

Whitepaper

# THREADS OF LEGACY AND INNOVATION

**India's Apparel Export Journey from  
Historical Roots to Future-Ready  
Global Competitiveness.**



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# FROM THE DESK OF CEO

Dear Readers,

India's textile and apparel industry is not just a sector; it is a story. A story woven through millennia, from the delicate muslins of ancient Bengal to the high-tech knitwear clusters of today. It is a narrative of resilience, reinvention, and relentless ambition.

This whitepaper, *Threads of Legacy and Innovation*, is more than a report; it is a testament to India's enduring dominance in global textiles and a roadmap for the future. With apparel exports standing at \$16 billion in fiscal year 2023, India is already among the top five global exporters. But the question we must ask is: How do we reclaim our historical supremacy while future-proofing our industry for the next era of global trade?

Our strengths are unparalleled, raw material abundance, artisanal mastery, and an integrated supply chain. Yet, challenges persist: fragmented MSMEs, high logistics costs, and the urgent need for sustainable and digital transformation. The global apparel market is shifting, geopolitical realignments, ESG mandates, and Industry 4.0 disruptions are reshaping sourcing dynamics. India must act decisively.

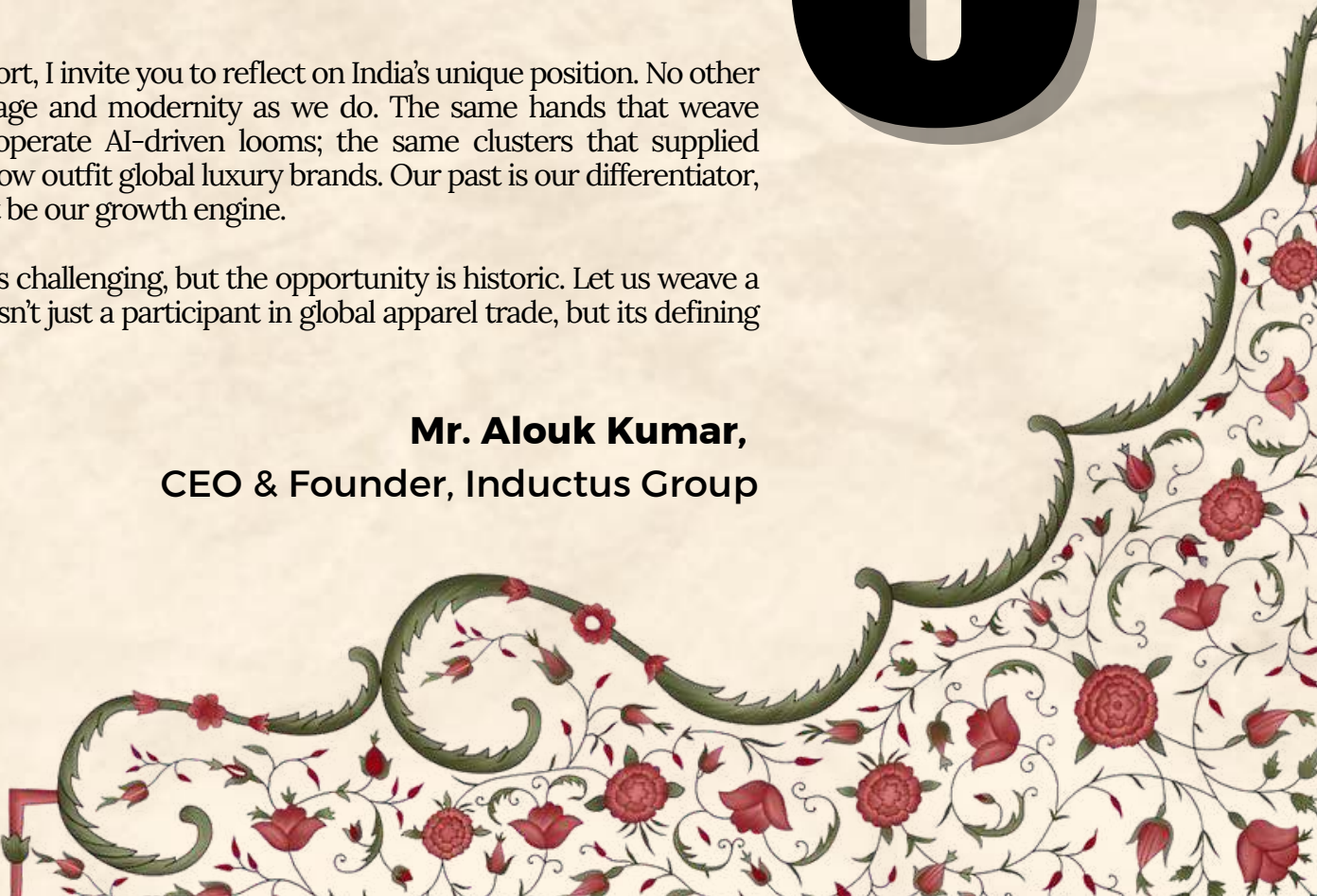
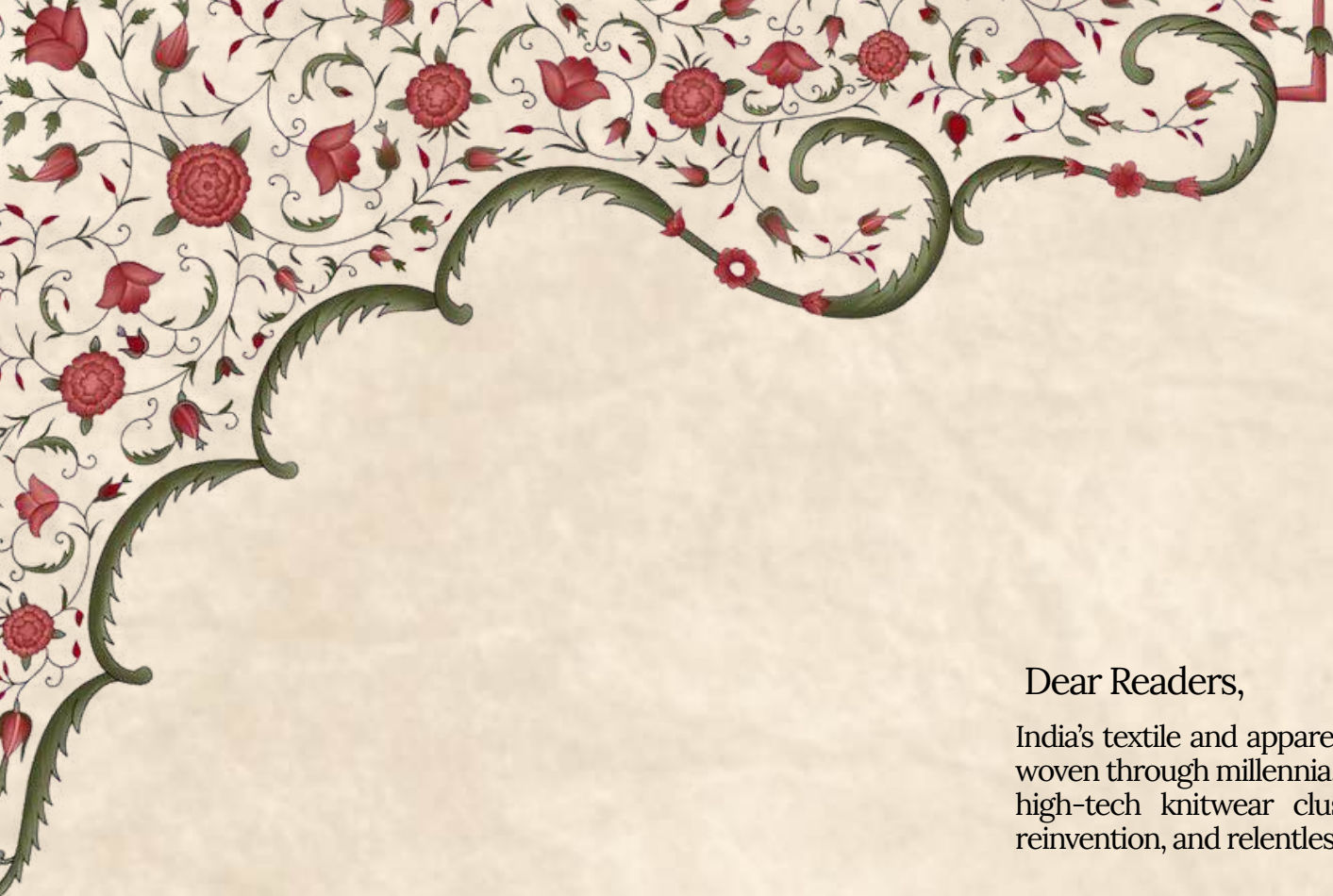
This paper lays out a bold vision: \$40 billion in apparel exports by 2035. Achieving this demands more than incremental growth; it requires a paradigm shift. From leveraging FTAs with the EU and UK to scaling green manufacturing, from empowering rural artisans with digital tools to positioning Brand India as a synonym for quality and sustainability, the path forward is clear.

The government's PLI scheme, PM MITRA parks, and RoDTEP incentives provide a strong foundation. Now, industry stakeholders, exporters, policymakers, and innovators must collaborate to accelerate execution. The time for siloed efforts is over; the future belongs to those who integrate tradition with technology, scale with sustainability, and local craftsmanship with global market intelligence.

As you read this report, I invite you to reflect on India's unique position. No other nation blends heritage and modernity as we do. The same hands that weave Banarasi silks can operate AI-driven looms; the same clusters that supplied Mughal emperors now outfit global luxury brands. Our past is our differentiator, but innovation must be our growth engine.

The journey ahead is challenging, but the opportunity is historic. Let us weave a future where India isn't just a participant in global apparel trade, but its defining force.

**Mr. Alouk Kumar,**  
CEO & Founder, Inductus Group





# Executive Summary

**I**ndia's apparel export sector is deeply rooted in tradition and brimming with potential for global leadership. From ancient trade routes to contemporary global fashion markets, India has maintained a unique position as a textile powerhouse. As of 2023, it ranks among the top five apparel exporters worldwide, highlighting its strategic role in international supply chains. This white paper delves into the historical evolution, present dynamics, and forward-looking strategies that define India's apparel export narrative.

**It examines policy frameworks,** technological innovations, sustainability imperatives, and global marketing strategies while outlining a roadmap to reach the ambitious target of \$40 billion in apparel exports by 2035. A fusion of legacy craftsmanship and modern innovation places India at the cusp of a transformative era in global apparel trade.





# Introduction

**The Indian textile** and apparel sector is an age-old legacy and a dynamic economic driver. It is one of the oldest industries in the country, with its beginnings stemming back to the Indus Valley Civilization, but continues to be one of the largest contributing sectors to national output, export earnings, and employment. The industry is significant not only in its economic size but also its cultural and social relevance, providing a way to earn a livelihood for millions while safeguarding several centuries of traditional crafting and production methods.

**Today**, it is estimated that the textile and apparel sector employs over 45 million people, making it the second-largest employment sector in India after agriculture. It contributes roughly 12% of national export earnings, which affirms its position as a strategic component in India's trade and industrial policy. In addition to economic statistics, the sector also maintains an ecosystem of used labor networks that range from cotton farming and silk production to handlooms and factory style garment production, differentiating this sector from the other industries it integrates in the informal and formal economies.

**This paper examines India's apparel export trajectory**, highlighting the transition from artisanship to global supply chains. It looks at critical performance indicators like export value evolution, market concentration, realization of unit values, and category diversification, while still noting significant structural challenges (i.e., fragmented production, policy incoherence, skill gaps, logistics) that impede the sector's global competitiveness.

**The analysis states** the apparel export experience at a moment of demographic advantage in which India's relatively young population represents an opening for the nation. With a concerted focus on skilling the workforce, digital adoption, and sustainability compliance, the sector can pivot to value-added manufacturing and brand-led exports. Furthermore, as global buyers increasingly press for reliability, traceability, and ethical sourcing, India can build on its strengths, both traditional and new, to become a future-ready apparel export powerhouse in this context.





# Historical Context: A Legacy Woven in Gold

**India's** continued involvement with the trade of textiles spans over four millennia, which situates it as not only a producer but a civilizational innovator in textiles. Evidence of a textile culture can be found in the Indus Valley Civilization (IVC) due to discoveries from Mohenjo-Daro and Harappa. For example, remnants of cotton, spindles, and weaving tools were found, suggesting an organized textile-making culture as early as 2500 BCE. The culture of the IVC was very sophisticated in its production of textiles and dyeing; the greatest aspect worth noting is, because it clearly shows that clothing and fabric was central to their economic and social life.

**Classical texts** help provide evidence for the strategic use of textiles in ancient India. In the Arthashastra, state governance over weavers and textile guilds was described, implying a planned artisan economy, in terms of textile industries as an artisan-based industry. During the Mauryan and Gupta periods, textiles were becoming regarded as high-value trade goods, as Indian textiles reached markets in Southeast Asia, China and the Mediterranean via the overland and maritime Silk Routes. Ports such as Tamralipta and Baruch became key export locations from which dyed cottons, silks and woolen fabrics could reach markets.

**The medieval era**, particularly under the Mughals, saw Indian textiles attain global repute for craftsmanship and design. Techniques such as Jamdani, Kalamkari, Chikankari, and Zardozi flourished, and muslins from Bengal—especially the Dhaka variety—were prized in international courts. Dhaka muslin, known for its fineness, was so delicate it was poetically described as “woven air.” These luxury fabrics were routinely traded to Europe, the Middle East, and Southeast Asia, earning India the status of a textile superpower.

**However**, the advent of British colonialism marked a systemic dismantling of India's indigenous textile economy. British policies were explicitly extractive—raw cotton was exported to British mills, and cheap, mass-produced cloth from Manchester was re-imported into India, decimating local artisanal production. The loss of traditional livelihoods, combined with the industrial bias of colonial trade policies, resulted in a sharp contraction of India's global textile presence.

**In the post-independence era**, a determined effort was made to revive the sector. The government promoted both mill-based production and handloom development through state-led industrialization, cooperative movements, and rural employment schemes. Institutions such as the All India Handloom Board and the setting up of Textile Export Promotion Councils aimed to restore India's reputation as a textile hub. This period also saw the genesis of policies that continue to shape today's ecosystem—such as the creation of textile parks, skill development initiatives, and export cluster programs.

**By reconnecting** with its artisanal heritage while embracing industrial modernization, India laid the groundwork for its present-day apparel export ambitions. The legacy of textile excellence, combined with targeted policy interventions, offers a unique blend of tradition and scale that positions India advantageously in the global textile value chain.





# → The Rise of Modern Apparel Exports (1950s–1990s)

**The 1980s** also marked a wave of private sector participation, where traditional family-run textile enterprises began scaling operations to fulfill growing demand from international markets, particularly Europe and North America. Recognizing this momentum, the Indian government introduced several incentive-driven schemes. These included duty drawback mechanisms, interest subsidy schemes, and concessional credit facilities, all designed to make Indian exports more competitive.

**During the 1970s and 1980s**, India's textile landscape witnessed the formation of geographically specialized apparel clusters. Tirupur emerged as a globally recognized hub for cotton knitwear; Ludhiana gained prominence for woolen garments and hosiery; and Surat positioned itself as a nucleus for synthetic fabrics and man-made fiber production. These clusters thrived due to the availability of skilled labor, entrepreneurial family-owned businesses, and proximity to raw materials.

**A crucial institutional milestone** came with the establishment of the Apparel Export Promotion Council (AEPC) in 1978, which served as a central body to streamline export-related facilitation, support marketing efforts, and create linkages between domestic manufacturers and international buyers. Complementing AEPC's mandate, the introduction of Export Processing Zones (EPZs)—precursors to today's SEZs (Special Economic Zones)—aimed to minimize bureaucratic red tape, simplify customs procedures, and improve the ease of doing export business.

**Following India's independence in 1947**, the textile and apparel sector entered a phase marked by a policy emphasis on import substitution, self-reliance, and the promotion of indigenous industry. The post-colonial government prioritized industrialization through a mixed economy framework, wherein the textile sector—owing to its employment potential and cultural relevance—was designated as a key area for economic planning.

**Moreover**, the availability of an abundant, cost-effective labor force coupled with India's rich textile heritage enabled domestic manufacturers to cater to a diverse array of buyer specifications. The era also saw the beginning of the readymade garment (RMG) export boom, supported by flexible production capabilities and growing compliance with international quality standards.

**By the early 1990s**, India had successfully transitioned from being a raw material supplier to a full-spectrum apparel exporter. Its integration into the global apparel value chain was no longer tentative but assertive—laying the foundation for future trade liberalization and global competitiveness.

**This period** of industrial and policy transformation not only helped India secure a foothold in the global apparel ecosystem but also shaped the structural contours of today's textile export architecture. The confluence of targeted policy support, cluster-driven industrial growth, and entrepreneurial energy formed the bedrock for the sector's next phase of globalization.





# → Liberalization and Global Integration (1991–2010)

**The year 1991 marked** a decisive turning point for India's textile and apparel industry, coinciding with the nation's broader economic liberalization. This watershed moment was characterized by comprehensive policy reforms that included tariff reductions, deregulation of industrial controls, and the introduction of foreign direct investment (FDI)-friendly frameworks. These structural changes dismantled decades of protectionism and catalyzed a new era of growth and competitiveness for Indian apparel exports.

**The liberalized trade** regime enabled Indian manufacturers to integrate more deeply with global value chains and international brands. This connectivity was further reinforced by India's commitments under the World Trade Organization (WTO), which mandated the gradual dismantling of restrictive trade barriers. A pivotal milestone was the expiration of the Multi-Fibre Arrangement (MFA) in 2005, which had previously imposed quotas on textile and garment exports. The MFA's phase-out allowed India to leverage its abundant cotton resources and diversify into higher value-added apparel segments, boosting export volumes and market share globally.

**This period** also witnessed the entry of major global apparel players such as Levi's, Marks & Spencer, and Benetton into the Indian market. These companies established joint ventures, sourcing partnerships, and contract manufacturing relationships that introduced advanced quality control measures, lean manufacturing practices, and supply chain efficiencies. Their presence helped elevate Indian manufacturing standards, aligning domestic capabilities with global expectations.

**Simultaneously,** regional apparel clusters evolved beyond their traditional roles. While Tirupur, Ludhiana, and Surat retained prominence, newer hubs such as Noida, Bengaluru, and Jaipur emerged as key sourcing destinations. These clusters benefited from improved infrastructure, enhanced logistics networks, and investments in skill development, thereby increasing India's attractiveness as a sourcing base.

**The liberalization era** also facilitated diversification into niche and premium apparel segments. Indian manufacturers expanded their product portfolios to include children's wear, occasion wear, semi-formals, and other specialized categories, responding to evolving global consumer demands. Policy support through duty drawback schemes, export incentives, and concessional financing continued to play a vital role in sustaining this growth trajectory.

**By the late 1990s and early 2000s,** India had firmly established itself as a significant player in the global apparel supply chain. The combination of economic reforms, strategic cluster development, and active private sector participation laid the groundwork for sustained export growth and enhanced competitiveness on the international stage.





# India's Position in the Global Apparel Market

In 2023, India's garment exports stood at approximately USD 16 billion, placing it fourth globally. While China remains dominant, rising costs and trade tensions are prompting buyers to explore alternate sourcing destinations like India, Vietnam, and Bangladesh. India offers a strong value proposition in quality, raw material access, design diversity, and compliance.

India's focus is increasingly on value addition and market segmentation. Luxury segments, performance wear, and organic clothing are gaining traction. FTAs with the UAE and ongoing negotiations with the EU, UK, and Canada are expected to boost India's market share further.

COUNTRY	APPAREL EXPORT (USD BILLION, 2022-23)	MARKET SHARE (%)
CHINA	176	32.7
BANGLADESH	46	8.5
VIETNAM	38	7.1
VALUE FOR MONEY	16	3.0
INDIA	14	2.6





# The Strengths of the Indian Apparel Sector

India's textile and apparel industry is uniquely positioned on several foundational strengths that collectively underpin its competitive edge in the global marketplace. These strengths span from raw material abundance and artisanal expertise to integrated supply chains and policy support, forming a robust ecosystem capable of meeting diverse international demands.

## Raw Material Diversity

India stands as the world's largest producer of cotton and jute, alongside significant outputs in silk and synthetic fibers. This raw material diversity translates into considerable supply chain flexibility for exporters, enabling the production of a wide array of textiles and apparel products. Cotton cultivation across multiple states like Maharashtra, Gujarat, and Telangana ensures year-round availability and quality variations suited to both basic and premium garment manufacturing. Meanwhile, India's historic silk-producing regions such as Karnataka and West Bengal contribute specialty fibers prized for luxury apparel. The availability of synthetic textiles further allows Indian manufacturers to cater to fast fashion and value-driven market segments, enhancing product variety and responsiveness to global trends.

## Artisan Base and Cultural Heritage

India's rich tradition of handloom and handicraft textiles remains a vital pillar of its apparel sector. With over 3 million artisans engaged in handloom weaving, embroidery, and related crafts, the industry offers access to distinctive, high-value apparel rooted in cultural heritage. Techniques like Jamdani weaving, Kalamkari printing, and Zardozi embroidery not only cater to niche luxury markets but also contribute significantly to rural employment and inclusive growth. This artisan base provides Indian exporters a unique selling proposition in international markets increasingly valuing authenticity and craftsmanship.





## Vertical Supply Chain Integration

Unlike many apparel-exporting countries that rely heavily on imported inputs, India boasts an end-to-end textile production ecosystem encompassing fiber processing, spinning, weaving, dyeing, garmenting, and finishing operations. This vertical integration enhances control over quality, cost, and lead times, making Indian manufacturers more agile and reliable partners in global supply chains. The co-location of these activities in established textile clusters fosters operational efficiencies and innovation, further strengthening India's position.

## R&D and Design Ecosystem

India's investment in design and research capabilities is a growing catalyst for innovation within the sector. Premier institutes such as the National Institute of Fashion Technology (NIFT) and the National Institute of Design (NID) are nurturing a new generation of designers and technologists attuned to global fashion trends, sustainability imperatives, and technological advancements. This infusion of creative and technical talent equips Indian apparel manufacturers to better anticipate and serve evolving consumer preferences worldwide.

## Robust Policy Frameworks

Government support through targeted policy initiatives plays a crucial role in modernizing India's textile industry and enhancing export competitiveness. Schemes like the Amended Technology Upgradation Fund Scheme (ATUFS), Production Linked Incentive (PLI) programs, and the Remission of Duties and Taxes on Exported Products (RoDTEP) provide financial incentives that encourage investment in state-of-the-art machinery, product diversification, and export expansion. These frameworks also support skill development and infrastructure upgrades, ensuring the sector remains globally competitive amid changing trade dynamics.

**Together,** these strengths create a resilient and dynamic textile and apparel export ecosystem. Leveraging its natural resources, cultural assets, integrated production capabilities, innovation potential, and supportive policies, India is well-positioned to sustain its growth trajectory and capture greater shares of the global apparel market.





# Challenges Facing Indian Apparel Exports

**Despite** its significant strengths and historical prominence, India's textile and apparel industry faces several structural and operational challenges that inhibit its full potential in the global marketplace. Addressing these constraints is critical for sustaining growth, improving competitiveness, and ensuring long-term sustainability.

## High Operational Costs

**One of the foremost challenges** confronting Indian apparel manufacturers is the relatively high cost of operations compared to regional competitors like Bangladesh and Vietnam. Energy costs, including electricity and fuel, are notably higher, impacting production expenses across spinning, weaving, dyeing, and garmenting units. Financial costs such as interest rates on working capital and export financing are also comparatively steep, limiting investment capacity and cash flow flexibility. Additionally, logistics costs—spanning inland transportation, port handling, and customs clearance—add layers of expense and complexity, affecting timely delivery and overall cost competitiveness. These cumulative cost factors challenge Indian exporters to price their products attractively while maintaining profitability.

## Fragmented Industry Structure

**India's textile** and apparel landscape is dominated by micro, small, and medium enterprises (MSMEs), which constitute over 80% of industry units. While this sectoral diversity enables entrepreneurship and employment generation, it also leads to fragmentation, limiting scalability and aggregation of resources. Smaller units often operate with constrained capital, outdated machinery, and limited access to global markets. This fragmentation slows down technology adoption, modern manufacturing practices, and organized marketing, preventing Indian apparel clusters from achieving economies of scale that regional competitors enjoy.





## Delayed Technological Modernization

Many Indian apparel manufacturers continue to rely on traditional, labor-intensive methods due to limited investments in automation and digital integration. Automated cutting machines, advanced finishing technologies, and enterprise resource planning (ERP) systems are sparsely deployed, leading to inefficiencies in material usage, production scheduling, and quality control. The absence of widespread technological modernization hampers productivity improvements, increases lead times, and constrains the ability to meet stringent international buyer requirements related to speed and traceability.

## Labor Regulations

India's labor laws, while aimed at protecting worker rights, are often cited as rigid and complex, posing challenges for manufacturers needing workforce flexibility to manage seasonal demand fluctuations. The procedural requirements for hiring, layoffs, and wage adjustments can delay operational responsiveness and increase compliance costs. This rigidity disincentivizes large-scale formal sector employment, pushing many units to operate informally or limit expansion plans, thereby constraining labor market dynamism critical for the apparel sector.

## Environmental and Social Compliance

Global apparel buyers are increasingly emphasizing Environmental, Social, and Governance (ESG) standards as prerequisites for sourcing partnerships. Compliance with environmental regulations, sustainable resource use, worker welfare, and certification protocols demands substantial investment in cleaner technologies, capacity building, and ongoing monitoring. For many Indian manufacturers, especially smaller enterprises, meeting these evolving ESG benchmarks is a significant hurdle due to financial and knowledge constraints. Failure to align with these standards risks loss of market access and reputational damage in the international arena.





# → The Sustainability Imperative :

**In the evolving landscape** of global apparel sourcing, sustainability, transparency, and ethical production have become critical determinants for buyer preferences and market access. Increasingly, international brands and consumers demand comprehensive traceability throughout the supply chain alongside demonstrable reductions in environmental impact. India's textile and apparel industry, with its rich heritage of natural fibers and artisanal craftsmanship, is uniquely positioned to meet these expectations. However, scaling sustainable production practices to achieve global benchmarks remains a pressing challenge.

**India's traditional strengths** — notably its extensive cotton production, handloom heritage, and regional textile specializations — provide a foundation for embedding sustainability across the value chain. Recognizing this, several initiatives have been launched to promote greener manufacturing and responsible sourcing. The Central Institute for Research on Cotton Technology (CIRCOT) has been actively promoting organic cotton cultivation, supporting farmers with sustainable agricultural practices that reduce chemical inputs and enhance soil health. Such efforts are vital in responding to rising global demand for organic textiles that minimize ecological footprints.

**Industrial clusters** have also embraced sustainability through targeted infrastructure developments. For example, Gujarat hosts sustainable dyeing parks designed to consolidate effluent treatment, reduce water consumption, and enable shared environmental compliance. Similarly, the Tirupur textile cluster, India's knitwear powerhouse, is advancing zero-liquid discharge technologies to minimize water pollution and conserve resources. These collective efforts underscore a growing awareness and commitment within the sector to integrate sustainability as a core operational principle.

**Looking ahead**, India must accelerate the adoption of cutting-edge technologies and innovative practices to reinforce its global competitiveness. Blockchain-enabled traceability systems can provide verifiable transparency from fiber origin to finished garment, enhancing trust with international buyers and consumers. Circular economy approaches—such as designing for recyclability, upcycling textile waste, and embracing biodegradable fibers—can help reduce resource dependence and waste generation.

**Investments** in waterless dyeing technologies offer promising opportunities to drastically lower water usage and chemical discharge in textile processing. Likewise, harnessing renewable energy sources like solar power for manufacturing operations can reduce carbon footprints and operational costs, positioning India as a leader in green textile production.

**To sustain momentum**, public-private partnerships, research institutions, and industry bodies must collaborate closely to facilitate knowledge transfer, incentivize eco-friendly investments, and promote certification schemes aligned with global sustainability standards. Through such concerted action, India's textile and apparel sector can not only preserve its rich legacy but also emerge as a benchmark for sustainable fashion manufacturing on the world stage.





# Government Initiatives and Policy Support

**Recognizing** the strategic importance of the textile and apparel industry as a major employment generator and export earner, the Government of India has implemented a series of forward-looking policies and schemes aimed at enhancing the sector's global competitiveness, fostering modernization, and supporting sustainable growth. These initiatives reflect a comprehensive approach to addressing structural challenges while leveraging India's inherent strengths.

**The Production** Linked Incentive (PLI) Scheme stands out as a landmark policy designed to attract large-scale investments and encourage the manufacture of high-value textile products domestically. By providing financial incentives linked to incremental sales, the PLI scheme incentivizes manufacturers to upscale capacities, adopt advanced technologies, and penetrate global markets with value-added products. This is expected to significantly boost India's share in the international apparel supply chain, particularly in segments such as technical textiles and high-end fashion.

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**To ensure cost competitiveness**, export promotion measures such as the Remission of Duties and Taxes on Exported Products (RoDTEP) and the erstwhile Merchandise Exports from India Scheme (MEIS) provide exporters refunds on embedded taxes and duties incurred during the production process. These schemes help neutralize input costs and enhance price parity against international competitors, thereby supporting India's position as a preferred sourcing destination.

**Addressing the critical need for a skilled workforce**, government programs like Skill India and the SAMARTH scheme focus on upskilling labor to meet evolving industry standards. These initiatives deliver training aligned with international compliance requirements, technological advancements, and sustainability norms, thus preparing workers for the demands of modern textile manufacturing and export.

**Further**, financial support mechanisms such as the Emergency Credit Line Guarantee Scheme (ECLGS) and dedicated credit programs for Micro, Small and Medium Enterprises (MSMEs) have played a pivotal role in providing liquidity during the post-COVID recovery phase. By easing access to capital, these schemes empower smaller units to upgrade machinery, adopt technology, and sustain operations amid challenging market conditions.

**Together**, these government interventions form a robust policy framework designed to propel India's textile and apparel sector towards a future marked by enhanced productivity, global integration, and sustainable growth. Continued collaboration between policymakers, industry stakeholders, and financial institutions will be essential to fully realize the potential of these measures and secure India's leadership in the global textile economy.





# Digital Transformation and Industry 4.0

**The global apparel industry** is undergoing a profound transformation driven by advancements in digital technologies such as Artificial Intelligence (AI), the Internet of Things (IoT), and cloud-based Enterprise Resource Planning (ERP) systems. These innovations are reshaping traditional manufacturing and supply chain paradigms, enabling greater efficiency, agility, and responsiveness to rapidly evolving consumer demands. Indian apparel exporters are increasingly recognizing the strategic imperative to adopt such technologies to remain competitive on the world stage.

**AI-powered forecasting tools** are enabling manufacturers to predict demand patterns with greater accuracy, thereby minimizing overproduction and reducing inventory holding costs. By leveraging machine learning algorithms on historical sales data and market trends, companies can optimize production schedules and raw material procurement, leading to leaner manufacturing processes. This level of precision is essential in a sector characterized by fast fashion cycles and heightened consumer expectations.

**The integration of IoT devices** across production floors is enhancing real-time monitoring and quality control. Sensors embedded in machinery track operational parameters, flagging inefficiencies or potential breakdowns before they impact output. Additionally, IoT-enabled logistics solutions provide end-to-end visibility of shipments, reducing delays and improving supply chain transparency. These technological enhancements not only boost operational productivity but also align with growing demands from global buyers for traceability and compliance.



**Cloud-based ERP systems** offer Indian exporters the flexibility to manage diverse functions—including inventory management, procurement, order processing, and finance—on a unified platform accessible from any location. This supports agile decision-making and collaboration among geographically dispersed teams, a critical capability for exporters servicing international markets. Furthermore, virtual sampling and 3D design tools reduce the need for physical prototypes, cutting costs and accelerating product development timelines.

**India's** vibrant startup ecosystem is playing a catalytic role in this digital shift. Innovative enterprises are developing cutting-edge solutions in quality assurance automation, predictive analytics for inventory replenishment, and last-mile delivery tracking. These startups are also enabling seamless integration with global e-commerce and B2B platforms such as Alibaba, Amazon, and Shopify, facilitating direct-to-consumer (D2C) export channels. Such integrations allow Indian apparel brands to bypass intermediaries, access international consumers directly, and respond swiftly to market feedback.

**With sustained policy support,** infrastructure investments, and capacity building, India stands poised to emerge as a digital hub within the global fashion supply chain. Harnessing these technological advancements will not only elevate the operational efficiency of Indian exporters but also create a foundation for sustainable, innovation-led growth in the apparel sector.



# Branding India Globally

**In today's highly competitive global apparel market**, creating a strong and cohesive country brand for Indian textiles and garments is imperative for sustained export growth and international recognition. While initiatives such as the "India Handloom Brand" and "Khadi India" have laid important groundwork by promoting traditional crafts and indigenous textiles, the rapidly evolving global fashion landscape demands a more comprehensive and strategic rebranding effort to capture diverse markets and consumer segments.

**Participation in prestigious global fashion weeks**, international trade shows, and digital expos serves as a critical platform for India to showcase its rich heritage, contemporary design innovation, and commitment to sustainable practices. Such events not only elevate brand visibility but also provide opportunities for Indian exporters to forge direct relationships with global buyers, designers, and influencers, thereby strengthening market access and collaborative prospects.

**A coordinated approach** can significantly amplify impact. India has the potential to spearhead a coalition of apparel exporters under a unified global digital campaign, such as "Wear India." This campaign could emphasize key pillars like sustainability, contemporary design excellence, and superior quality, positioning India not only as a source of traditional textiles but also as a leader in modern, responsible fashion. By projecting a unified, vibrant country brand, Indian apparel exporters can enhance their competitive advantage, increase global market share, and drive a new era of growth rooted in cultural pride and innovation.

**Digital marketing and social media** have emerged as indispensable tools in amplifying the reach and resonance of Indian apparel brands. Exporters and manufacturers are increasingly leveraging platforms such as Instagram, Pinterest, TikTok, and LinkedIn to engage with a global audience. Through carefully curated campaigns that tell compelling origin stories, highlight artisan craftsmanship, and offer behind-the-scenes glimpses into the production process, brands can foster authenticity and emotional connections with consumers who increasingly value transparency and ethical sourcing.

**Collaborations with fashion influencers**, stylists, and specialized digital agencies further enhance campaign effectiveness by tapping into established follower networks and driving higher engagement rates. The use of real-time analytics tools—such as Google Trends, Meta Ad Manager, and Shopify Insights—enables marketers to monitor campaign performance closely and adjust strategies dynamically, ensuring maximum return on investment and responsiveness to shifting market preferences.





# → MSMEs and the Rural Economy

**Micro, Small, and Medium Enterprises (MSMEs)** constitute the backbone of India's apparel export industry, contributing nearly 45% of the country's total apparel export revenues. These enterprises not only bolster economic output but also foster widespread employment, especially in rural and semi-urban regions. By actively supporting rural artisans and women-led enterprises, India can drive inclusive growth that simultaneously preserves its rich textile heritage while meeting global market demands.

**Clusters** such as Tirupur exemplify the power of MSMEs in the export landscape. Home to over 10,000 small and medium-sized units, Tirupur's knitwear industry generates approximately USD 4 billion in annual exports. Recognizing the need for modernization, many units within Tirupur are adopting green technologies and automation processes to improve efficiency and reduce environmental impact, thereby aligning with evolving international standards for sustainable manufacturing.

**Similarly**, Bhagalpur Silk is a shining example of traditional textile craftsmanship successfully adapting to stringent Japanese and European quality norms. The cluster's silk weavers have embraced technical upgrades and quality control measures that have helped them penetrate high-value niche markets, increasing the cluster's export potential while preserving its artisanal identity.

**Other heritage clusters** such as Chanderi and Maheshwari have leveraged strategic collaborations with contemporary designers to diversify their product offerings. These partnerships have significantly boosted the export of sarees, stoles, and other handcrafted textiles, bringing regional crafts to the global fashion forefront.

**To unlock** the full potential of MSMEs and artisan clusters, government programs like SFURTI (Scheme of Fund for Regeneration of Traditional Industries) and ODOP (One District One Product) must be scaled and enhanced. These initiatives provide vital technical support, market linkages, and export facilitation. Establishing common facility centers equipped with modern machinery, quality testing labs, and design studios will help overcome capacity constraints faced by small producers. Additionally, focused branding and marketing efforts can amplify the visibility of cluster-specific products, positioning them as premium and sustainable offerings in international markets.

**By integrating** capacity building with infrastructure development and brand promotion, India can enable MSMEs and artisan enterprises to emerge as globally competitive players. This inclusive approach not only contributes to economic growth but also ensures the preservation and evolution of India's invaluable textile traditions.





# Future Outlook: Towards \$40 Billion in Apparel Exports

**India's** ambitious target to reach \$40 billion in apparel exports by 2035 demands a sustained compound annual growth rate (CAGR) of approximately 6.5 to 7%. Achieving this milestone requires a comprehensive, multi-pronged action plan addressing infrastructure, sustainability, skill development, supply chain efficiency, and global market diversification.

**Trade Infrastructure Enhancement:** Efficient logistics remain a critical enabler for competitive exports. The timely completion of flagship infrastructure projects such as PM Gati Shakti and Bharatmala is expected to reduce transportation and transit times by up to 25%. Streamlining freight corridors and modernizing ports will significantly lower costs, improve supply chain reliability, and enhance India's responsiveness to global buyers.

**Green Certification and Sustainability:** With global buyers increasingly prioritizing Environmental, Social, and Governance (ESG) compliance, India aims to have at least 50% of its export units certified with internationally recognized green standards by 2030. This commitment will not only enhance India's brand image but also facilitate access to premium markets focused on sustainable fashion.

**Digital and Green Skill Development:** The apparel sector's transformation depends heavily on workforce readiness. The plan includes training two million workers in advanced digital tools such as Computer-Aided Design (CAD), Enterprise Resource Planning (ERP) systems, and sustainable manufacturing practices. These skill upgrades will drive productivity, quality, and innovation across the value chain.

**Strengthening Backward Linkages:** Increasing domestic value addition in raw materials from the current 55% to 70% is critical for reducing import dependence and improving cost competitiveness. Investment in research, quality improvement, and integrated textile parks will bolster local sourcing of cotton, silk, synthetics, and other inputs, thereby strengthening the entire ecosystem.

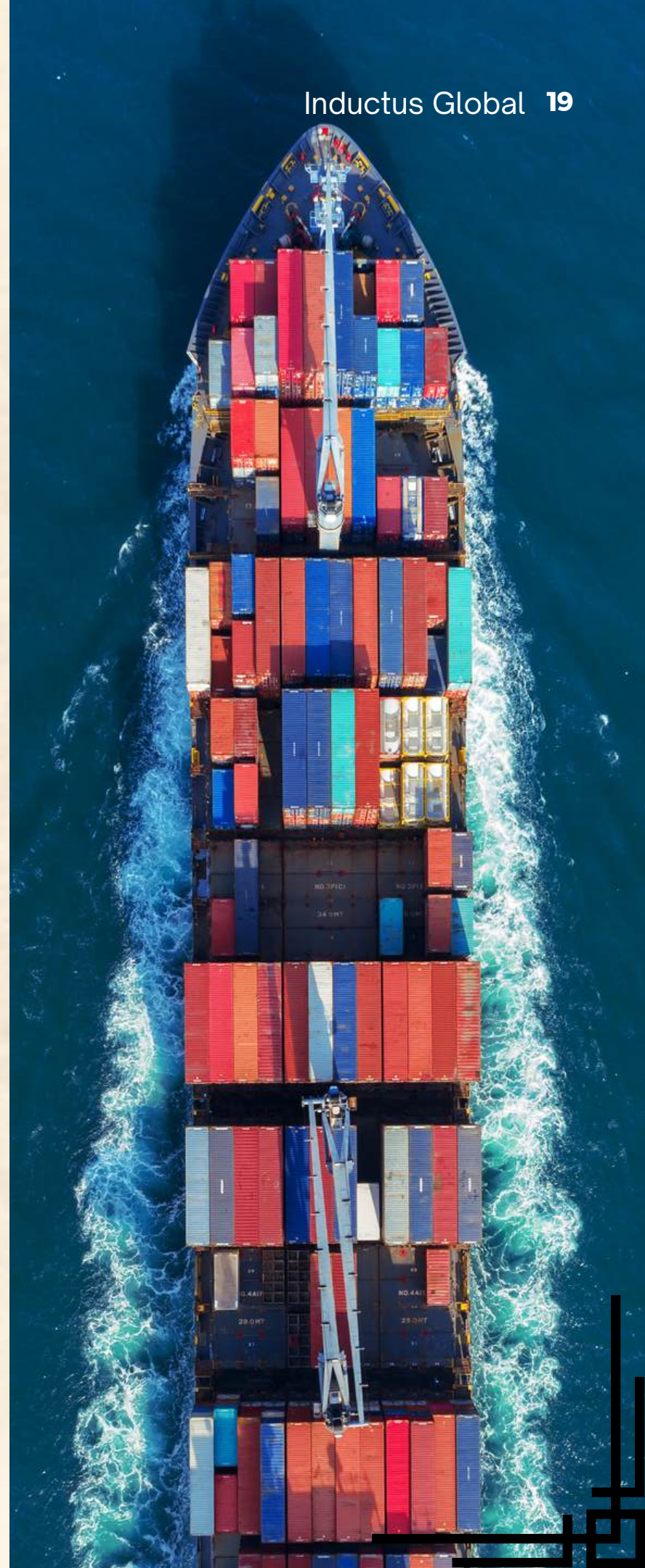
**By implementing this integrated roadmap,** India can position itself as a global leader in apparel exports — combining heritage craftsmanship with cutting-edge technology and sustainability to capture emerging opportunities in the dynamic global fashion market.

**Global Value Chain (GVC) Integration:** India's apparel exporters must forge strategic partnerships with global brands, retailers, and distributors. Deepening these alliances will enable Indian firms to move beyond basic manufacturing towards design, branding, and higher value-added services, capturing greater shares of global fashion supply chains.

**Market Diversification:** Expanding export footprints beyond traditional markets in Europe and the US is essential. India plans to increase apparel exports to Latin America, ASEAN nations, and Africa by 50% over the next decade. Targeted trade promotion, participation in regional trade agreements, and enhanced market intelligence will support this geographical diversification.

**Leveraging MSMEs and Artisan Clusters:** MSMEs continue to play a pivotal role, accounting for nearly 45% of apparel exports. Supporting rural artisans and women-led enterprises not only promotes inclusive growth but also preserves India's rich textile heritage. Clusters such as Tirupur, with over 10,000 SMEs contributing \$4 billion in exports, have invested in green technologies and automation to stay competitive. Bhagalpur Silk's traditional weavers have successfully adapted to meet stringent Japanese and European quality standards, while collaborations with designers have boosted exports from Chanderi and Maheshwari clusters.

**Government** initiatives like the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and One District One Product (ODOP) are vital to scaling these successes. Expanding technical assistance, marketing support, common facility centers, and branding efforts will unlock the full potential of MSMEs and artisan units.





# Recommendations

**To realize India's vision** of becoming a global powerhouse in apparel exports, enabling mechanisms must be strengthened across five pillars—policy stability, skill development, technology adoption, branding, and data-driven decision-making. These components form the backbone of a resilient and future-ready export ecosystem.

**Stable Policy Environment:** One of the most critical prerequisites for sustained growth is a predictable and stable policy framework. Apparel exporters often operate on long lead times and narrow margins, making regulatory certainty indispensable. Long-term export incentives such as RoDTEP and continuation of MEIS-like benefits need clear timelines and consistent implementation. Further, simplifying compliance procedures through single-window clearances and digitized documentation will enhance ease of doing business for both large exporters and MSMEs.

**Expanding Skill India and SAMARTH:** As technology, sustainability, and traceability become global norms, India's workforce must evolve accordingly. Expanding the SAMARTH scheme to integrate digital competencies such as CAD software, ERP platforms, and AI-based forecasting will equip workers for next-generation manufacturing. Training on environmental and social compliance standards—particularly in ESG audits and sustainability reporting—will enable India to align with top-tier buyers from Europe, Japan, and North America.

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**Strategic Branding and Nation Positioning:** A national branding initiative that unifies the messaging around Indian apparel can amplify global reach. A centralized export promotion platform—modeled after successful campaigns like “Incredible India”—could highlight India's textile diversity, quality, and sustainability credentials. Appointing globally recognized fashion ambassadors and encouraging participation in events like Paris Fashion Week, MAGIC Las Vegas, and digital fashion expos can build equity for “Brand India” in the global fashion dialogue.

**Data-Driven Export Strategies:** In the era of fast fashion and real-time demand shifts, intuitive planning is no longer sufficient. Indian exporters must leverage AI, Google Trends, Meta Insights, and other digital analytics platforms for product development, pricing strategies, and regional targeting. Predictive analytics can minimize deadstock, optimize inventory turnover, and ensure supply matches emerging demand trends in real-time.

**By weaving together these enablers—rooted in innovation, transparency, and collaboration—India's apparel sector can transcend traditional boundaries and lead the global market in both scale and sustainability.**





# Conclusion

**India's apparel export** journey represents a dynamic confluence of ancient craftsmanship and forward-looking innovation. From the intricate weaves of Varanasi to the cutting-edge digital production techniques emerging in urban textile hubs, India's strengths lie in its diversity, resilience, and adaptability. Over the past several decades, the country has transitioned from a raw material supplier to a sophisticated garment exporter, steadily building its global footprint.

**Looking ahead**, the convergence of robust policy frameworks, infrastructure modernization, and technology adoption offers a compelling case for India's rise as a global apparel leader. Achieving the \$40 billion export target by 2035 is not merely an economic ambition but a strategic imperative for inclusive development and employment generation. This target can be met by enhancing productivity, attracting foreign investment, deepening trade ties, and embracing sustainability and circularity at scale.

**Furthermore**, India must continue cultivating its soft power through strategic branding initiatives, emphasizing ethical sourcing, cultural richness, and environmental stewardship. Apparel can become a narrative of national pride—showcasing not just clothing but stories, heritage, and purpose. An inclusive ecosystem that empowers MSMEs, embraces innovation, and champions green growth will ensure that the industry not only competes but leads.

**As India writes** its next chapter on the global fashion map, it must remain committed to balancing tradition with transformation—anchoring its legacy while aspiring toward a future of competitive, creative, and conscious exports.





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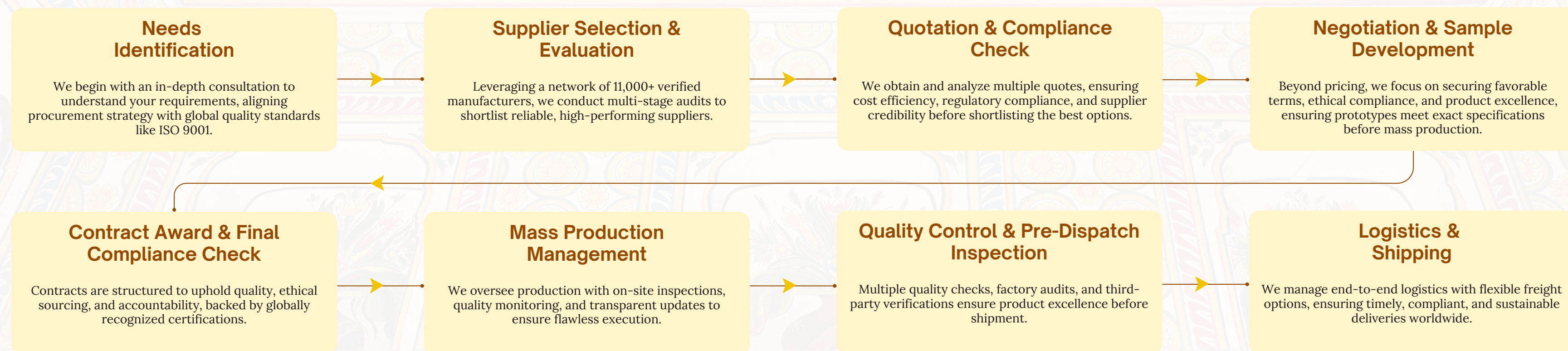
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After extensive research, our team has crafted a tested, structured procurement process that ensures top-quality products, competitive pricing, and seamless imports—backed by global standards. Our eight-step procurement framework ensures quality, compliance, and risk-free sourcing for maximum value.



At **Inductus Global**, we go beyond procurement—we build supply chain excellence with trust, transparency, and a commitment to global standards

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Finding, vetting, and selecting retail vendors for the provision of goods and services.

## 2 PRODUCT DESIGN & DEVELOPMENT

Our design & Development process elevates your brand and boosts sales with functional, visually appealing products.

## 3 BUSINESS NEGOTIATION

Negotiation services to create favourable terms and help businesses acquire maximum value and quality.

## 4 MASS PRODUCTION MANAGEMENT

Focus on quality, time, and resources to ensure constant production line flow, competitiveness, and profitability.

## 5 PACKAGING MANAGEMENT

Offering tailored solutions to boost efficiency while reducing cost and creating a strong brand presence.

## 6 LOGISTICS & SHIPPING ARRANGEMENT

Providing end-to-end shipping solutions and regulating all aspects of packing, labelling, shipping, and documentation.

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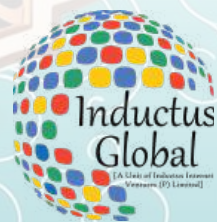


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