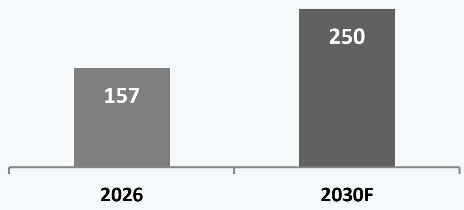
IBEF
INDIA BRAND EQUITY FOUNDATION

May 2026

TEXTILES AND APPAREL

MARKET SIZE

Textiles and Apparel Industry (US$ billion)

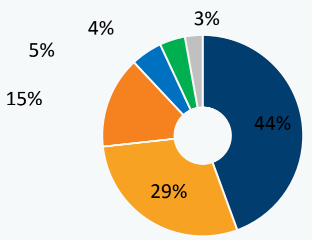


Key Facts as of FY26

- Contributes 2.3% to India's GDP
- Employs over 45 million people
- Contributes 12% to India's export earnings

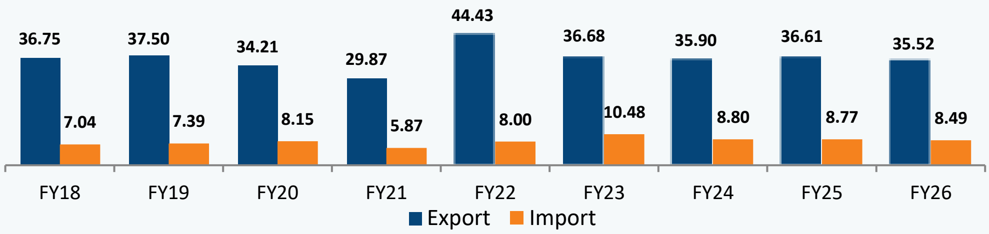
SECTOR COMPOSITION

Share of India's textile exports FY26



KEY TRENDS

Textiles Trade (US$ billion)



***Note:** Imports and export include textile yarn fabric and made-up articles; RMG of all textiles, cotton yarn/fabs./made-ups/handloom products, man-made yarn/fabs./made-ups, handicrafts excl. handmade carpets, carpets, silk carpets jute mfg. including floor coverings, Other Textile, Yarn, Fabric Made-up*

GOVERNMENT INITIATIVES

- National Textile Policy
- Khadi App Store
- Pradhan Mantri Fasal Bima Yojana

ADVANTAGE INDIA

- **Robust demand:** India's textiles sector continued to demonstrate resilience, with total textiles and apparel exports, including handicrafts, reaching US$ 35.52 billion in FY26. Ready-Made Garments (RMG) remained the largest export category, contributing 44% (US$ 15.77 billion) of total exports, followed by Cotton Textiles at 29% (US$ 10.25 billion) and Man-Made Textiles at 15% (US$ 5.23 billion). India's textile and apparel exports expanded across more than 120 global destinations, while the sector continues to be projected to reach US$ 350 billion by 2030.
- **Competitive advantage**: Union Minister of Commerce and Industry, Mr. Piyush Goyal, emphasised that the India-United Kingdom (UK) Free Trade Agreement (FTA) opens transformative opportunities for well-established sectors of India such as textiles, leather, and footwear sectors, enhancing competitiveness and visibility in the UK market.
- **Policy support**: The Indian Council of Agricultural Research (ICAR)–Central Institute for Cotton Research (CICR) is implementing a special cotton project under the National Food Security and Nutrition Mission across eight major cotton-growing states, with an outlay of Rs. 6,032.35 lakh (US$ 6.83 million) allocated for FY25-26 to promote best practices and enhance cotton productivity.
- **Increasing Investments**: According to Apparel Export Promotion Council (APEC), significant opportunities exist to deepen collaboration between Indian and Japanese firms in the textiles sector, with Tokyo-based companies expressing keen interest to invest in India. Total FDI inflows in the textiles (including Dyed, printed) sector stood at Rs. 33,512.66 crore (US$ 5,073.03 million) between April 2000-March 2026.