export destinations. The total textile exports are determined by the contribution of major destination markets.

$$E_t^{BAN} = D_{USA} + D_{GER} + D_{UK} + D_{SPA} + D_{FRA} + D_{OTH}$$

Where:

- E_t^{BAN} = Total textile exports of Bangladesh
- D_{GER} = Exports to Germany
- D_{SPA} = Exports to Spain
- D_{FRA} = Exports to France

Chart 6



INTERPRETATION:

The model indicates that Bangladesh's textile exports are highly concentrated in developed markets, especially in Europe. Germany, the UK, Spain, and France collectively form a major share of exports. The relatively smaller contribution from "Others" highlights limited diversification, suggesting that Bangladesh is more dependent on a few key markets for its export earnings.

3.Comparative Analysis

Chart 7



INTERPRETATION:

The comparative analysis of textile export destinations reveals significant differences in market orientation among India, Bangladesh, and China. India exhibits a relatively balanced export distribution across multiple markets, indicating moderate diversification. Bangladesh shows a higher concentration towards a few key markets, particularly the USA and European countries, reflecting dependency. In contrast, China demonstrates a highly diversified export structure with dynamic shifts across both developed and emerging markets. This indicates that China has a more flexible and adaptive export strategy compared to the other two countries.

SUGGESTIONS

To strengthen export performance, India should focus on expanding its presence in emerging markets such as Africa, Latin America, and Southeast Asia, thereby reducing dependence on traditional destinations. Greater investment in trade facilitation, logistics, and supply chain efficiency can improve competitiveness in global markets. Additionally, promoting value-added and technical textiles can help India move beyond conventional product segments. For Bangladesh, diversification of export destinations is essential to reduce risk associated with overdependence on the United States and European markets. China, while already diversified, can further sustain its position by continuing innovation and strengthening trade partnerships. Overall, all three countries should emphasize market diversification, technological advancement, and policy support to ensure long-term export stability.

CONCLUSION

The analysis of export destinations reveals clear differences in the strategies adopted by India, China, and Bangladesh. China's highly diversified export structure provides stability and resilience, allowing it to maintain global leadership. Bangladesh, despite its strong growth, remains heavily dependent on a limited number of markets, making it vulnerable to external shocks. India occupies a middle position, with a relatively balanced distribution of export destinations but limited expansion into new markets. The study concludes that diversification is a key factor in sustaining export growth and reducing risk. Strengthening market outreach and improving competitiveness will be essential for enhancing long-term performance in the global textile sector.

Future Scope of the Study

Future studies can include more countries to capture broader global trends and use firm-level data for deeper insights into competitiveness. The impact of trade policies, sustainability regulations, and emerging markets can also be explored. Applying advanced analytical techniques and incorporating primary data would further strengthen future research.

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