European Economic Letters
ISSN 2323-5233
Vol 15, Issue 2 (2025)
http://eelet.org.uk

Comparative Analysis of India and Bangladesh Apparel Industry

Saba Parveen,

Jamia Millia Islamia, New Delhi - 110025

Abstract

This study examines the trade performance and competitiveness of the garment industry in India and Bangladesh. The study includes 4-digit commodities in the apparel industry, namely 61 knitted or crocheted items (16 commodities) and 62 woven items (17 commodities) from 2004 to 2023, using export and import data from the ITC Trade Map. The analysis focuses on post-reform dynamics, particularly after the phasing out of the Multi-Fibre Arrangement (MFA) in 2005, which reshaped the global apparel trade. Using the Revealed Comparative Advantage (RCA) index, the study evaluates the competitiveness of key apparel products, while trend analysis highlights changes in export patterns, trade shares and market destinations. A comparative framework is used to evaluate the advantages and disadvantages of the two nations, taking into account elements such as export diversification and cost effectiveness. The findings demonstrate that Bangladesh consistently possesses a significant comparative advantage in various product categories, particularly in mass-market apparel, including men's and women's shirts (HS Codes 6109, 6111), men's undergarments (6105), and outerwear such as coats and jackets (6203, 6209), with RCA averages substantially surpassing those of India. Bangladesh's RCA for men's shirts (6109) is 68.99, far surpassing India's 3.54. India has a comparative advantage in some specialized areas, like women's suits (6214) with RCA of 10.78, in contrast to Bangladesh's 0.47, and men's blazers (6213) with an RCA of 2.23, surpassing Bangladesh's 1.70. Both countries have relatively weak competitive positions in women's knitted tops (6115), with neither demonstrating a strong Revealed Comparative Advantage (RCA). The study suggests that Bangladesh excels in low-cost, high-volume garment production, but India might enhance its position by focusing on specialized, higher-value apparel. The results clarify the changing dynamics of the apparel industry and provide policy suggestions to improve competitive strategies for both nations.

Keywords: Trade, Apparel Industry, Industry, Comparative Analysis, India, Bangladesh, Export Competitiveness,

JEL Classification: F14, L67, O53

1. Introduction

The textile industry is a crucial component of the worldwide economy, with a projected market size of around $1.7 trillion by 2023 (Mim et al., 2024). The industry constitutes 4% of world commerce and exported in excess of $850 billion last year. The textile sector employs around 60 million workers globally, mostly women (Junayed & Akter, 2023). China, Bangladesh, and Vietnam are the primary leaders; however, India is swiftly emerging as a formidable rival. China accounts for more than 30% of worldwide garment exports and is acknowledged for its efficient supply chain and extensive manufacturing capabilities. In 2022, Bangladesh ranked as the second-largest exporter globally, with garment exports totalling $46 billion. The sector accounts for about 80% of Bangladesh's total exports (Chowdhury, 2023). However, increased manufacturing costs and worldwide labour rights issues have eroded its economic edge, benefiting countries such as India and Vietnam.

India has emerged as a viable option for global companies with apparel exports of $14.5 billion in FY24. The government's production-linked incentive (PLI) scheme, special economic zones (SEZs) and the Make in India campaign have fuelled industrial growth. India's success lies in its diverse product assortment, quality and international demand for traditional apparels. The industry employs more than 45 million workers nationwide. Bangladesh is a significant player in the global garment industry because to its low labour costs and advantageous trading relations with the EU and the US. Recent crises, including labour unrest and supply chain interruptions, have generated possibilities for nations like India and Vietnam. The readymade garment (RMG) business in Bangladesh is fundamental to the country's economy; yet it requires diversification in its production. Compared to Bangladesh, India's industry exhibits greater diversification and reliance on domestic production, while Bangladesh's industry is mostly export focused. India's strategic location, extensive textile heritage and growing demand worldwide make it competitive. In contrast, Bangladesh remains an attractive location for Western businesses due to its cost-effective model.

Numerous small and major economies now rely on the textile and garment industry, significantly contributing to their economic development (Hasler, 2003). Apparel manufacturing is labour-intensive, characterized by little fixed capital investment, a diverse array of product designs and corresponding input materials, fluctuating production volumes, intense competition, and often elevated product quality requirements (Scott, 2006). The manufacturing process, although mostly linked to clothes and household linen, is also used across other sectors and crafts, including upholstery, shoemaking, sail making, bookbinding, and the fabrication of numerous recreational products. The clothing manufacturing process transformed into an art form and saw several technical advancements. Technological innovations in the apparel industry encompass computerized instruments (notably in design, patternmaking, and cutting), 3D scanning technology, automation and robotics, the incorporation of wearable technology, and sophisticated material transport systems (Bailey, 1993; Forza and Vinelli, 2000). Another significant advancement is the growing use of robots for the transportation of components and materials inside the facility, hence enhancing production efficiency. Nevertheless, the apparel industry—especially sewing technology—has seen far less automation compared to several other industrial sectors. The sector operates in several countries globally; however, many are relocating manufacturing to developing nations to circumvent labour expenses (Bheda et al., 2003). Although labour costs are lower in developing nations, significant obstacles to rapid transformation exist owing to inadequate infrastructure, innovation, technology, and procedures (Bruce et al., 2004). In underdeveloped nations, clothing makers are procuring less expensive raw materials and minimizing distribution expenses to lower production costs attributed to inexpensive labour. In wealthy countries, some clothing manufacturers are enduring nevertheless encountering challenges owing to diminished profitability. Domestic garment manufacture is proximate to the market and can respond more swiftly to fluctuations in fashion compared to offshore production. Local manufacturers are progressively diminishing production and focusing on entrepreneurial garment manufacturing activities, including sourcing raw materials, developing fabrics and accessories, creating samples, and overseeing production, distribution, and marketing. The global garment manufacturing sector is becoming centralized in China, Bangladesh, India, Korea, Cambodia, Pakistan, and Vietnam (Tiwari, 2005). Following the expiration of the Agreement on Textiles and Apparel on January 1, 2005, international trade in garments and textiles is no longer governed by quotas (Diao and Somvaru, 2015). The recent authorization of international trade inside the multilateral trading system has increased imports from low-wage nations.

European Economic Letters
ISSN 2323-5233
Vol 15, Issue 2 (2025)
http://eelet.org.uk

The global garment industry, the impact of MFA, and the role of India and Bangladesh

The worldwide garment sector, deemed essential to the international economy, underwent a significant transformation with the conclusion of the Multilateral Textile Arrangement (MFA) in 2005. The MFA, in operation since 1974, permitted industrialized countries to impose volume-based restrictions on textile and apparel imports. The result heightened competition in the global apparel industry, creating new opportunities and challenges for developing countries. Since 2005, China has emerged as the preeminent worldwide exporter of garments, with exports exceeding $170 billion. Countries like Bangladesh and India had a significant presence in this competition. The termination of the MFA had a substantial impact on Bangladesh. The country strengthened its garment industry because to its low labor costs and tariff-free access. In 2022, Bangladesh's garment exports exceeded $46 billion, mostly driven by the European and American markets. The textile sector employed almost 4 million individuals, with more than 60% being female. Nonetheless, it faced competition from China's inexpensive and extensive manufacturing after the MFA. Nevertheless, the Generalized System of Preferences (GSP) and particular trade agreements with the European Union maintained their robust performance.

India, highlighting diversity and excellence in the apparel industry, had steady development in exports after the MFA. In 2024, India's textile and apparel exports neared $44 billion, mostly including traditional textiles, silk, and artisanal crafts. India achieved a competitive edge in the sector via the Production-Linked Incentive program and the Make in India initiative. More than 45 million people in India are engaged in the textile and apparel industry. Moreover, India's strong domestic market protects it from the effects of foreign competition. After the MFA's conclusion, significant discrepancies emerged in the clothing industry between Bangladesh and India. The conclusion of the MFA marked a significant turning point for emerging nations. India and Bangladesh excelled in the garment business. India exhibits stability owing to its varied and quality-focused manufacturing, while Bangladesh is establishing its presence in the global market via a low-cost strategy. Both nations must adjust to environmental sustainability, labor rights, and fluctuations in global demand in the future.

This study conducts a comparative analysis of trade patterns, competitiveness, and the global position of the textile sectors in India and Bangladesh, using Revealed Comparative Advantage (RCA) as a framework. It underscores the examination of export performance, key commodities, and international competitiveness from 2004 to 2023.

Literature Review

Mohan Kathuria, (2013). The paper analysis the export competitiveness of the garment industries in India and Bangladesh using Balassa's RCA index. It underscores the sector's economic importance and juxtaposes India's sluggish development with Bangladesh's robust success from 1995 to 2003. The analysis reveals that India's comparative advantage improved little, but Bangladesh saw substantial development in export competitiveness. This report delineates the structural obstacles impeding India's progress and offers policy suggestions to augment its participation in international commerce. The results provide significant insights for policymakers and exporters in the garment sector.

Hossian et al., (2019). The article "Export Competitiveness of Bangladesh Readymade Garments Sector: Challenges and Prospects" analyses the global competitiveness of Bangladesh's RMG sector using market share analysis and Trade Entropy index. Covering the period 2012–2016, the study highlights a significant rise in Bangladesh’s RMG market share,

reaching 7.50% in 2016, compared to 4.77% earlier, while competitors like China experienced a decline. Geographical diversification of the Bangladesh RMG exports increased in this period as illustrated through the Trade Entropy index, although exports concentrate significantly in the EU and USA markets. It points out the directions of growth opportunities and issues where further policy recommendations come useful for the stakeholders.

Verma (2002). The article examines the export competitiveness of India's textile and garment sectors with a focus on their performance in the US and EU markets in anticipation of the quota-free trade environment post-2004 under the WTO Agreement on Textiles and Clothing (ATC). The research shows that Indian exports in essential MFA (ATC) product categories continue to be competitive in these regions. It also examines the changing global trade environment and its possible effects on the textile and apparel sector. The essay recognizes the sector's considerable potential while underscoring the need for immediate legislative changes to improve competitiveness and leverage market access prospects. The results provide significant insights for policymakers and stakeholders seeking to enhance India's standing in the global textile market.

Ahmad, (2017). The article evaluates the export competitiveness of SAARC countries using the Normalized Revealed Comparative Advantage (NRCA) index, a dynamic tool for comparing trade performance over time, across countries, and across products. Analysing 17 sectoral products, the study reveals varying levels of comparative advantage among SAARC nations. Bangladesh has proficiency in textiles and apparel, exhibiting an upward trajectory, but India and Pakistan have fluctuations or downturns in these industries. Nepal has variable performance, whereas Sri Lanka experiences a deterioration in apparel competitiveness. Bhutan exhibits progress in iron and steel production, although has challenges in fuel and mining sectors. The Maldives have advantages in agriculture, food, and fuel, however with deteriorating tendencies. The results emphasize the dynamic and varied trade situations of SAARC states and provide possibilities for policy action to maintain and improve trade advantages.

Rundassa et al. (2019). The article evaluates the comparative advantages of Ethiopia's textile and apparel trade from 2007 to 2016 using the Balassa and Lafay indices of Revealed Comparative Advantage (RCA). It underscores the Ethiopian government's efforts since 2010 to diversify exports and emphasize light manufacturing, particularly textiles and clothing. The findings reveal that Ethiopia is more competitive in the textile sector, although the government has focused on the apparel sector due to its job creation potential. The study relies on secondary data, limiting its conclusions to available sources. This research is significant as it offers insights for policymakers to evaluate industrialization strategies and competitiveness, while also addressing social upgrading issues in these labour-intensive industries. It is a pioneering study in Ethiopia’s textile and apparel sector.

Swazan and Das, (2021). The article analyses the pivotal significance of the garment sector in Bangladesh's economy, highlighting its contributions to GDP, job creation, poverty alleviation, and comprehensive socio-economic advancement. In contrast to prior research, it emphasizes the distinctive firm-level resources that empower Bangladeshi clothing exporting enterprises to achieve competitive advantage. The research conducts a web-based content analysis of the "About Us" pages of garment export enterprises, identifying six major resources asserted by these firms. The results provide significant insights for sourcing professionals, international purchasers, industry participants, and policymakers to enhance their comprehension and support for the competitiveness of Bangladesh's garment export business.

Park-Poaps et al., (2021). The article investigates the status of technology adoption (TA) among Bangladeshi clothing manufacturers and examines the contextual factors influencing their adoption levels, including export orientation, top management commitment, competitive pressure, cost of capital, and technical skills. The research indicates that information technology and software are the most prevalently used technologies, although automation remains underutilized. Notably, export orientation adversely affects TA levels, whereas technical skills and competitive pressure have a beneficial effect. The research underscores the need of selective technology adoption in accordance with cost leadership objectives and accentuates the significance of investing in human capital and knowledge transfer. It provides significant insights for practitioners, policymakers, and stakeholders, connecting technical assistance in the labour-intensive industry to sustainable development and global market competitiveness.

Objective of the Study

1. To examine the export trends of India's garment exports to Bangladesh from 2004 to 2023.

2. To analyse the comparative study of India and Bangladesh's apparel export Competitiveness.

2. Data & Methodology

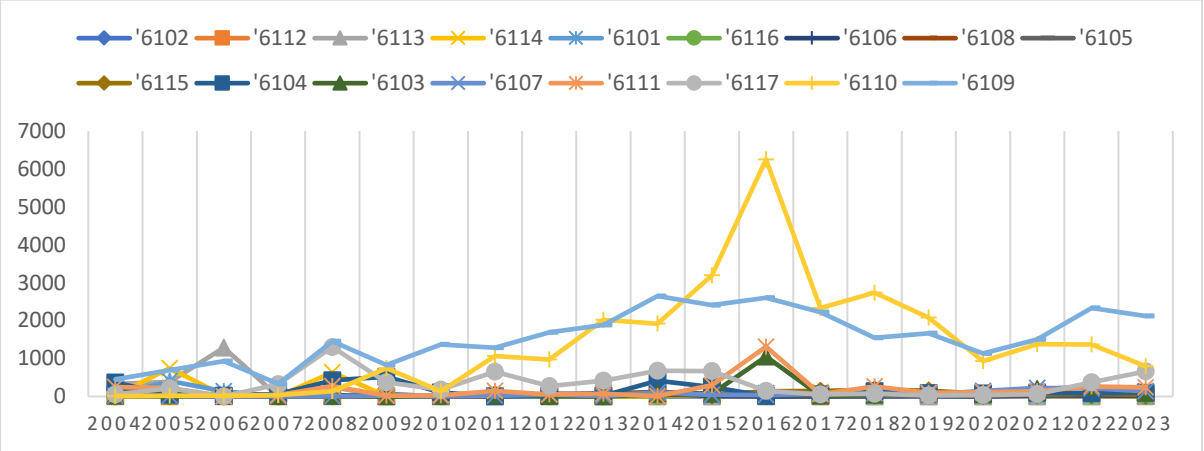
The research examines export and import statistics for the garment sector of India and Bangladesh from 2004 to 2023, sourced from the ITC Trade Map. The chosen timeframe illustrates post-reform trends, particularly after the 2005 MFA phase-out, which demonstrates the impacts of globalization and changes in trade policy. India's clothing industry, characterized by its varied textile foundation, is juxtaposed with Bangladesh's economically efficient ready-made garment (RMG) sector. Numerous HS codes are present in the clothing sector, including HS code 61 (knitted or crocheted garments), HS code 62 (woven garments), HS code 63 (other textile items), and HS codes 64-67 (accessories such as footwear and headgear). I selected HS code 61 and HS code 62, since both pertain exclusively to garments, a significant segment of the apparel business. HS code 61 pertains to knitted and crocheted apparel (e.g., T-shirts, sweaters), while HS code 62 pertains to woven clothing (e.g., suits, coats, shirts). HS code 63 and comparable codes mostly pertain to household textiles and accessories, which fall beyond the main scope of the painting business. Consequently, the selection of HS codes 61 and 62 is more suitable. This methodology facilitates the study's aim of examining trade patterns, computing revealed comparative advantage (RCA), and evaluating export performance between the two nations.

4. Results and Discussion

4.1. Trade Trends Analysis: This research uses a mix of analytical tools and methodologies to assess the trade performance and competitiveness of the apparel sector in India and Bangladesh. Export trends are examined using data to interpret the fluctuations between the given periods. Graphical tools including line charts and bar graphs are used to depict the fluctuations in the apparel trade during the research period (2004-2023).

Figure 4.1.1
India Export to Bangladesh for HS Code 61 (knitted or crocheted apparel)

European Economic Letters
ISSN 2323-5233
Vol 15, Issue 2 (2025)
http://eelet.org.uk

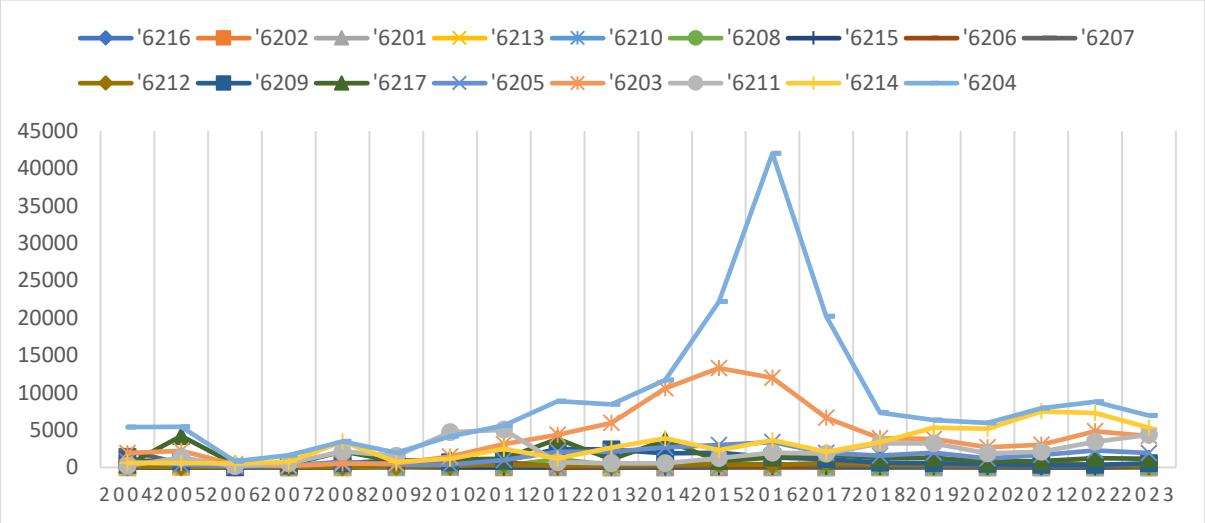


Source: ITC Trade Map

Exports from India to Bangladesh under HS Code 61 (knitted or crocheted clothing) have fluctuated over time, driven by market demand, competition, and trade laws. Between 2004 and 2007, shipments for the majority of HS Codes were chaotic and small, indicating that Indian exporters had limited access to the Bangladeshi market during the first years. HS Codes 6113 (jackets, suits, etc.) and 6114 (sweaters, pullovers) have shown substantial growth since 2008, suggesting a potential rise in demand for these garments in Bangladesh or that Indian exporters may have begun exporting at more competitive pricing. Between 2010 and 2015, exports of HS Code 6109 (T-shirts) and 6110 (sweatshirts) shown consistent growth, particularly in 2014 and 2015, when exports totalled 1922 and 3195 units, respectively. This signifies a continual need for these items in Bangladesh, with India effectively meeting this market's needs. Conversely, exports of particular HS codes, including 6102 (women's overcoats), 6112 (tracksuits), and 6101 (men's overcoats), have persistently remained low in most years, suggesting either insufficient demand for these products in the Bangladeshi market or that the Bangladeshi industry has attained self-sufficiency in the production of these garments. Since 2010, the export of knitted and crocheted garments from India to Bangladesh has consistently risen, owing to the garment industry's competitive advantages, trade agreements, and enhanced logistics between the countries.

Figure: 4.1.2
India Export to Bangladesh for HS Code 62 (Woven Apparel)

European Economic Letters
ISSN 2323-5233
Vol 15, Issue 2 (2025)
http://eelet.org.uk

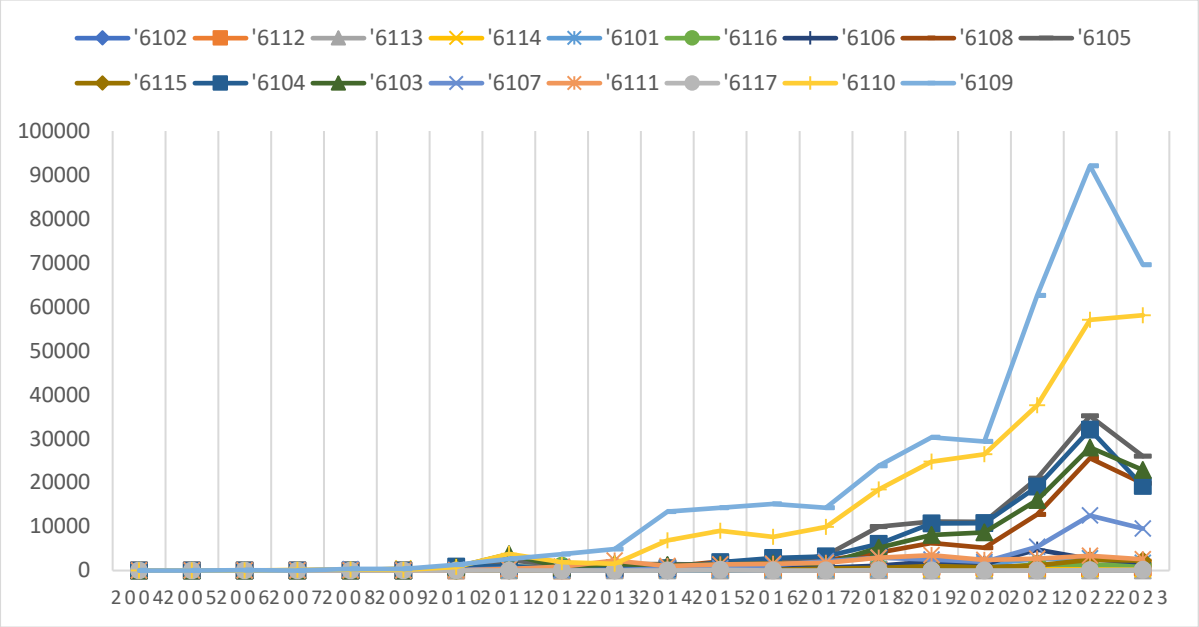


Source: ITC Trade Map

An analysis of the export trends for HS Code 62 (woven garments) from India to Bangladesh indicates that several product categories have seen significant fluctuations over time, influenced by Bangladesh's market needs and the trade laws and rivalry between the two nations. During the early years (2004-2007), exports of certain HS codes, notably 6204 (women's suits, ensembles, jackets, dresses, etc.), 6203 (men's suits, ensembles, jackets, etc.), and 6217 (clothing accessories), were considerable, whereas exports of other codes, including 6213 (handknives), 6216 (gloves, muffs, etc.), and 6201 (men's overcoats), were minimal. The export volume of HS Codes 6204 and 6214 (shawls, scarves) markedly rose from 2008 to 2012, with HS Code 6204 shipments reaching 8,848 units in 2012. This indicates a rise in demand for these garments in the Bangladeshi market or enhanced competitiveness of supply from India during this period. Between 2013 and 2016, the export of HS Codes 6204, 6203, and 6211 (tracksuits, swimsuits, etc.) shown steady rise, reaching 42,012 units in 2016, indicating the significant expansion of the Indian garment industry in the Bangladeshi market. Between 2017 and 2023, exports of some HS codes, such as 6204, 6211, and 6214, exhibited a rising trajectory; conversely, exports of 6216 (gloves), 6202 (women's overcoats), and 6201 (men's overcoats) were consistently low in most years. This indicates that Bangladesh depended on external sources for these goods or that domestic supply was adequate. In 2023, HS Codes 6204, 6211, and 6214 remained crucial components of exports, highlighting India's competitive edge in these products. India's exports of knitted garments to Bangladesh significantly increased after 2010, especially in areas with high import reliance on Bangladesh or where India's cost-competitiveness offered a clear benefit.

Figure: 4.1.3
India Import to Bangladesh for HS Code 61 (knitted or crocheted apparel)

European Economic Letters
ISSN 2323-5233
Vol 15, Issue 2 (2025)
http://eelet.org.uk

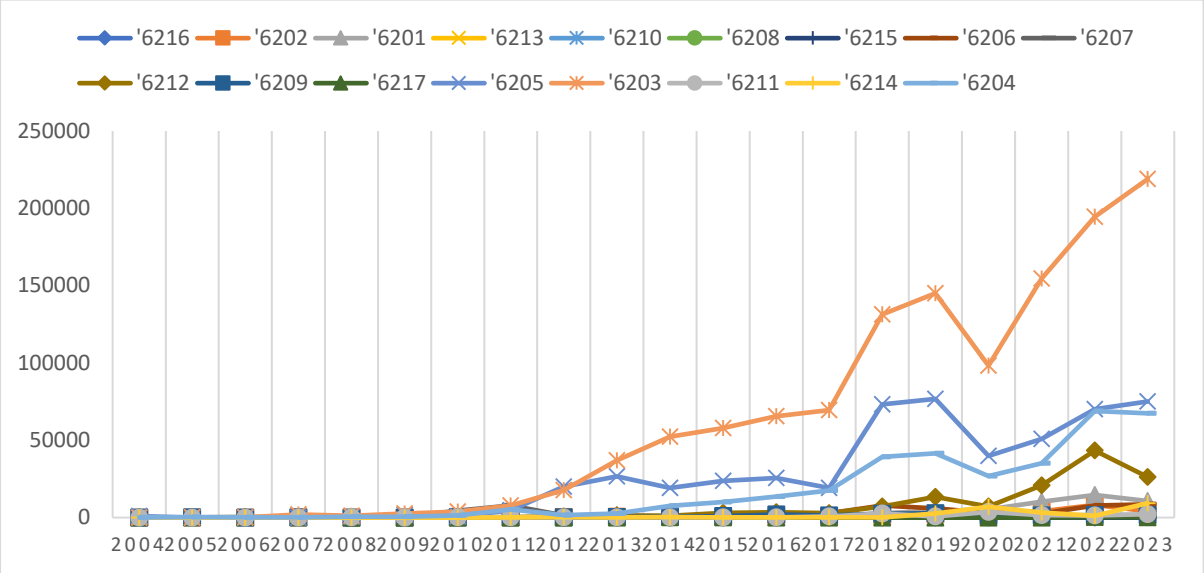


Source: ITC Trade Map

India's imports of knitted or crocheted clothes (HS Code 61) from Bangladesh have shown a clear upward trend from 2004 to 2023. In the first years (2004-2005), imports were minimal, with little activity across the majority of product categories. Starting in 2006, imports rose in some categories, such as sweaters (HS Code 6112) and t-shirts (HS Code 6101), with a little increase in knitted women's apparel (HS Code 6108) by 2007-2008. A notable increase in imports transpired from 2009 to 2013, particularly for HS codes such as 6101 (men's t-shirts), 6105 (women's t-shirts), and 6111 (sweaters). In 2009, imports in certain categories, such as t-shirts, started to exhibit consistent rise, and by 2012, imports from India saw a significant increase, especially for items like knitted women's tops (HS Code 6115) and men's knitted t-shirts (HS Code 6109). From 2014 to 2016, imports saw sustained growth, driven by robust demand from Bangladesh, particularly in categories such as 6109 (t-shirts) and 6115 (knitted women's tops). The years 2015 and 2016 were significant, marked by the expansion of Bangladesh's garment sector and India's emergence as a main supplier. Imports of knit garments consistently increased in 2017 and 2018, with categories 6109 and 6110 seeing notable growth. In 2020 and 2021, imports peaked, especially in categories such as 6117 (knitted accessories) and 6109 (t-shirts), reflecting Bangladesh's robust demand for knitted products. The years 2022 and 2023 had high import levels, mostly such as t-shirts, women's tops, and knitted accessories. This highlights India's sustained role as a significant supplier of knitted garments to Bangladesh, driven by favorable trade relations, demand from Bangladesh's expanding textile industry, and the growing integration of both countries into regional and global supply chains.

Figure: 4.1.4
India Import to Bangladesh for HS Code 62 (Woven Apparel)

European Economic Letters
ISSN 2323-5233
Vol 15, Issue 2 (2025)
http://eelet.org.uk



Source: ITC Trade Map

Table 4.1.4 investigates India's exports of woven garments (HS Code 62) to Bangladesh from 2004 to 2023, categorised by several HS Codes. A significant upward trend is seen over this period, driven by evolving trade dynamics, economic growth, and changed consumer preferences in Bangladesh. In the first years (2004–2007), imports were minimal or non-existent for most HS Codes, indicating little trade in woven clothing between the two countries. This may be attributed to Bangladesh's focus on textile exports, particularly knitwear, and its insufficient trade infrastructure. Since 2008, imports have seen steady development, especially in HS Codes such as 6205 (men's shirts), 6203 (men's suits), and 6204 (women's suits). The rise was propelled by improved trade relations, reduced tariffs, and Bangladesh's increasing demand for high-quality, economical woven clothes from India.

During 2015 to 2023, imports had a substantial rise, with some HS Codes reaching unprecedented amounts. For instance, imports classified as 6205 (men's shirts) rose from 1,027 in 2004 to 218,946 in 2023, whilst imports identified as 6203 (men's suits) escalated from 14 to 194,526 over the same period. The rapid expansion is due to several factors: Bangladesh's economic growth, which improved disposable incomes and heightened demand for formal clothing; India's competitive advantage in producing high-quality woven garments at lower costs; and the diversification of Bangladesh's apparel industry, which increasingly relied on imports to augment its knitwear exports. Furthermore, bilateral trade agreements and regional collaboration under frameworks such as SAARC enhanced trade fluidity. Despite the general rising trajectory, oscillations occurred, notably in 2020, when imports for several HS Codes decreased owing to the COVID-19 pandemic, which disrupted global commerce and reduced demand. Nevertheless, the market saw a strong resurgence in 2021 and maintained growth in 2022 and 2023, driven by post-pandemic recovery and renewed economic activity. HS Codes like 6217 (other manufactured clothing accessories) and 6210 (garments made of felt or nonwovens) had little variation, indicating specialized or low-demand sectors. Conversely, HS Codes 6205, 6203, and 6204 prevailed, indicating a robust demand for formal attire in Bangladesh.

India's exports of woven garments to Bangladesh have markedly increased over the last two decades, propelled by economic expansion, trade liberalization, and India's competitive advantage in the industry. The COVID-19 pandemic resulted in a brief downturn; nevertheless,

the market has rebounded and is positioned for further growth. India's supremacy in the manufacture of men's shirts and suits underscores its strategic role as a principal supplier, with opportunities for expansion in other areas, such as women's formal attire, as Bangladesh's economy progresses.

4.2. Revealed Comparative Advantage (RCA): The RCA index is used to measure the export competitiveness of apparel products. It measures the relative advantage or disadvantage of each country in exporting specific goods, which provides a basis for comparing their trade strengths.

$$RCA_{ij} = \left(\frac{X_{ij} / \sum_j X_{ij}}{\sum_i X_{ij} / \sum_{ij} X_{ij}} \right)$$

X_{ij} = Country i export value for product j

$\sum_j X_{ij}$ = Country's i total exports for all products

$\sum_i X_{ij}$ = World's total export for product j

$\sum_{ij} X_{ij}$ = World's total export for all products

RCA > 1 = If the value of RCA is more than 1, it means that the country has a comparative advantage in that commodity, i.e. it exports more than the world average of that commodity.

RCA < 1 = If RAC is less than 1, it means that the country does not have a comparative advantage and it exports less commodities than the world.

Table: 4.2.1
India RCA Analysis for HS Code 61 (knitted or crocheted apparel)

HS Code	'6109	'6111	'6105	'6104	'6107	'6108	'6114	'6110	'6103	'6115	'6106	'6116	'6112	'6101	'6117	'6102	'6113
2004	4.27	3.66	11.22	1.82	6.50	3.29	1.07	0.67	2.30	0.48	4.66	0.83	0.70	10.78	1.64	3.11	0.81
2005	4.32	3.95	8.91	1.82	5.98	2.96	1.21	0.62	2.31	0.42	4.62	0.44	0.31	7.28	1.05	0.38	0.69
2006	4.67	4.33	6.10	1.35	5.23	2.46	1.61	0.63	1.72	0.45	4.89	0.40	0.22	3.18	0.78	0.33	0.46
2007	4.47	4.85	6.17	1.30	5.29	2.53	2.21	0.56	1.29	0.39	4.02	0.36	0.14	0.88	0.73	0.28	0.16
2008	3.94	4.98	5.36	1.47	4.85	2.40	2.76	0.48	1.25	0.28	4.36	0.38	0.15	0.68	0.88	0.21	0.22
2009	4.36	5.44	5.28	1.40	5.12	3.73	2.43	0.47	1.56	0.27	5.25	0.22	0.19	0.45	0.77	0.36	0.07
2010	3.32	4.80	4.94	1.04	3.74	1.96	2.09	0.36	1.25	0.22	4.14	0.41	0.12	0.22	0.68	0.13	0.03
2011	3.14	5.15	5.34	0.88	3.29	2.41	2.51	0.33	1.00	0.21	3.54	0.44	0.19	0.25	0.80	0.14	0.05

2012	3.39	5.92	4.38	0.82	3.52	2.51	3.28	0.28	0.95	0.23	2.61	0.40	0.37	0.25	0.36	0.12	0.04
2013	3.46	5.90	4.24	0.81	3.77	2.48	4.39	0.30	0.94	0.30	2.61	0.35	0.23	0.17	0.82	0.22	0.03
2014	3.54	5.74	4.42	0.98	3.95	2.48	5.37	0.36	1.31	0.33	2.04	0.35	0.14	0.24	2.07	0.18	0.03
2015	4.06	6.79	5.93	1.25	4.67	2.69	5.80	0.37	1.78	0.31	2.35	0.37	0.14	0.26	1.95	0.18	0.03
2016	3.90	7.19	5.72	1.29	4.94	2.84	5.20	0.37	2.41	0.36	1.92	0.37	0.12	0.18	0.96	0.10	0.03
2017	3.60	7.20	5.48	1.24	6.06	2.68	4.68	0.37	2.91	0.59	2.14	0.39	0.10	0.28	1.03	0.12	0.06
2018	3.08	6.59	4.47	0.93	4.74	2.62	4.50	0.40	1.97	0.69	1.90	0.37	0.10	0.50	0.98	0.12	0.02
2019	3.22	7.19	5.02	0.98	4.44	2.81	3.22	0.37	2.23	0.68	2.03	0.37	0.12	0.58	0.85	0.12	0.01
2020	2.96	7.36	5.04	0.89	4.53	2.66	2.72	0.35	2.26	0.77	1.85	0.40	0.11	0.53	0.59	0.12	0.02
2021	2.60	6.41	4.43	0.81	4.18	2.10	2.38	0.37	1.97	0.78	1.68	0.41	0.17	0.46	0.42	0.12	0.02
2022	2.40	6.45	4.12	0.85	3.79	2.00	2.25	0.33	1.42	0.67	1.90	0.36	0.31	0.31	0.22	0.15	0.00
2023	2.18	6.64	3.65	0.75	3.38	1.79	1.83	0.29	1.18	0.54	1.86	0.30	0.18	0.22	0.15	0.08	0.01

Source: ITC Trade Map Calculation

India has shown a robust and sustained comparative advantage in many HS Codes, including 6105 (men's knitted shirts), 6109 (T-shirts and vests), and 6110 (sweaters and pullovers), with RCA values routinely above 1. HS Code 6105 had an RCA of 11.22 in 2004, which, despite a gradual decline, remained above 3.65 in 2023, indicating enduring competition in this area. Likewise, HS Code 6109 sustained an RCA over 2 for the whole time, indicating India's prowess in the production and exportation of T-shirts and vests. Nonetheless, the RCA values for several HS Codes, like 6110 (sweaters and pullovers) and 6113 (knitted textiles), consistently fell below 1 during all years, indicating that India does not possess a competitive advantage in these sectors. This may result from elevated manufacturing costs, restricted technical progress, or intensified rivalry from nations like as China and Bangladesh, which excel in certain sectors. The RCA values for several HS Codes shown a progressive decrease, especially for 6101 (men's overcoats) and 6102 (women's overcoats), which fell markedly from 10.78 and 3.11 in 2004 to 0.22 and 0.08 in 2023, respectively. The trend indicates that while India continues to be competitive in several categories of knitted garments, its comparative advantage has diminished in others. This may be ascribed to the emergence of rival economies like as Bangladesh and Vietnam, who have used reduced labour costs and advantageous trade agreements to secure greater portions of the global market. Moreover, India's emphasis on traditional strengths such as woven garments (HS Code 62) may have redirected resources from knitted apparel, so affecting its competitiveness in this domain.

Table: 4.2.2
India RCA Analysis for HS Code 62 (Woven Apparel)

HS Code	'6204	'6205	'6206	'6203	'6211	'6214	'6209	'6208	'6207	'6210	'6212	'6201	'6216	'6202	'6217	'6213	'6215
2004	2.82	8.04	13.53	1.52	1.16	17.59	5.48	6.45	3.54	0.90	0.07	1.63	1.07	0.69	0.70	2.37	0.23
2005	3.51	7.66	15.17	1.70	1.29	17.21	4.54	5.33	2.91	0.68	0.15	1.45	1.23	0.64	0.99	1.87	0.20
2006	3.68	6.59	13.36	1.86	1.35	17.75	4.92	5.81	1.91	0.49	0.14	0.61	1.18	0.23	0.78	2.15	0.23
2007	3.16	5.71	9.83	1.81	1.17	16.67	4.71	4.60	1.83	0.09	0.30	0.44	1.54	0.20	0.89	1.83	0.17
2008	3.07	5.40	9.58	1.77	1.32	17.50	4.28	4.60	1.63	0.08	0.26	0.32	1.20	0.17	1.33	1.96	0.46
2009	3.01	4.62	9.48	1.55	1.30	15.21	4.96	3.85	1.68	0.05	0.37	0.19	1.26	0.09	1.63	2.60	0.72
2010	2.68	4.37	9.43	1.31	1.26	12.21	4.50	3.07	1.44	0.04	0.35	0.08	1.12	0.09	1.27	1.61	0.60
2011	2.83	4.17	8.78	1.28	2.31	10.71	4.97	3.56	1.37	0.04	0.31	0.06	0.97	0.06	1.15	1.91	0.72
2012	2.71	4.16	7.10	1.40	3.74	10.66	5.63	4.42	2.08	0.09	0.54	0.08	1.13	0.06	1.46	2.03	0.11
2013	2.44	4.19	6.90	1.38	3.89	9.96	7.01	4.25	2.57	0.11	0.55	0.10	1.19	0.05	0.83	1.57	0.12
2014	2.33	4.17	6.78	1.38	4.74	9.38	6.37	3.77	2.28	0.06	0.53	0.09	1.10	0.05	1.03	1.68	0.15
2015	2.65	4.79	7.73	1.54	5.74	10.37	6.67	4.72	3.77	0.07	0.64	0.10	1.36	0.06	0.97	1.95	0.12
2016	2.40	5.18	6.33	1.58	5.92	9.56	6.61	5.87	5.77	0.04	0.63	0.07	1.41	0.05	0.81	2.02	0.25
2017	2.25	5.37	5.97	1.44	6.21	8.12	6.89	5.11	5.25	0.10	0.48	0.05	1.42	0.06	0.58	2.43	0.19
2018	2.07	4.39	5.35	1.20	5.34	6.47	6.16	3.89	3.15	0.19	0.54	0.08	1.22	0.06	0.49	2.45	0.17
2019	2.24	4.40	5.24	1.30	4.79	6.34	5.73	3.95	2.99	0.24	0.56	0.12	1.29	0.06	0.51	2.60	0.44

2020	2.19	4.23	5.05	1.34	4.18	6.43	6.20	3.87	3.63	0.34	0.43	0.17	1.69	0.06	0.73	3.59	0.68
2021	1.99	4.13	4.59	1.31	3.65	5.36	4.96	3.20	3.25	0.26	0.40	0.21	1.79	0.05	0.48	3.15	0.44
2022	2.18	4.15	4.87	1.12	3.41	4.02	5.45	3.31	2.84	0.28	0.38	0.18	1.47	0.06	0.40	2.58	2.52
2023	2.04	4.07	4.75	1.05	3.12	4.11	5.15	3.70	3.05	0.26	0.24	0.10	1.16	0.06	0.39	2.32	0.13

Source: ITC Trade Map Calculation

Table 4.2.2 presents India's RCA study for HS Code 62 (woven clothing) from 2004 to 2023. India has shown a robust and sustained comparative advantage in many HS Codes, including 6205 (men's shirts), 6206 (women's blouses), and 6214 (other clothes), with RCA values routinely above 1. HS Code 6206 recorded an RCA of 13.53 in 2004, which, despite a gradual decline, remained above 4.75 in 2023, indicating India's enduring capability in the production and export of women's blouses. Likewise, HS Code 6205 sustained a RCA over 4 for the whole time, signifying India's competitiveness in men's shirts. HS Code 6214, including various garments, exhibited a robust RCA, reaching a pinnacle of 17.59 in 2004 and sustaining a level above 4.11 in 2023, underscoring India's capacity to serve a wide array of woven clothing categories. Nevertheless, the RCA values for 6210 (garments composed of felt or nonwovens) and 6217 (other fabricated clothing accessories), consistently stayed below 1 across all years, indicating that India does not possess a competitive advantage in these specialized categories. This may result from restricted demand, elevated production costs, or intensified rivalry from nations excelling in certain sectors. Over time, the RCA values for several HS Codes exhibited a progressive decrease, especially for 6206 (women's blouses) and 6214 (other clothing), which fell markedly from their highest values.

India has maintained a robust presence in critical categories such as 6205 (men's shirts) and 6203 (men's suits), which have persistently had RCA values beyond 1. India's RCA study for woven garments indicates a heterogeneous pattern. The nation retains a strong comparative advantage in essential categories such as men's shirts and women's blouses; nevertheless, its competitiveness has diminished in other sectors owing to increasing global competition and changing demand trends.

Table: 4.2.3
Bangladesh RCA Analysis for HS Code 61 (knitted or crocheted apparel)

year	'6109	'6110	'6104	'6105	'6108	'6103	'6107	'6111	'6114	'6106	'6102	'6101	'6112	'6113	'6116	'6115	'6117
2004	58.34	32.73	10.16	66.06	12.42	39.39	21.86	4.68	0.63	16.09	3.46	4.12	9.15	1.80	1.02	0.60	0.44
2005	61.24	33.22	9.89	62.43	14.98	35.20	19.15	4.30	1.42	15.15	4.99	7.08	7.71	6.46	0.56	0.81	0.17
2006	61.71	31.93	8.62	51.80	15.75	26.94	19.25	2.75	1.34	13.36	3.00	2.85	5.87	7.20	0.07	0.53	0.22

2007	63.51	31.33	7.85	50.56	38.99	18.51	21.41	4.37	1.28	12.68	3.85	6.05	4.06	1.69	0.05	0.43	0.28
2008	89.04	39.70	9.03	58.79	19.90	25.05	24.67	6.56	1.25	17.65	5.93	3.89	3.65	5.34	0.33	0.42	0.54
2009	80.15	36.07	8.00	50.12	17.17	26.65	23.85	7.81	2.70	18.01	4.61	5.88	2.19	5.68	0.13	0.26	0.41
2010	86.28	37.44	9.35	59.44	20.46	22.64	26.60	7.47	3.67	18.21	5.41	3.61	3.85	3.24	0.20	0.19	0.18
2011	90.63	39.81	9.82	60.38	21.73	23.90	27.10	6.88	6.09	20.10	4.12	3.87	5.13	9.81	1.27	0.21	0.21
2012	89.72	36.97	8.95	57.63	24.76	19.30	33.83	6.94	3.60	17.46	6.44	4.50	6.92	10.61	1.87	0.34	0.55
2013	84.16	37.17	9.33	55.78	20.97	17.98	34.86	8.52	6.12	16.93	14.02	6.05	5.31	10.51	2.57	0.54	0.64
2014																	
2015	72.09	31.73	12.26	52.18	24.53	19.66	32.97	13.11	1.34	14.44	11.37	10.17	5.15	2.79	2.17	1.00	0.28
2016	53.62	39.16	20.43	48.99	27.68	14.92	32.52	44.25	15.09	28.88	30.49	28.16	7.79	12.42	2.68	1.45	1.80
2017	58.57	40.68	23.56	55.93	31.33	16.79	34.31	48.87	16.73	35.03	35.00	27.21	10.13	13.25	3.03	1.47	2.10
2018	60.36	41.76	26.00	56.32	34.11	18.98	39.28	52.75	17.17	31.92	37.57	26.96	12.14	9.68	3.12	1.39	2.52
2019	57.98	39.22	26.87	53.36	31.71	20.42	37.87	47.72	17.26	34.42	28.10	27.16	12.08	12.58	2.75	1.18	2.90
2020	59.24	40.52	31.86	54.03	35.11	23.05	41.74	55.75	22.46	35.48	30.51	30.09	16.39	12.69	2.87	1.06	4.21
2021	59.80	41.68	33.55	52.79	38.83	28.61	44.10	56.78	27.94	35.45	32.38	35.23	13.67	11.69	3.35	1.06	6.28
2022	60.26	42.88	34.85	55.49	40.22	29.28	46.74	53.95	26.17	39.64	34.97	31.98	14.43	10.93	2.79	1.20	2.69

2023	64.13	45.08	33.28	57.86	38.32	29.12	52.84	59.12	22.93	40.56	32.39	35.28	12.61	13.87	2.83	0.93	2.00

Source: ITC Trade Map Calculation

Table 4.2.3 displays the RCA study for Bangladesh about HS Code 61 (knitted or crocheted clothes) from 2004 to 2023, organized by distinct HS Codes. RCA values over 1 signify that Bangladesh has a competitive advantage in the exportation of those items, and the notably elevated values in several HS Codes underscore the nation's pre-eminence in the worldwide knitted clothing industry. Bangladesh has shown a remarkable comparative advantage in some HS Codes, including 6109 (T-shirts and vests), 6105 (men's knitted shirts), and 6110 (sweaters and pullovers), with RCA values routinely above 30 and often exceeding 50. HS Code 6109 had an RCA of 58.34 in 2004, which rose to 64.13 in 2023, indicating Bangladesh's exceptional capacity in the production and exportation of T-shirts and vests. Likewise, HS Code 6105 maintained an RCA beyond 50 for the whole time, reaching a zenith of 66.06 in 2004 and continuing at 57.86 in 2023, highlighting Bangladesh's competitiveness in men's knitted shirts.

Bangladesh's RCA values for 6104 (women's knitted suits) and 6108 (women's knitted undergarments), regularly exhibited high levels, indicating a strong comparative advantage in these sectors. The RCA values for some HS Codes, such 6115 (pantyhose and tights) and 6117 (other made-up clothing accessories), were very low, often below 1, indicating that Bangladesh does not possess a competitive edge in these specialized categories. Over time, the RCA values for several HS Codes shown a steady rise, especially for 6110 (sweaters and pullovers) and 6104 (women's knitted suits), which had substantial increases from 2004 to 2023.

Table: 4.2.4
Bangladesh RCA Analysis for HS Code 62 (Woven Apparel)

year	'6203	'6204	'6205	'6201	'6202	'6206	'6210	'6211	'6212	'6209	'6207	'6208	'6217	'6214	'6216	'6215	'6213
2004	44.75	18.58	79.26	7.66	1.69	31.87	4.10	6.25	4.58	27.18	31.35	19.50	1.05	0.23	2.60	0.40	1.56
2005	46.51	19.34	81.77	7.80	1.96	26.70	3.43	6.13	4.21	28.83	17.60	18.19	2.06	0.09	2.39	0.15	0.96
2006	54.97	19.34	74.86	5.80	2.13	20.85	0.48	4.65	5.21	24.10	20.92	17.49	1.56	0.41	1.72	0.10	0.76
2007	60.22	20.66	67.77	5.56	1.94	20.46	0.79	5.94	6.46	22.37	26.42	21.39	3.79	0.52	1.64	0.26	2.30
2008	70.28	24.15	76.74	3.78	2.64	19.59	0.52	5.51	6.21	28.57	30.28	23.75	4.75	0.25	1.21	0.23	4.37
2009	66.94	22.63	66.11	5.20	1.55	17.72	0.61	4.00	8.76	20.66	29.79	18.76	7.49	0.11	0.78	0.17	3.78

2010	74.66	25.68	78.10	6.86	1.66	21.40	0.29	5.27	7.94	15.86	31.65	17.28	11.01	0.18	1.85	0.16	4.09
2011	77.26	28.79	84.52	8.95	2.25	21.12	0.35	3.41	9.06	15.92	28.43	17.44	11.56	0.22	1.81	0.14	2.50
2012	82.74	32.72	92.01	9.90	3.28	21.30	4.45	4.09	11.00	21.10	30.02	12.58	11.57	0.14	2.08	0.17	1.15
2013	79.10	32.30	89.96	14.88	5.99	20.88	6.89	4.18	9.92	26.97	32.24	13.64	12.71	0.09	2.16	0.05	1.45
2014																	
2015	64.13	27.84	79.42	15.58	6.10	22.18	14.03	3.71	12.94	27.74	24.42	10.63	9.54	0.17	1.22	0.17	0.41
2016	52.88	27.04	69.16	17.13	13.48	26.21	25.30	10.71	14.99	72.42	23.47	9.40	4.69	0.27	0.30	0.97	0.33
2017	56.00	28.27	67.50	19.53	14.11	27.77	22.10	10.31	17.95	69.28	25.24	10.46	7.34	0.20	0.80	1.06	0.51
2018	56.95	31.12	70.10	22.72	16.85	28.07	21.63	11.19	19.50	72.63	22.93	13.55	6.91	0.27	1.01	1.05	0.50
2019	53.81	31.39	69.05	23.61	17.81	26.61	22.31	10.60	20.22	68.98	23.94	10.46	4.92	0.51	1.38	1.25	0.87
2020	59.06	33.65	75.89	26.74	21.11	28.89	9.36	13.11	24.03	73.55	31.78	10.95	4.47	1.48	1.72	1.99	1.36
2021	60.01	31.69	68.12	29.31	19.53	25.28	18.90	13.61	24.26	69.63	34.98	15.17	3.10	1.68	1.98	31.27	3.17
2022	61.26	32.66	70.32	28.04	18.78	28.29	22.64	15.30	23.20	64.87	32.23	17.49	3.96	0.67	2.39	1.36	1.65
2023	63.21	31.66	76.91	31.63	20.49	30.22	25.79	16.37	20.60	74.13	35.31	17.22	2.05	1.42	3.79	1.27	0.50

Source: ITC Trade Map Calculation

Bangladesh's RCA for HS Code 62 (woven clothing) from 2004 to 2023 is shown in Table 4.2.4 by HS code. Bangladesh has regularly outperformed other countries in including 6205 (men's shirts), 6203 (men's suits), and 6204 (women's suits), with RCA values surpassing 50 and frequently 70. HS Code 6205's RCA rose from 79.26 in 2004 to 76.91 in 2023, demonstrating Bangladesh's supremacy in men's shirt production and export. HS Code 6203's RCA above 44

peaked at 82.74 in 2012 and remained at 63.21 in 2023, demonstrating Bangladesh's men's suit competitiveness. Bangladesh also has high RCA values for 6206 (women's blouses) and 6209 (baby clothes), suggesting a substantial comparative advantage. Bangladesh dominates because to its cheap labour costs, economies of scale, and preferential trade agreements with key countries like the EU and US. The country's concentration on woven garment exports has helped it develop specialized skills and efficient supply networks, boosting its competitiveness. Bangladesh lacks a competitive edge in 6214 (other garments) and 6217 (other made-up clothing accessories), since their RCA values were generally below 1. This might be due to low demand, complicated manufacturing, or tougher competition from other nations specialized in these categories. Bangladesh's woven textile performance is still excellent, with most HS Codes having RCA values above the world average.

RCA values for several HS Codes increased gradually, for 6201 (men's overcoats) and 6202 (women's overcoats), which grew significantly from 2004 to 2023. Bangladesh has been able to diversify its woven garment exports and increase its worldwide market share. Bangladesh's woven clothing RCA study shows a significant and persistent comparative advantage in key areas due to cost competitiveness, specialized skills, and advantageous trade rules. Though narrow niches are difficult, the nation dominates the worldwide woven clothing business. Bangladesh may need to invest in technology, sustainability, and workforce development and explore new markets and product categories to maintain and improve its RCA and become a worldwide leader in woven garment exports.

4.3. Comparative Analysis: A comparison methodology is used to evaluate the performance of India and Bangladesh based on essential parameters. This paradigm facilitates the identification of parallels, differences, and the fundamental determinants influencing trade patterns and competitiveness.

Table: 4.3
Comparative Analysis of RCA Averages: India and Bangladesh for HS Code Commodities

HS Code	IND RCA Avg.	BNG RCA Avg.	Comparative Advantage
'6109	3.54	68.99	Both have comparative advantage; BNG is stronger
'6111	5.83	25.93	Both have comparative advantage; BNG is stronger
'6105	5.51	55.79	Both have comparative advantage; BNG is stronger
'6104	1.13	17.56	Both have comparative advantage; BNG is stronger
'6107	4.60	32.37	Both have comparative advantage; BNG is stronger
'6108	2.57	26.79	Both have comparative advantage; BNG is stronger
'6114	3.08	10.27	Both have comparative advantage; IND is weaker
'6110	0.41	37.85	BNG has a strong advantage; IND shows disadvantage
'6103	1.70	24.02	Both have comparative advantage; BNG is stronger
'6115	0.45	0.79	Neither has comparative advantage
'6106	3.02	24.29	Both have comparative advantage; BNG is stronger
'6116	0.40	1.77	BNG has a slight advantage; IND shows disadvantage
'6112	0.21	8.33	BNG has comparative advantage; IND shows disadvantage
'6101	1.39	15.80	Both have comparative advantage; BNG is stronger
'6117	0.89	1.50	BNG has a slight advantage; IND shows disadvantage

'6102	**0.33**	**17.30**	**BNG has a strong advantage; IND shows disadvantage**
'6113	**0.14**	**8.54**	**BNG has comparative advantage; IND shows disadvantage**
'6204	**2.61**	**27.34**	**Both have comparative advantage; BNG is stronger**
'6205	**4.99**	**75.66**	**Both have comparative advantage; BNG is stronger**
'6206	**7.99**	**24.50**	**Both have comparative advantage; IND is stronger**
'6203	**1.44**	**62.35**	**Both have comparative advantage; BNG is stronger**
'6211	**3.29**	**8.12**	**Both have comparative advantage; IND is stronger**
'6214	**10.78**	**0.47**	**IND has a strong advantage; BNG shows disadvantage**
'6209	**5.56**	**43.41**	**Both have comparative advantage; BNG is stronger**
'6208	**4.37**	**15.54**	**Both have comparative advantage; BNG is stronger**
'6207	**2.85**	**28.05**	**Both have comparative advantage; BNG is stronger**
'6210	**0.22**	**10.74**	**BNG has comparative advantage; IND shows disadvantage**
'6212	**0.39**	**13.21**	**BNG has comparative advantage; IND shows disadvantage**
'6201	**0.31**	**15.30**	**BNG has comparative advantage; IND shows disadvantage**
'6216	**1.29**	**1.73**	**Both have slight comparative advantage; BNG stronger**
'6202	**0.14**	**9.12**	**BNG has comparative advantage; IND shows disadvantage**
'6217	**0.87**	**6.03**	**BNG has comparative advantage; IND shows disadvantage**
'6213	**2.23**	**1.70**	**Both have comparative advantage; IND is stronger**
'6215	**0.43**	**2.22**	**BNG has slight comparative advantage; IND shows disadvantage**

Source: ITC Trade Map Calculation

The comparative analysis of the RCA averages for India and Bangladesh across several HS code commodities reveals important insights on their export performance in the apparel sector. India and Bangladesh have comparative advantages in several areas, albeit the extent of these advantages varies. Bangladesh has a notable competitive edge in several items, including men's or boys' shirts (HS Code 6109), women's or girls' blouses (HS Code 6111), men's or boys' undergarments (HS Code 6105), and overcoats (HS Code 6203), among others. Bangladesh's RCA averages routinely surpass those of its competitors across several categories, indicating a more advantageous position in the worldwide market for these items. The RCA for HS Code 6109 (men's or boys' shirts) is 68.99 for Bangladesh, in contrast to 3.54 for India, underscoring Bangladesh's preeminent status in the worldwide market for this product.

Nonetheless, there are more industries in which India has a more pronounced competitive edge. In the realm of women's or girls' suits (HS Code 6214), India has a substantial edge with a Revealed Comparative edge (RCA) of 10.78, whereas Bangladesh's RCA is at 0.47, signifying India's dominance in this sector. India surpasses Bangladesh in certain product categories, including men's or boys' sweaters (HS Code 6114) and men's or boys' blazers (HS Code 6213), as shown by India's much higher RCA values. There are several domains in which neither country has a significant competitive advantage. For women's or girls' knitted tops (HS Code 6115), both India and Bangladesh lack a significant competitive advantage, since their RCAs are low (0.45 for India and 0.79 for Bangladesh). In women's or girls' apparel (HS Code 6116), Bangladesh has a little advantage; nevertheless, India's RCA is very low, reflecting a weaker competitive position. Bangladesh has a greater competitive edge in most garment categories, especially men's and women's shirts, suits, and outerwear. India and Bangladesh both have

significant garment industry capabilities. However, India excels in women's suits and blazers. Both nations face hurdles in product areas where they lack comparative advantage. This paper examines India and Bangladesh's garment export advantages and suggests ways each nation might strengthen or concentrate its trade tactics.

Conclusion

Bangladesh's pre-eminence in apparel exports. It demonstrates a persistent trend indicating that Bangladesh has a much stronger competitive advantage in the majority of product categories classified under HS codes pertaining to woven and knitted apparel. The RCA averages of Bangladesh significantly exceed those of India for several goods, including men's and women's shirts (HS Codes 6109, 6111), men's underwear (HS Code 6105), and outerwear such as coats and jackets (HS Codes 6203, 6209). This signifies that Bangladesh has established a robust presence in international apparel markets, especially for economical and mass-produced garments. The nation exhibits a significant comparative advantage in men's and boys' shirts (HS Code 6109), with a Revealed Comparative Advantage (RCA) of 68.99, substantially surpassing India's RCA of 3.54. India has a particular edge in certain sectors. Although Bangladesh excels in several domains, India has a more pronounced comparative advantage in some key areas. India has a significant comparative advantage in women's or girls' suits (HS Code 6214), shown by a Revealed Comparative Advantage (RCA) of 10.78, in stark contrast to Bangladesh's RCA of 0.47. India has a pronounced competitive advantage in sectors such as men's or boys' blazers (HS Code 6213), as shown by its higher RCA compared to Bangladesh. The results indicate that India exhibits more competitiveness in specialized or high-value garment items.

India and Bangladesh have a slight competitive advantage in some areas. The low RCA value of women's or girls' knitted tops (HS Code 6115) in the two countries indicates lower competitiveness in those market groups. Both nations must increase their competitiveness in these industries by innovation, quality improvements, or market growth. According to RCA statistics, both nations reorganized their apparel rankings. Bangladesh became a worldwide leader in low-cost garment manufacture in the early 2000s, enabling it to compete in certain product categories. India's competitive advantage may be maintained despite industry declines by improving manufacturing or creating specialty goods.

References

1. Ahmad, N., Qayum, A., & Iqbal, A. (2017). Evolving patterns and empirical distribution of normalized revealed comparative advantage: a SAARC countries analysis. *Journal of Applied Economics and Business Research*, *7*(1), 59-82.
2. Bailey, T. (1993). Organizational innovation in the apparel industry. *Industrial Relations: A Journal of Economy and Society*, *32*(1), 30-48.
3. Bheda, R., Narag, A. S., & Singla, M. L. (2003). Apparel manufacturing: a strategy for productivity improvement. *Journal of Fashion Marketing and Management: An International Journal*, *7*(1), 12-22.
4. Bruce, M., Daly, L., & Towers, N. (2004). Lean or agile: a solution for supply chain management in the textiles and clothing industry?. *International journal of operations & production management*, *24*(2), 151-170.
5. Chowdhury, M. A. (2023). Global Market Expansion of Bangladeshi Garment Products: Challenges, Strategies and Economic Implications.

6. Diao, X., & Somwaru, A. (2015). an intertemporal global general equilibrium analysis.
7. Dicken, P. (2003). *Global shift: reshaping the global and economic map in the 21st century*. Guilford Press.
8. Forza, C., & Vinelli, A. (2000). Time compression in production and distribution within the textile-apparel chain. *Integrated manufacturing systems*, *11*(2), 138-146.
9. Hassler, M. (2003). The global clothing production system: commodity chains and business networks. *Global networks*, *3*(4), 513-531.
10. Hossian, M. S., Kabir, R., & Latifee, E. H. (2019). Export competitiveness of Bangladesh readymade garments sector: challenges and prospects. *International Journal of Research in Business and Social Science (2147-4478)*, *8*(3), 45-63.
11. Junayed, A., & Akter, F. (2023). Economic growth and challenges of Readymade Garments in Bangladesh.
12. Mim, I. Z., Rayhan, M. G. S., & Syduzzaman, M. (2024). Prospects and current scenario of industry 4.0 in Bangladeshi textile and apparel industry. *Heliyon*, *10*(11).
13. Mohan Kathuria, L. (2013). Analyzing competitiveness of clothing export sector of India and Bangladesh: Dynamic revealed comparative advantage approach. *Competitiveness Review: An International Business Journal*, *23*(2), 131-157.
14. Nayak, R., & Padhye, R. (2015). Introduction: the apparel industry. In *Garment manufacturing technology* (pp. 1-17). Woodhead Publishing.
15. Park-Poaps, H., Bari, M. S., & Sarker, Z. W. (2021). Bangladeshi clothing manufacturers' technology adoption in the global free trade environment. *Journal of Fashion Marketing and Management: An International Journal*, *25*(2), 354-370.
16. Rundassa, M. W., Azene, D. K., & Berhan, E. (2019). Comparative advantage of Ethiopian textile and apparel industry. *Research Journal of Textile and Apparel*, *23*(3), 244-256.
17. Scott, A. J. (2006). The changing global geography of low-technology, labor-intensive industry: clothing, footwear, and furniture. *World Development*, *34*(9), 1517-1536.
18. Swazan, I. S., & Das, D. (2021). What is Bangladesh's competitive advantage? An exploratory content analysis of the unique firm resources claimed by Bangladeshi apparel export firms. *International Journal of Fashion Design, Technology and Education*, *14*(1), 69-77.
19. Tewari, M. (2005). The role of price and cost competitiveness in apparel exports, post-MFA: A review. *Post-Mfa: A Review (November 2005)*.
20. Verma, S. (2002). Export competitiveness of Indian textile and garment industry. *Indian Council for Research on International Economic Relations, Working Paper*, *94*.