



An analytical study on the growth and export performance of the textile industry in India

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Abstract

The textile industry is a significant contributor to India's industrial production, employment, and export earnings. The present study examines the growth and export performance of the Indian textile industry, with particular emphasis on the cotton, jute, and wool segments during the period from 2016-17 to 2025-26. The study is based on secondary data collected from the Annual Reports of the Ministry of Textiles, Government of India. Descriptive statistical techniques, comparative analysis, graphical presentation, and Pearson Product-Moment Correlation using IBM SPSS Statistics were employed for data analysis. The findings reveal that jute recorded the highest average production (1116.67), whereas wool achieved the highest average export value (₹902.22 crore) despite its comparatively lower production. The correlation analysis indicated a significant positive relationship between cotton production and exports, while the relationships for jute and wool were statistically insignificant. The study concludes that technological modernization, productivity enhancement, and export-oriented policies are essential for improving global competitiveness and ensuring the sustainable development of India's textile industry.

Keywords: Textile industry, growth performance, export performance, pearson correlation analysis, annual growth rate, standard deviation, ready-made garments, and standard error

Introduction

The textile industry is one of the oldest and most important sectors of the Indian economy, making a substantial contribution to industrial production, employment generation, export earnings, and overall economic growth. As a labor-intensive industry, it supports millions of livelihoods and plays a vital role in strengthening the country's manufacturing base and foreign trade. Among the various segments of the textile industry, cotton, jute, and wool occupy a prominent position owing to their extensive production, export potential, and contribution to industrial development. The availability of abundant raw materials, skilled human resources, and supportive government policies has enabled India to establish a strong presence in the global textile market.

Over the years, the Indian textile industry has witnessed significant changes resulting from technological advancements, globalization, evolving trade policies, and changing market demand. These developments have enhanced opportunities for production and export growth while simultaneously increasing competitive pressures in international markets. As a result, a systematic assessment of the growth and export performance of the major textile segments has become essential for understanding the industry's recent progress and identifying areas that require further improvement.

In this context, the present study analyses the growth and export performance of the Indian textile industry with particular emphasis on the cotton, jute, and wool segments during the period 2016-17 to 2025-26. The study is based on secondary data obtained from the Annual Reports of the Ministry of Textiles, Government of India. Descriptive statistical measures, comparative analysis, graphical presentation, and Pearson Product-Moment Correlation

analysis using IBM SPSS Statistics have been employed to evaluate production and export trends and to examine the relationship between production and export performance. The findings of the study are expected to provide updated empirical evidence that will support policymakers, industry stakeholders, researchers, and academicians in promoting sustainable growth, improving export competitiveness, and strengthening the long-term development of the Indian textile industry.

Review of Literature

Greeshma Manoj (2014) examined the export performance of the Indian textile industry after the implementation of the Multi Fibre Agreement (MFA). The study aimed to analyse the changes in textile exports before and after the removal of quota restrictions. Using secondary data for the period from 1992 to 2012, the researcher applied Annual Growth Rate (AGR) and Compound Annual Growth Rate (CAGR) to assess export performance. The findings indicated that textile exports improved considerably during the initial post-MFA period, particularly in cotton textiles, man-made textiles, and ready-made garments. The study concluded that sustained export growth depends on policy support, technological advancement, infrastructure development, and improved supply chain efficiency.

Sharma and Dhiman (2016) ^[5] reviewed the major determinants affecting the export performance of the Indian textile industry. The study aimed to identify the key economic and institutional factors influencing textile exports by examining previous research. It adopted a review-based methodology using secondary information collected from research articles, government reports, and published literature. The findings revealed that factors such as GDP, exchange rate, foreign direct investment, labor

availability, technology, and government policies significantly influence export performance. The study concluded that improving technological capabilities, infrastructure, and policy implementation would strengthen India's competitiveness and support sustainable growth in textile exports.

Misu Kim (2019)^[4] investigated the export competitiveness of India's textiles and clothing sector in the United States. The objective was to evaluate India's comparative advantage in one of its largest export markets. The study employed secondary data covering the period from 1991 to 2017 and used Revealed Comparative Advantage (RCA), Market Comparative Advantage (MCA), and Comparative Advantage by Countries (CAC) indices for analysis. The findings showed that India maintained a strong comparative advantage despite increasing competition from other exporting nations. The study concluded that improving productivity, innovation, product diversification, and market expansion would further enhance India's global competitiveness in textile exports.

M. Sasi Bhushan (2017)^[1] analyzed the growth and performance of the textile industry in India with emphasis on production, exports, and policy initiatives. The study was based on secondary data collected from the Ministry of Textiles and other official publications over a ten-year period. Descriptive statistical techniques and growth rate analysis were used to examine industry performance. The findings indicated that the textile industry continued to play a significant role in employment generation, industrial production, and export earnings despite several structural challenges. The study concluded that policy reforms, technological modernization, and increased investment are essential to ensure sustainable growth of the Indian textile industry.

Manisha (2022) examined the trade performance and export competitiveness of the Indian textile industry in comparison with China and Vietnam. The study utilized secondary data obtained from the World Integrated Trade Solution (WITS), Reserve Bank of India, and other official sources for the period from 1990–91 to 2020–21. Analytical tools such as Revealed Comparative Advantage (RCA), Compound Annual Growth Rate (CAGR), Granger Causality Test, and co-integration analysis were applied. The findings showed that India maintained a comparative advantage in several textile products, although competition from Vietnam increased considerably. The study concluded that technological development, product diversification, and supportive trade policies are essential to strengthen India's export competitiveness.

G. Yoganandan (2015)^[6] analyzed the growth of the apparel export industry in Tiruppur with special reference to exports to the European Union and the United States. The study was based on secondary data collected from the Tiruppur Exporters' Association, Reserve Bank of India, Economic Survey of India, and the International Monetary Fund over a long-term period. Growth rate analysis was used to evaluate export performance. The findings revealed that Tiruppur developed into one of India's leading apparel export clusters, although global economic slowdown affected export growth. The study concluded that financial assistance, policy support, and export promotion initiatives are necessary for sustaining the long-term growth of the apparel export industry.

Neetu Jha (2024)^[3] examined the growth, employment, and export pattern of the textile industry in India with the

objective of understanding recent industry trends and policy interventions. The study adopted a mixed-method approach using secondary data obtained from the Annual Survey of Industries, Ministry of Textiles reports, and other government publications. Growth rates, percentage analysis, and Compound Annual Growth Rate (CAGR) were used to assess industry performance. The findings indicated steady growth in textile exports, while employment and the number of organized textile units remained relatively stagnant. The study concluded that continued government support and strategic policy measures are necessary to enhance competitiveness and promote sustainable development of the textile industry.

Research Gap

Previous studies have primarily focused on export competitiveness, policy reforms, and overall textile industry performance. However, limited research has comprehensively examined the growth, export, and comparative performance of the major textile segments cotton, jute, and wool using recent secondary data. Therefore, the present study fills this gap by providing an integrated and updated analysis of these major textile segments.

Significance of the Study

This study provides a detailed assessment of the growth and export performance of the major segments of the Indian textile industry, namely cotton, jute, and wool, by using recent secondary data. It provides an updated understanding of production and export trends, along with a comparative assessment of these key segments. The findings are expected to help policymakers, industry professionals, researchers, and academicians develop informed strategies to improve productivity, enhance export performance, and promote the sustainable development of the textile industry. In addition, the study offers a useful academic reference for future research on the growth and export dynamics of the Indian textile sector.

Objectives of the study

1. To analyze the growth performance of the Textile Industry in India during the selected study period.
2. To examine the export performance of the Textile Industry in India during the selected study period.
3. To compare the growth and export performance of the Textile Industry in India during the selected study period.

Research Methodology

The present study adopts a descriptive and analytical research design to examine the growth and export performance of the textile industry in India. The analysis is based entirely on secondary data collected from the Annual Reports of the Ministry of Textiles, Government of India, covering the period from 2016-17 to 2025-26. The collected data were classified and analyzed using descriptive statistical tools such as mean, standard deviation, variance, skewness, and kurtosis. Comparative analysis and graphical presentation were used to assess production and export trends, while the Pearson Product-Moment Correlation technique, computed through IBM SPSS Statistics, was employed to examine the relationship between production and export performance.

Data Analysis and Interpretation

1. Analysis of Growth, Export, and Comparative Performance of the Textile Industry in India:

Table 1: Growth Performance of the Textile Industry in India

Year	Cotton Production	Jute Production	Wool Production (M.K)
2016-17	345	1142.5	43.5
2017-18	370	1178.1	41.5
2018-19	333	1161.4	40.4
2019-20	365	1165.1	36.7
2020-21	352.48	962.7	36.9
2021-22	311.17	1080	32.9
2022-23	336.6	1246.6	33.6
2023-24	325.22	1257	33.7
2024-25	297.24	1043.9	34.6
2025-26	292.15	929.4	35.8
Mean	332.786	1116.67	36.96
SE	8.441662448	35.08376658	1.157602887
SD	26.69488057	110.9446113	3.66066175
Var.	712.6166489	12308.70678	13.40044444
Kurt.	-1.02456724	-0.710826374	-0.766911385
Skew.	-0.204903414	-0.533280269	0.735534371

Sources: Annual Reports of Ministry of Textile, Government of India.

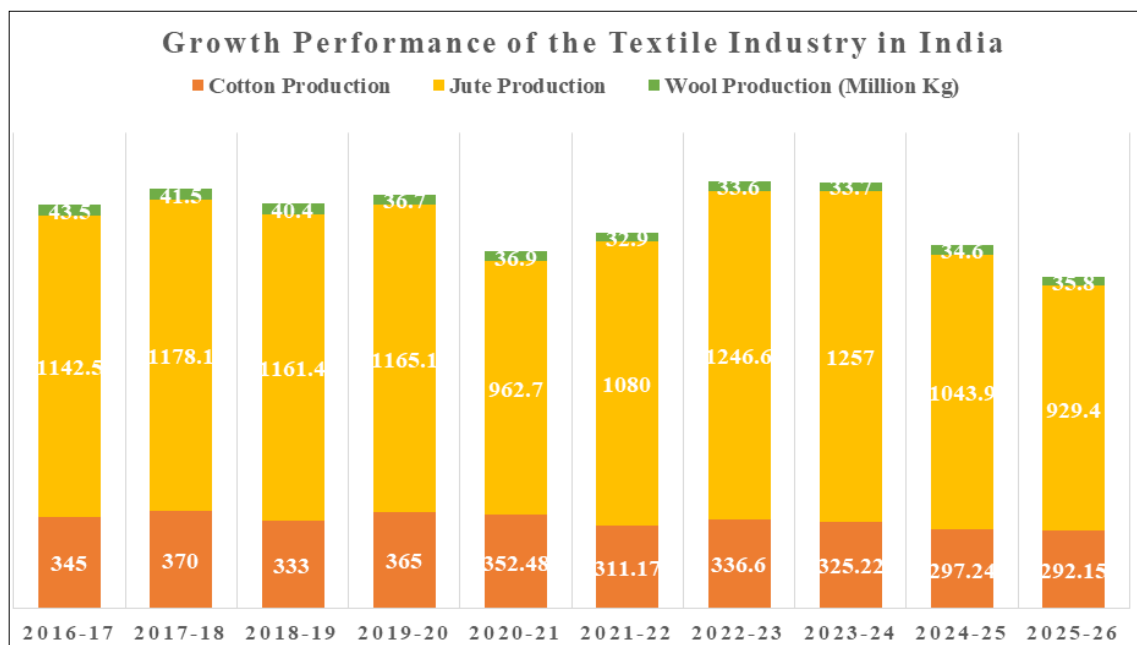


Chart 1: Growth Performance of the Textile Industry in India

Interpretation

The above table presents the growth performance of the major segments of the textile industry in India during the period from 2016-17 to 2025-26. The findings indicate that the production performance of the selected textile segments remained relatively stable throughout the study period, although the extent of variation differed across the segments. Among them, jute recorded the highest average production (1116.67), reflecting its significant contribution to overall textile production, while cotton maintained an average production of 332.79, showing moderate year-to-

year variation. In contrast, wool registered the lowest average production (36.96 million kg) and exhibited comparatively lower variability, indicating a more consistent production pattern. The skewness and kurtosis statistics further suggest that the production data followed a reasonably balanced distribution without substantial deviations from the overall trend. Overall, the results demonstrate that the production performance of the selected textile segments remained steady during the study period, despite moderate fluctuations in annual production across the different segments.

Table 2: Export Performance of the Textile Industry in India

Year	Cotton Export (₹ Cr)	Jute Export (₹ Cr)	Wool Export (₹ Cr)	RMG Export (₹ Cr)	Total Textile Export
2016-17	58.21	140.7	1180.24	1443.26	2822.41
2017-18	67.59	152.8	454.52	524.95	1199.86
2018-19	43.55	121.7	700.79	801.12	1667.16
2019-20	47.04	113.7	679.42	605.93	1446.09

2020-21	77.59	102.8	349.91	327.65	857.95
2021-22	42.25	161.6	557.35	581.35	1342.55
2022-23	15.89	177.3	1643.59	1452.37	3289.15
2023-24	28.36	163.3	1587.09	1672.57	3451.32
2024-25	18.07	192.1	894.99	1020.8	2125.96
2025-26	15	103.3	974.25	1155.54	2248.09
Mean	41.355	142.93	902.215	958.554	2045.054
SE	6.974073614	9.972707757	142.0423621	145.6310154	284.7231227
SD	22.05395719	31.53647095	449.1773883	460.5257067	900.3735701
Var.	486.3770278	994.549	201760.3262	212083.9265	810672.5658
Kurt.	-1.105692354	-1.352300325	-0.695621344	-1.397818	-1.163665849
Skew.	0.271620506	0.06190838	0.662275389	0.244777313	0.436325304

Sources: Annual Reports of Ministry of Textile, Government of India.

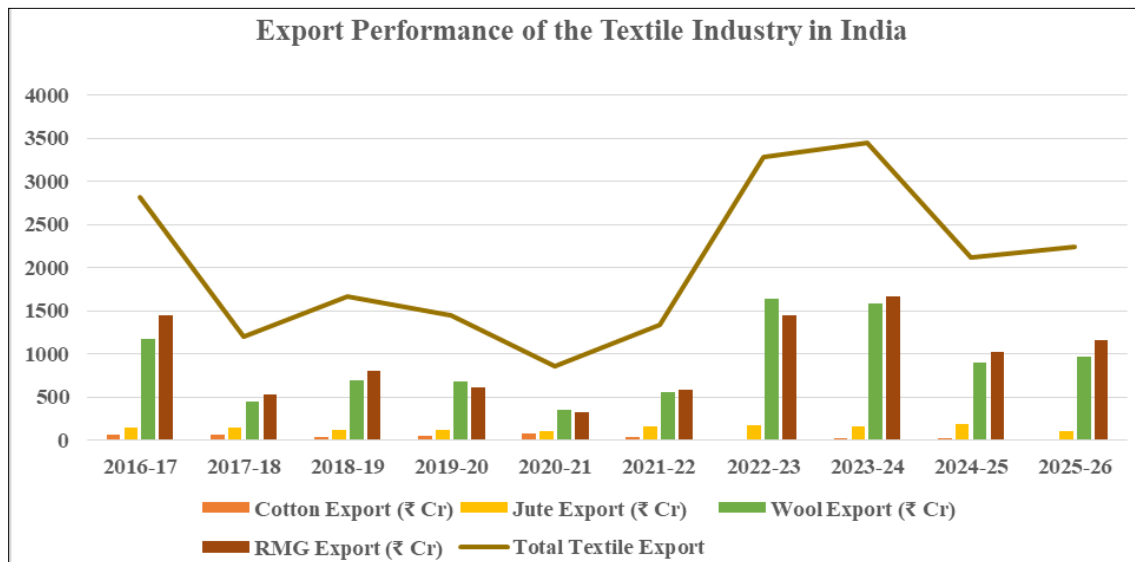


Chart 2: Export Performance of the Textile Industry in India

Interpretation

The above table reflects the export performance of the major segments of the textile industry in India over the period from 2016-17 to 2025-26. The descriptive statistics indicate that the selected textile segments recorded an average total export value of ₹2,045.05 crore during the study period. Among the individual segments, ready-made garments (RMG) emerged as the leading export category with an average export value of ₹958.55 crore, followed by wool exports with ₹902.22 crore. In contrast, cotton and jute exports contributed relatively lower average export values.

The standard deviation values reveal that exports of wool and ready-made garments experienced comparatively higher fluctuations than those of cotton and jute, reflecting greater variability in their annual export performance. In addition, the skewness values indicate a slight positive distribution across all export variables, while the negative kurtosis values suggest the absence of extreme variations in export trends. Overall, the results demonstrate that the export performance of the selected textile segments remained stable during the study period, although the extent of variation differed across the individual export categories.

Table 3: Comparative Data on the Production and Export Performance of Major Segments of the Textile Industry in India

Year	Cotton Production	Cotton Export (Cr)	Jute Production	Jute Export (Cr)	Wool Production (Million Kg)	Wool Export
2016-17	345	58.21	1142.5	140.7	43.5	1180.24
2017-18	370	67.59	1178.1	152.8	41.5	454.52
2018-19	333	43.55	1161.4	121.7	40.4	700.79
2019-20	365	47.04	1165.1	113.7	36.7	679.42
2020-21	352.48	77.59	962.7	102.8	36.9	349.91
2021-22	311.17	42.25	1080	161.6	32.9	557.35
2022-23	336.6	15.89	1246.6	177.3	33.6	1643.59
2023-24	325.22	28.36	1257	163.3	33.7	1587.09
2024-25	297.24	18.07	1043.9	192.1	34.6	894.99
2025-26	292.15	15	929.4	103.3	35.8	974.25
Mean	332.786	41.355	1116.67	142.93	36.96	902.215
SD	26.69488057	22.05395719	110.9446113	31.53647095	3.66066175	449.1773883
Max	370	77.59	1257	192.1	43.5	1643.59
Min	292.15	15	929.4	102.8	32.9	349.91

Sources: Annual Reports of Ministry of Textile, Government of India.

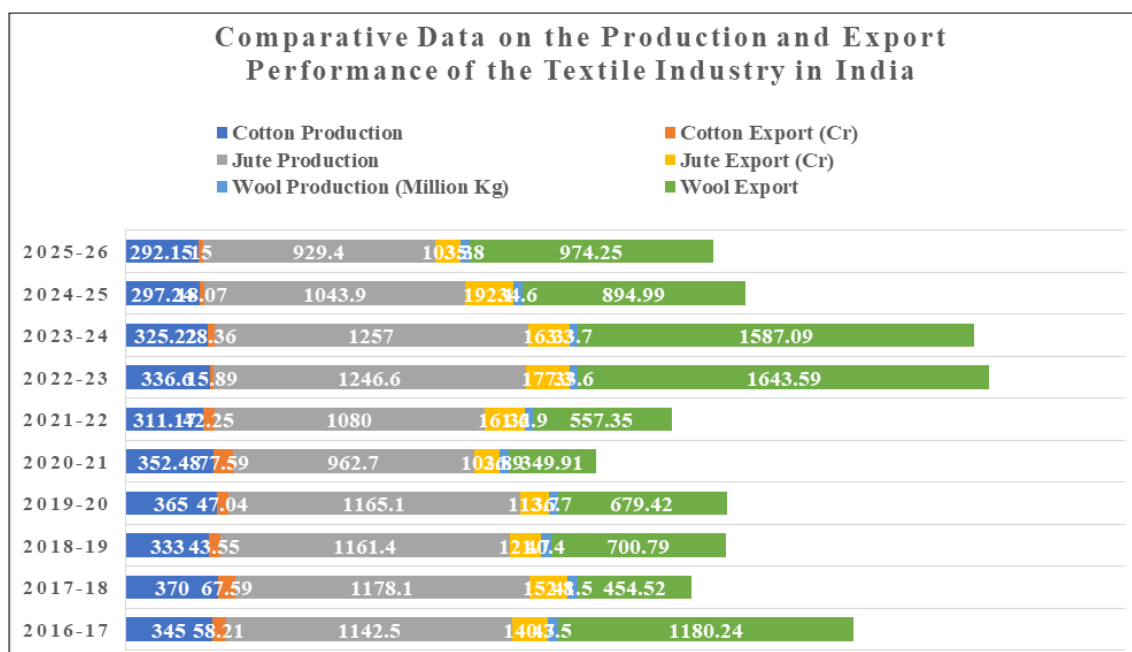


Chart 3: Comparative Data on the Production and Export Performance of Major Segments of the Textile Industry in India

Interpretation

The above table provides a comparative analysis of the production and export performance of the major segments of the textile industry in India during the period from 2016-17 to 2025-26. The results indicate that jute consistently recorded the highest average production (1116.67), followed by cotton (332.79), whereas wool accounted for the lowest average production (36.96 million kg). With regard to export performance, wool emerged as the leading export segment, registering the highest average export value (₹902.22 crore)

Followed by jute (₹142.93 crore) and cotton (₹41.36 crore). The standard deviation values suggest that wool exports experienced comparatively higher fluctuations, while wool production remained relatively stable throughout the study period. The observed maximum and minimum values further demonstrate variations in the production and export performance of the selected textile segments. Overall, the comparative analysis indicates that although production remained relatively stable across the selected segments, export performance exhibited varying levels of fluctuation during the study period.

Table 4: Pearson Correlation Matrix of Production and Export Performance of Major Segments of the Textile Industry in India

Variables		Cotton Production	Cotton Export	Jute Production	Jute Export	Wool Production	Wool Export
Cotton Production	Pearson Correlation	1	.747*	0.434	-0.259	0.535	-0.268
	Sig. (2-tailed)	—	0.013	0.21	0.47	0.111	0.454
	N	10	10	10	10	10	10
Cotton Export	Pearson Correlation	.747*	1	-0.077	-0.426	0.61	-.657*
	Sig. (2-tailed)	0.013	—	0.833	0.22	0.061	0.039
	N	10	10	10	10	10	10
Jute Production	Pearson Correlation	0.434	-0.077	1	0.471	0.066	0.529
	Sig. (2-tailed)	0.21	0.833	—	0.169	0.856	0.116
	N	10	10	10	10	10	10
Jute Export	Pearson Correlation	-0.259	-0.426	0.471	1	-0.347	0.453
	Sig. (2-tailed)	0.47	0.22	0.169	—	0.326	0.189
	N	10	10	10	10	10	10
Wool Production	Pearson Correlation	0.535	0.61	0.066	-0.347	1	-0.284
	Sig. (2-tailed)	0.111	0.061	0.856	0.326	—	0.426
	N	10	10	10	10	10	10
Wool Export	Pearson Correlation	-0.268	-.657*	0.529	0.453	-0.284	1
	Sig. (2-tailed)	0.454	0.039	0.116	0.189	0.426	—
	N	10	10	10	10	10	10

Sources: Researcher's computation based on secondary data using IBM SPSS Statistics.

Interpretation

The above table presents the Pearson correlation analysis of the production and export performance of the major segments of the textile industry in India during the study period. The findings reveal that cotton production has a strong and statistically significant positive relationship with cotton exports ($r = 0.747$, $p < 0.05$), indicating that an

increase in production was generally accompanied by higher export performance. In contrast, cotton exports and wool exports exhibited a statistically significant negative relationship ($r = -0.657$, $p < 0.05$), suggesting an inverse association between these two export categories. Although jute production showed a moderate positive relationship with jute exports, the correlation was not statistically

significant. Similarly, the relationship between wool production and wool exports was weak and lacked statistical significance. Overall, the analysis indicates that the production-export relationship was not uniform across the selected textile segments, reflecting differences in their production patterns, export performance, and market dynamics during the study period.

Findings of the study

1. Jute recorded the highest average production (1116.67), followed by cotton (332.79), whereas wool registered the lowest average production (36.96 million kg) during 2016–17 to 2025-26. Wool also exhibited the most stable production with the lowest standard deviation ($SD = 3.66$).
2. The selected textile segments achieved an average total export value of ₹2,045.05 crore during the study period. Wool recorded the highest average export (₹902.22 crore), followed by jute (₹142.93 crore) and cotton (₹41.36 crore).
3. The comparative analysis revealed that higher production did not necessarily lead to higher exports. Although jute recorded the highest average production (1116.67), wool achieved the highest average export value (₹902.22 crore) despite producing only 36.96 million kg.
4. Pearson correlation analysis showed a significant positive relationship between cotton production and cotton exports ($r = 0.747$, $p = 0.013$). However, the relationships between jute ($r = 0.471$, $p = 0.169$) and wool ($r = -0.284$, $p = 0.426$) production and exports were not statistically significant.
5. Overall, the Indian textile industry maintained stable production and export performance, emphasizing segment-specific strategies for productivity, export competitiveness, and sustainable development.

Conclusion

The present study concludes that the Indian textile industry demonstrated relatively stable growth and export performance during the period from 2016-17 to 2025-26, although the extent of performance varied across the major textile segments. The analysis identified jute as the leading segment in terms of average production (1116.67), while wool recorded the highest average export value (₹902.22 crore) despite its comparatively lower production level. The comparative analysis further revealed that higher production levels did not necessarily translate into stronger export performance across all textile segments. Moreover, the Pearson correlation analysis confirmed a significant positive relationship between cotton production and cotton exports, whereas the relationships for jute and wool were not statistically significant. Overall, the findings suggest that enhancing technological modernization, productivity, value addition, market diversification, and export-oriented policies will be essential for strengthening global competitiveness and ensuring the sustainable growth and long-term development of the Indian textile industry.

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