GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
RAJYA SABHA
UNSTARRED QUESTION NO. 856
ANSWER ON 06/02/2026

PROBLEMS FACED BY INDIAN GARMENT MANUFACTURERS

856. SHRI S.R. SIVALINGAM

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has assessed the specific disadvantages faced by Indian garment manufacturers against competitors like Bangladesh, Vietnam and Turkey due to preferential trade arrangements with the European Union;
(b) the details of the significant progress Government presents regarding the advanced stages of the India-EU Free Trade Agreement (FTA) blueprint; and
(c) measures Government is employing through the FTA to ensure a predictable and stable environment for long-term investments across the textile value chain?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY

(SHRI JITIN PRASADA)

(a) to (b) India and the European Union (EU) announced the conclusion of negotiations for a Free Trade Agreement (FTA) on 27th January 2026, which dismantles duty disadvantages faced by India. The FTA provides duty free access to Indian apparel & textiles (from earlier duty of up to 12%), thereby providing a level playing field for our exporters and boosting India's competitiveness in EU vis-à-vis competitors which enjoy duty-free or preferential access under EU trade arrangements.

(c) Government has secured preferential market access in textiles through FTA with EU, UK, EFTA, New Zealand and Oman. This unlocks a major opportunity to scale exports strengthening India's global market position thereby encouraging investment across the textile value chain. Reduction of tariffs and trade barriers, along with export scale & policy certainty attracts long term investments.

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