

Indian Apparel Industry Set for ₹7,000 Crore Export Surge to UK Post-FTA



India's labor-intensive textile and apparel sector is poised for a significant uplift, with industry experts projecting an additional ₹6,000-₹7,000 crore (approximately 720-840 million USD) in exports to the United Kingdom, following the implementation of the Free Trade Agreement (FTA) between the two nations. This landmark agreement, which grants duty-free access for nearly 99% of Indian goods to the UK, is expected to double India's apparel market share in the UK within the next two years.

The FTA marks a pivotal moment for Indian apparel manufacturers, who previously faced import duties of up to 12% on woven and knitted garments and 8% on home textiles when exporting to the UK. This had placed India at a competitive disadvantage compared to rivals such as Bangladesh, Pakistan, Cambodia, and Turkey, which already enjoyed duty-free access. With the elimination of these tariffs, Indian products are now significantly more price-competitive, leveling the playing field in one of the world's largest garment import markets. The UK imported approximately \$19.7 billion worth of apparel in 2024, with India contributing around \$1.2 billion of that total.

Prabhu Dhamodharan, convenor of the Coimbatore-based Indian Texpreneurs Federation (ITF), noted the positive sentiment within the industry. "This is long-awaited positive news for the textile and apparel sector," he stated. Dhamodharan added that UK buyers have already begun engaging with Indian exporters, ranging from small and medium-sized enterprises (SMEs) to large integrated manufacturers, since the FTA was agreed upon. Some companies in Tirupur, a major textile hub, are reportedly expanding their capacities to accommodate anticipated new orders.

Sudhir Sekhri, Chairman of the Apparel Export Promotion Council (AEPC), emphasized the broader benefits of the agreement. "This agreement will enhance market access, spur investments and job creation in the garment sector, and create new opportunities for businesses and consumers on both sides," Sekhri commented. The zero-duty access across 1,143 tariff lines for textiles and clothing, representing 11.7% of total trade covered by the FTA, reflects the diversity and strength of India's textile product offerings.

This renewed impetus for the Indian apparel industry is expected to not only boost export revenues but also create substantial employment opportunities in a sector that is a major job provider. By streamlining customs procedures and fostering mutual recognition of standards, the FTA aims to reduce compliance burdens for exporters, further facilitating trade. As India strengthens its foothold in the UK market, it is poised to challenge the dominant positions currently held by countries like China and Bangladesh in the UK's apparel imports.