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A Study on the Import and Export of Textile and Apparel Goods Industries in India

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Abstract

The Textile industry occupies an important place in the Indian Economy and contributes to the export earnings of the country. The Textile along with the Apparel industry provide direct employment to over 15 million persons in the country. India is the third largest exporter of Textiles and Apparel in the world. The Indian textile and apparel industry is diversified and can provide various textile products to meet different market needs. It has access to a large pool of skilled labour as well as trained and skilled technical and managerial personnel. The sector has perfect alignment with the Government's key initiatives of Make in India, Skill India, Women's Empowerment and Rural Youth Employment. Therefore, in the study, an attempt has been made to analyse the Import and Export of Textile and Apparel industries products in India from 2017-2018 to 2022-2023.

Keywords: Apparel Industry, Make in India, Skill India, Rural Youth Employment

Introduction

The Indian Textile industry is one of the largest and oldest in the world. The Textile industry occupies an important place in the Indian Economy and contributes to the export earnings of the country. The Textile along with the Apparel industry provide direct employment to over 15 million persons in the country. India is the third largest exporter of Textiles and Apparel in the world. The Indian textile and apparel industry is diversified and can provide various textiles to meet different market needs. It has access to a large pool of skilled labour as well as trained and skilled technical and managerial personnel.

Importance of the Study

The textile and apparel industry plays a vital role in the Indian economy and is the single-largest source of foreign exchange earnings for India. Presently the industry accounts for 4 percent of Gross Domestic Product, 20 percent of industrial production and more than 30 percent of export earnings. It provides direct and indirect employment and a source of livelihood for millions of people including a large number of women and the rural population. The sector has perfect alignment with

the Government’s key initiatives of Make in India, Skill India, Women’s Empowerment and Rural Youth Employment.

Objective of the Study

To analyse the Import and Export of Textile and Apparel industries products in India from 2017-2018 to 2022-2023

Methodology

The present study is based on the secondary data collected from various Annual reports of Ministry of Textiles. This research work was carried out to analyse the Imports and Exports of the Indian Textile and Apparel industry products during the study period from 2017-2018 to 2022-2023.

Review of Literature

Yoganandan. G and Vetrivelan. V (2016) conducted a study on the “Growth of Textile Industry in India”, The research is based on the secondary data collected from various annual reports of Ministry of Textiles, government of India. The statistical tools such as percentage of analysis and also graphs are used to analyse the collected data. The Textile industry contributes immensely to the growth of many other Industries. It was found in the study that in the year 2000 - 2001, the textile and item of clothing industries accounted for 4 percent of GDP, 14 percent of Industrial output, 18 percent of Industrial employment and 27 percent of export earnings. It was also found in the research that the volume of Indian man-made fibre manufacturing stands at 1.34 million tonnes in the year 2015. It was concluded in the study that the Indian government has to find new ways to promote textile exports in India on the whole, focusing on skill development and creating agreeable environment for new entrepreneurs to enter into this industry.

Krishnan. N, (2022), conducted an “Study on Growth of Textile and Apparel Industry in India”. The main objectives of the research were to study the Indian Textile Industry and Apparel industry during the study period and to examine the impact of Covid-19 on Textile industry and Apparel Industry. The present study is based on the secondary data collected from various annual reports of ministry of textiles, Government of India. The Statistical tools such as percentage of analysis and CAGR were used to analyse the secondary data. The period of the study is from 2015-2016 and 2019-2020. It was found in the study that India is the fifth largest exporter of Textile and Apparel in the world with exports of US\$ 36.4 billion. It was also found that due to the Covid- pandemic, all economic activities except for the essential goods and services came to a standstill. The textile and apparel industry were also affected. The study concluded that the future for the Indian textiles industry looks promising, sustained by strong domestic consumption as well as export demand

Data Analysis and Interpretation

Table 1 Leading Textile and Apparel Exporters in the World for the Year 2019
(In US billion)

Countries	Exports			Share in percentage
	Textiles	Apparel	Total	
China	134.6	149.9	284.5	34
Vietnam	10.2	33.7	43.9	5
Bangladesh	1.8	40.9	42.7	5
Germany	15.5	23.8	39.3	5

India	20.2	16.2	36.4	4
Italy	12.8	23.6	36.4	4
Turkey	12.2	16.1	28.2	3
USA	21.7	5.2	26.9	3
Spain	5	14.3	19.3	2
France	5.6	12	17.6	2
Total	239.6	335.7	575.2	67

Source: UN Comtrade and Wazir Analysis

The above Table: No.1 shows the top ten Textile and Apparel exporters countries in the world. From the table it is clearly revealed that China is in the first place in Textile and Apparel exports. China's share in global Textile and Apparel trade in the year 2019 was 34 percent. The share has come down from 39 percent in the year 2015. Vietnam and Bangladesh were the second and the third largest textile and apparel exporters in 2019, respectively. India is the fifth largest exporter of Textile and Apparel in the world with exports worth US\$ 36.4 billion which shows a positive growth in the exports of India at the World level.

Table 2 India's Textile and Apparel Exports Commodity wise from 2017-2018 to 2022-2023
(In USD million)

Commodities	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Readymade Garment	16,707	16,138	15,488	12,272	16,015	16,192
Cotton Textiles	11,212	12,405	10,263	11,128	17,166	11,083
Man-made textiles	5,413	5,551	5,324	4,180	6,294	5,411
Wool & Woollen textiles	187	222	181	109	166	205
Silk Products	69	76	72	76	109	94
Handloom Products	356	344	319	223	269	182
Carpets	1,430	1,482	1,373	1,491	1,790	1,366
Jute Products	350	340	357	397	537	462
Total Textile & Apparel	35,724	36,558	33,377	29,876	42,346	34,995

Source: DGCI&S(Provisional)

The Textile and Apparel Exports of Indian products are shown in the above Table No.2, from the table it was found that when we analyse the total Textile and Apparel exports there is a slight increase in exports in the years from 2017-2018 and 2018 to 2019. There was a decline in exports in the years from 2019-2021 and 2020-2021, after that, there was a good increase in exports to 42,346 USD million but again the exports declined to 34,995 USD million. Due to the impact of the COVID-19 pandemic, there is a decline in the exports of Textile and Apparel products in India.

Table 3 India’s Textile and Apparel Imports Commodity wise from 2017-2018 to 2022-2023

Commodities	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Readymade Garment	773	1,106	1,144	881	1,265	1,755
Cotton Textiles	2,448	2,066	2,759	1,527	2,143	3,404
Man-made textiles	2,265	2,670	2,682	2,344	3,433	3,783
Wool & Woollen textiles	372	425	332	200	320	358
Silk Products	251	202	210	99	148	271
Handloom Products	11	15	10	6	2	1
Carpets	94	101	118	72	100	36
Jute Products	181	170	242	176	248	294
Total Textile & Apparel	6395	6,755	7,497	5305	7,659	9,902

Source: DGCI & S (Provisional)

The Textile and Apparel Imports of Indian products are shown in the above Table No.3, from the table it was found that when we analyse the total Textile and Apparel imports there was a slight increase in exports in the years from 2017-2018 and 2018 to 2019. There was a decline in imports in the year 2020-2021 and after that, there was an increase in the imports from 2020-2021 to 2022-2023. In the year 2022-2023, the total amount of imports was 9,902 USD million which reveals that after the Covid – 19 Pandemic the total amount of imports has risen in the country.

Table 4 India’s Top Ten Export and Import Markets of Textile and Apparel Products for the Year 2022-2023

S.No	Countries	Exports	Percentage share	Countries	Imports	Percentage share
1	USA	10,468	29	China	3971	38
2	EU-27	7,670	21	Bangladesh	1215	12
3	Bangladesh	2,533	7	USA	810	8
4	UK	2,105	6	Vietnam	519	5
5	UAE	2,087	6	Australia	427	4
6	Sri Lanka	726	2	Indonesia	306	3
7	Turkey	719	2	Thailand	275	3
8	Australia	657	2	Singapore	249	2
9	Saudi Arab	577	2	Hong Kong	182	2
10	Canada	572	2	Germany	164	2

Source: DGCI & S(Provisional)

The major Textile and Apparel Export destinations for India are USA, EU-27 and UK which accounts for approximately 50 per cent of India’s textiles and Apparel exports and the major Import destinations for India are China, Bangladesh and USA.

The above Table: 4 shows India’s top ten Export and Import countries in the world. From the table, it is clearly understood that when we analyse the exports of India, the United States of America is in the first place with 29 per cent of the share followed by European Countries with 21

per cent of the share and Canada is in the last place with 2 per cent of share in the total exports of India. When we analyse the Import of India, China is in first place with 38 per cent of the share followed by Bangladesh with 12 per cent of the share and Germany is in the last place with only 2 per cent of the share.

Findings

- India is the fifth largest exporter of Textile and Apparel in the world with exports worth US\$ 36.4 billion which shows a positive growth in the exports of India at the World level.
- Due to the impact of the COVID-19 pandemic, there is a decline in the exports of Textile and Apparel products in India.
- In the year 2022-2023, the total amount of imports was 9,902 USD million which reveals that after the COVID – 19 Pandemic the total amount of imports has risen in the country.
- By comparing the Imports and Exports of India it was found that the major Textile and Apparel Export destinations for India are USA, EU-27 and UK which accounts for approximately 50 per cent of India's textiles and Apparel exports and the major Import destinations for India are China, Bangladesh and USA.

Conclusion

From the study, it is concluded that the Textile and Apparel Industries have an important existence in the Indian Economy. Both the Textile and Apparel Industry in India contribute to the Industrial production, Foreign exchange and employment generation. The future for the Indian textiles industry looks promising, sustained by strong domestic consumption as well as export demand. Simultaneously the Indian government has to concentrate and find new ways of promoting textile exports compared to imports in India.

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