

Indian Apparel Export Sector: Opportunities and Challenges

Dr. Qazi Asif Zameer
Associate Professor
FORE School of Management
New Delhi 110 016
E-mail: asif@fsm.ac.in

Abstract

Apparel industry is one of the largest and most important industrial segments in India. India is the fifth largest apparel exporter, with a market share of 2.8%, behind China, the EU, Turkey and Bangladesh. The Vision Statement for the textiles industry for the 11th Five Year Plan (2007-12), envisages India securing a 7% share in the global textiles trade by 2012. The key question is will India's apparel export sector be able to sustain in future and chart a path for greater share in the world market. There is a paucity of primary research work. This study was conducted on top 200 exporters in Delhi and NCR area (data taken from AEPC list). The study reached the conclusion that the major obstacles confronting the Indian apparel export sector emerge from 3 dimensions – firm level issues, domestic business environment issues (industry level problems) and Government policy issues. On the other hand, the major strengths of Indian apparel exporters, identified in this study were – competitive and entrepreneurial abilities, flexibility in producing small lot sizes and a wide variety of apparels and a positive image in the market. The major weaknesses, which emerged, were lack of modern production technology and process standardization. The study was able to arrive at a few initiatives, according to the perception of the apparel exporters, which are necessary for the sustainability of this sector. These initiatives range from individual firm level improvements, industry level alliance and networking requirements as recommendations to the policy makers for enabling a much higher growth trajectory for this sector.

Key Words:

Apparel Export Sector in India, Firm level Issues, Domestic Business Environment, Government Policy Initiatives, Strengths, Weaknesses, Opportunities, Threats.