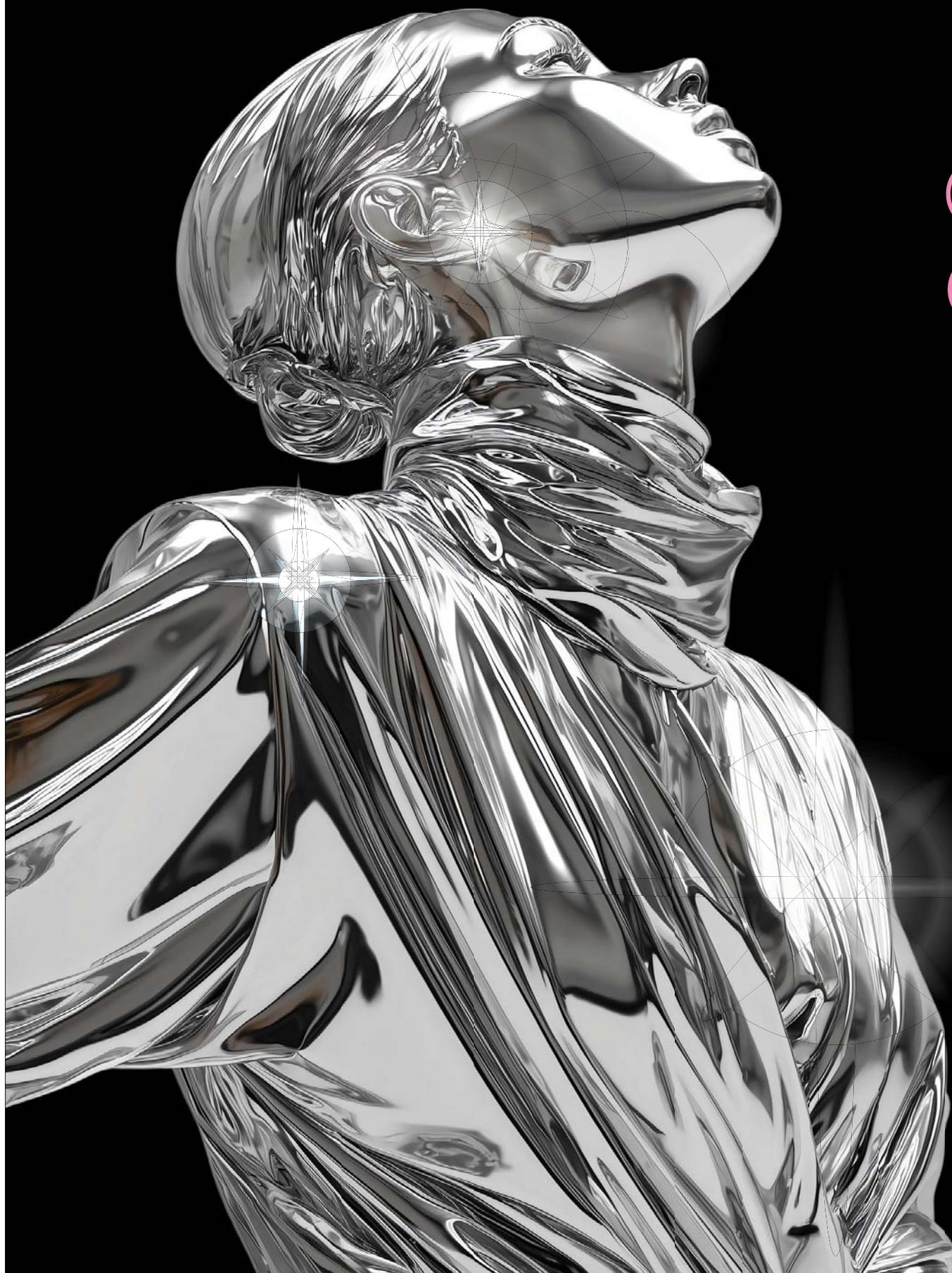


IMAGES
YEARBOOK
VOLUME XXII . NO.1

A
Quarter
Century
Leap:
India's
Fashion
Retail Future
Starts Now

INDIA
BUSINESS OF
FASHION
REPORT
2026



A Word About IMAGES

IMAGES
GROUP.IN

Established in 1992, IMAGES Group is India's most prolific and influential disseminator of retail intelligence. Recognised by Indian and international retail communities through its B2B Magazines, Conferences, Exhibitions, Research Reports and Web Portals, the IMAGES Group is the largest retail intelligence organisation in South Asia and the Middle East, whose multiple products and services function as catalysts for the profitable growth of modern retail through knowledge platform leadership. The Group's knowledge platforms include print and online reportage, research studies, and major annual business events with Conferences, Masterclasses and Workshops serving multiple verticals/segments/operations of retail. The Group's mega industry events include: Phygital Retail Convention, India Food Forum, India Fashion Forum, Shopping Centres Next, Internet Commerce Summit, India D2C Summit, Middle East Retail Forum and Saudi Retail Forum.

PREFACE



IMAGES
GROUP. IN

Dear Readers,

Over the past 25 years, the fashion retail industry has undergone a remarkable transformation—shaped by shifting consumer aspirations, evolving business models, and the constant interplay of creativity and commerce. From the early days of organised retail to today's complex, omnichannel ecosystem, fashion has mirrored the pace of change in society, technology, and the economy. What was once a largely fragmented market has grown into a dynamic, globally connected industry driven by scale, speed, and innovation.

In India, this journey has been particularly compelling. Rising incomes, urbanisation, global exposure, and a young, digitally native consumer have fuelled the expansion of fashion retail across categories, price points, and geographies. Brands have evolved from product-led players to experience-driven organisations, while retailers have adapted to new formats, faster trend cycles, and the growing influence of data and technology.

The Knowledge Company estimates that in the fiscal year 2024, the fashion retail market was valued at approximately **\$70.29 billion** (₹6,18,525 crore) and it is projected to expand by a strong 11% to reach approximately **\$78.02 billion** (₹6,86,562 crore) in fiscal year 2025. This dynamism is also reflected in its growing contribution to the overall retail sector, with its market share anticipated to increase from 7.3% in FY 2024 to 7.4% in FY 2025.

This growth, however, has not come without its inflection points. Each phase of expansion has brought new challenges—whether it was building scale, managing supply chains, navigating digital disruption, or responding to changing consumer expectations. Sustainability, circularity, and ethical responsibility have emerged as critical considerations in recent years, joining a broader set of imperatives that now shape decision-making across the fashion value chain.

Meanwhile, growing importance of sustainability in fashion retail is reflected in IMAGES Group's decision to host the **IFF Innovators Club** conclave at its flagship event, **India Fashion Forum 2026**. The key theme of the conclave is **Conscious & Committed: The Playbook for Responsible Fashion Creation**—a purpose-driven platform that brings together global value-chain partners and innovations aimed at enhancing sustainability at the retail level. From responsible sourcing to cleaner production practices, CCS will foster multifaceted conversations at the intersection of fashion, ethics, climate action, and culture.

As the industry marks a milestone moment, it is also taking stock of where it stands and where it must go next. Innovation—across materials, manufacturing, retail technology, and business models—continues to redefine what is possible. Transparency, agility, and consumer-centricity have become as important as design and pricing. The fashion retailer of today must balance growth with responsibility, efficiency with experience, and global ambition with local relevance.

...Preface...

In this context, IMAGES Group – which is proudly **celebrating 25 Years of India Fashion Forum in 2026** – continues its commitment to chronicling the evolution of fashion retail through the **India Business of Fashion Report 2026**.

India Business of Fashion Report 2026 is more than a book—it is a high-impact platform that sparks ideas, shapes conversations, and drives innovation across the fashion retail ecosystem. This latest edition reflects on the industry’s journey over the past quarter-century while offering insights into the forces that will define its future. Through expert perspectives, research-driven analysis, and real-world case studies, the report captures the complexities, opportunities, and strategic shifts shaping fashion retail today.

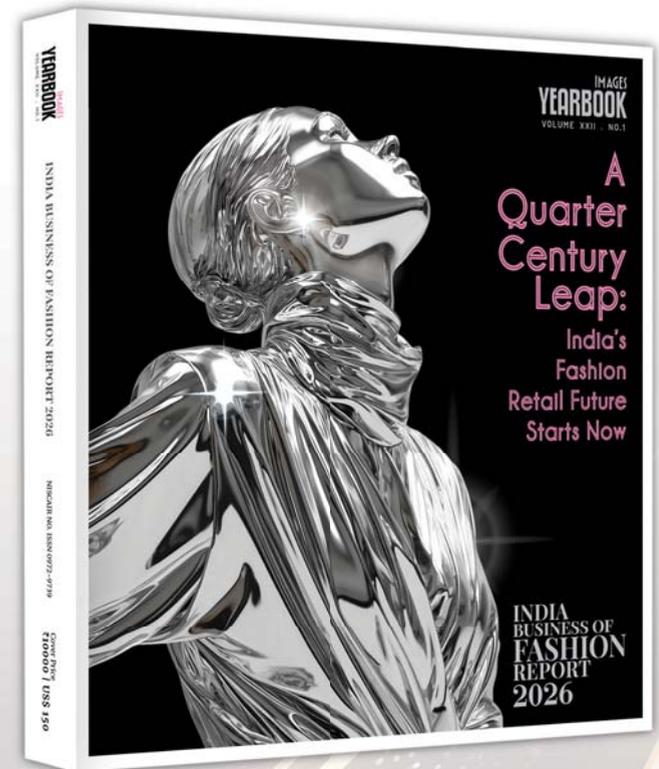
The book goes beyond print to serve as a powerful platform for insight, innovation, and industry-wide dialogue, serving as a catalyst for forward-looking ideas and strategic thinking in fashion retail.

At its core, this book is a thought leadership platform that influences how the industry thinks, innovates, and evolves. It is both a reflection and a roadmap—celebrating how far the fashion retail industry has come, while challenging stakeholders to think boldly about what lies ahead. The next phase of growth will demand sharper strategies, deeper collaboration, and a clear understanding of the changing consumer and marketplace.

As fashion retail in India and globally enters its next chapter, the opportunity is clear: to build businesses that are not only profitable and scalable, but also relevant, resilient, and ready for the future.



Amitabh Taneja
Editor-in-Chief, IMAGES Group



FORERORD



Dear Readers,

Sustainability is no longer a parallel conversation in fashion retail - it has become the defining lens through which the industry's future is being shaped. Indian retailers and brands are rethinking everything from fibre choices and manufacturing practices to supply chain transparency and circular business models. What was once a niche value proposition is now a strategic imperative, driven by conscious consumers, **regulatory clarity, capital flows**, and the industry's own need to build resilient, resource-efficient systems.

UniformMarket reports the global apparel market is now worth \$1.84 trillion, accounting for 1.63% of global GDP. **As the industry scales further over the next decade**, according to McKinsey's *State of Fashion 2025*, top-performing brands are those embracing traceability, digital integration, and resilience planning.

Coherent Market Insights states that the global sustainable fashion market is expected to grow from \$12.46 billion in 2025 to \$53.37 billion by 2032, with a compound annual growth rate (CAGR) of 23.1%. Despite these encouraging figures, greenwashing persists. According to the European Commission's Green Claims Directive, 59% of sustainability claims made by brands in 2024 were either vague, misleading, or unverifiable.

McKinsey's *State of Fashion 2025* further notes that only 18% of fashion executives rank sustainability as a top-three risk – despite increased scrutiny from investors, customers, and regulators. **This gap between intent and execution underscores why sustainability today must be measurable, credible, and system-led.** Yet, consumers – particularly Gen Z – are reshaping the equation. According to the First Insight & Wharton Report (2024), 73% of Gen Z consumers say they would pay more for genuinely sustainable goods.

The shift is not just operational; it marks a deeper cultural transformation in how fashion is imagined, produced, and consumed. **These signals reinforce a simple truth: trust has become a brand's most valuable currency.**

Sustainability today is evolving from a moral responsibility into a powerful engine of innovation and competitiveness. Retailers are leveraging technology to trace materials, optimise resource use, reduce waste, and extend product life cycles through repair, resale,

...Foreword...

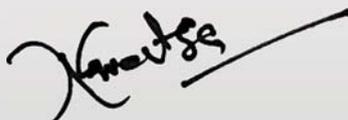
and recycling ecosystems. Designers and product teams are exploring new materials and slow fashion philosophies that redefine value. **Together, these shifts reflect an industry moving decisively from linear growth to systems thinking – where commercial success and environmental stewardship reinforce each other.**

The Sustainability section in our book, *A Quarter Century Leap: India's Fashion Retail Future Starts Now*, captures this inflection point – spotlighting the leaders, ideas, and solutions that are shaping a more responsible and future-ready fashion ecosystem for India and the world. **As the Indian Fashion Forum marks 25 years, this section reflects not only how far the industry has come, but how sustainability will define its next phase of growth.**

This edition from IMAGES Group offers a comprehensive perspective on the strategies reshaping fashion retail – spanning technology, supply chains, materials, evolving consumer expectations, **policy frameworks, ESG governance, and sustainable finance.** We move beyond design-led narratives to highlight how 'going green' is becoming a catalyst for systemic innovation across the value chain.

We deep dive into government initiatives that are encouraging brands to reimagine sourcing, production, compliance, and long-term competitiveness. Key trends in Indian sustainable fashion – including upcycling, vegan alternatives, eco-friendly raw materials, and circular business models – are explored alongside advances in responsibly produced smart garments. **Collectively, these insights position India not just as a manufacturing hub, but as an emerging global centre for sustainable fashion innovation.**

Join us on this thoughtful and forward-looking journey to understand how the alignment of style, sustainability, and strategy can create enduring value for businesses, society, and the planet. By examining the ideas and actions reshaping the fashion ecosystem, we hope to inspire change that moves beyond aesthetics – towards a more ethical, resilient, and opportunity-led industry. Together, we can redefine fashion's impact and build a legacy of responsible progress for generations to come – **truly transforming sustainable promises into measurable impact.**



Dr. Naresh Tyagi
Chairman – IFF Innovator Club
Chief Sustainability Officer, ABFRL



Publisher:
S P Taneja

Project Advisory:
Amitabh Taneja
R S Roy
Anjali Sondhi
Bhavesh Pitroda
Nikhil Behl

Editor-in-Charge:
Surabhi Khosla

Associate Editor
Sandeep Kumar

Editorial Support
Kajal Ahuja

Creatives:
Pawan Kumar Verma

Design Team:
Deepak Verma
Prakash Jha

Production:
Manish Kadam

Images Multimedia Pvt. Ltd.
(CIN: - U22122DL2003PTC120097)

Registered Office: S-61 A, Okhla Industrial Area
Phase 2, New Delhi 110 020
T: +91 11 40525000 | F: +91 11 40525001
E: info@imagesgroup.in | URL: www.imagesgroup.in

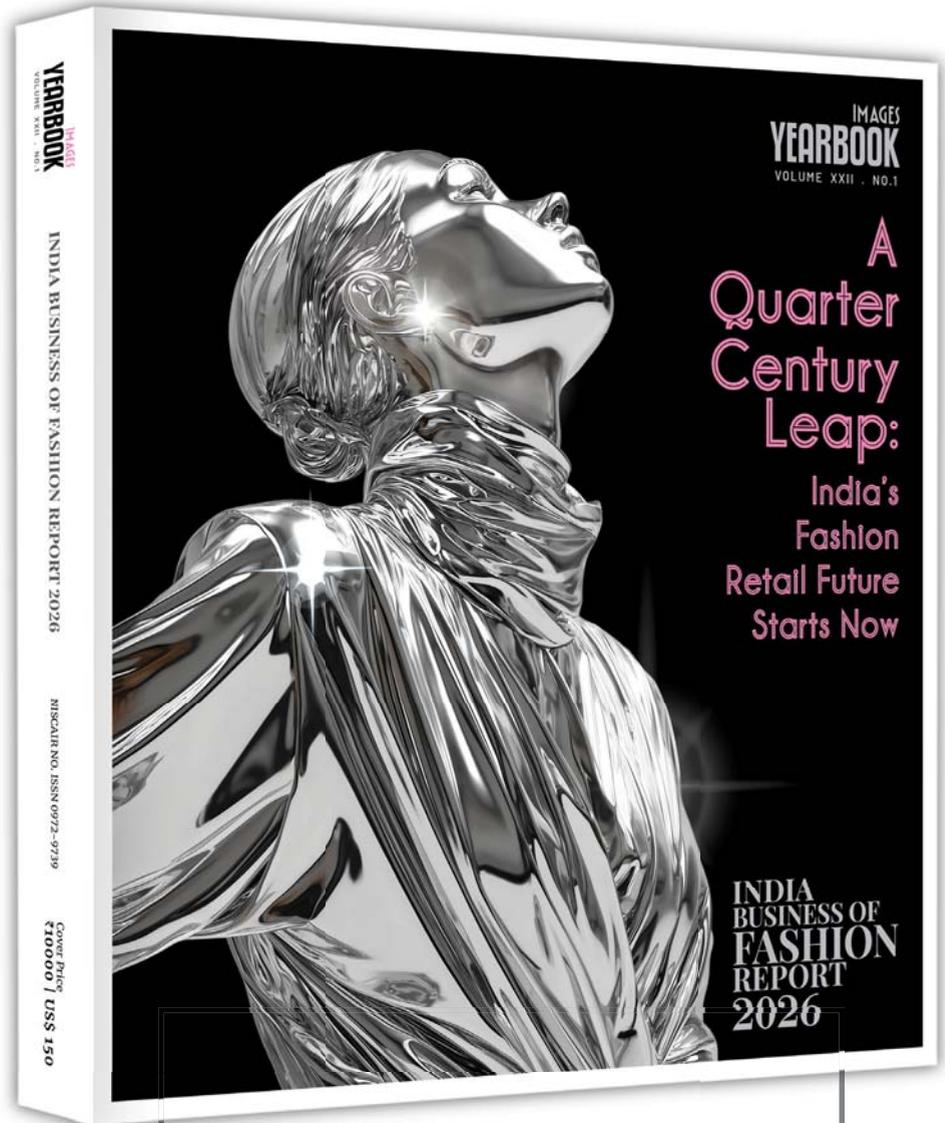
Mumbai: E 519, Floral Deck Plaza, Central MIDC
Road, Opp SEEPZ, Andheri East, Mumbai 400 093
T: +91 22 28398000

All material printed in this publication is the sole property of Images Multimedia Pvt. Ltd.
All printed matter contained in the magazine is based on the information provided by the writers/
authors. The views, ideas, comments and opinions expressed are solely of the writers/authors or those
featured in the articles and the Editor and Printer & Publisher do not necessarily subscribe to the same.

Printed & published by S P Taneja on behalf of Images Multimedia Pvt. Ltd. Printed at Modest Print Pack
(P) Ltd. C-52, D.D.A. Shed Okhla Industrial Area Phase -1, New Delhi - 110 020
and published by S P Taneja from S - 61A Okhla Industrial Area Phase - 2, New Delhi 110 020

In relation to any advertisements appearing in this publication, readers are recommended to make
appropriate enquiries before entering into any commitments. Images Multimedia Pvt. Ltd. does not
vouch for any claims made by the advertisers of products and services. The Printer, Publisher and
Editor-in-Chief of the publication shall not be held for any consequences in the event of such claims
not being honored by the advertisers.

Copyright Images Multimedia Pvt. Ltd. All rights reserved. Reproduction in any manner is prohibited.
All disputes are subject to the jurisdiction of competent courts and forums in Delhi/New Delhi only.
Images Retail does not accept responsibility for returning unsolicited manuscripts and photographs.



An
IMAGES
GROUP . IN
Research

Cover Price
₹10000 | US\$ 150

To order your copy, contact:

Priti Kapil

Asst. General Manager – Consumer Connect &
Subscription

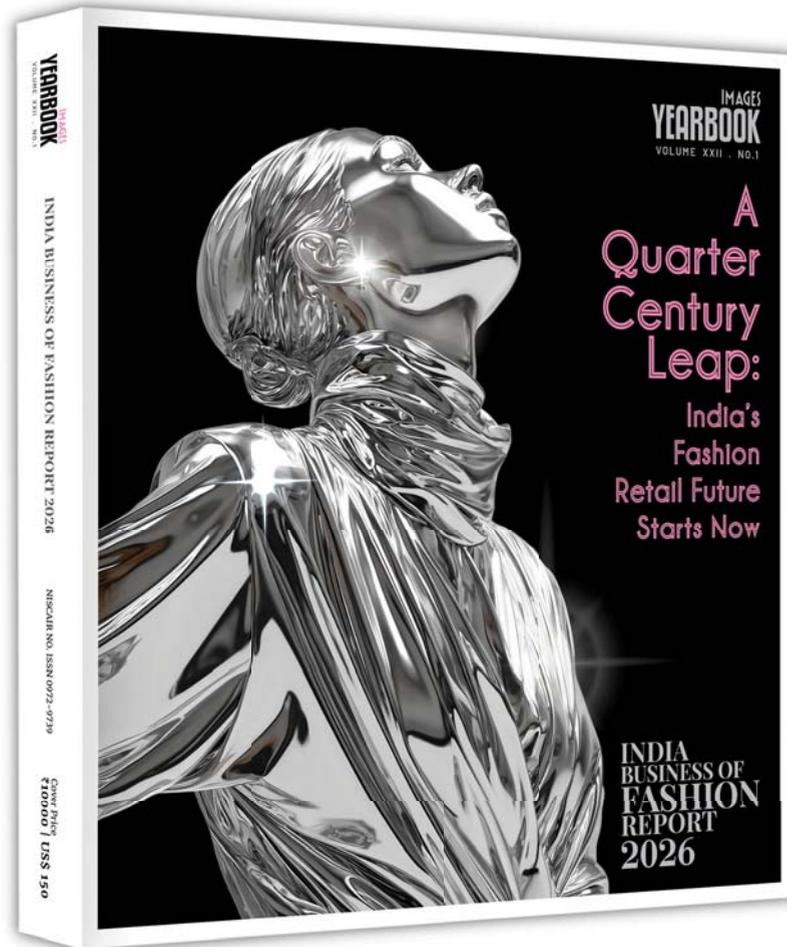
S-61 A, Okhla Industrial Area Phase 2,
New Delhi 110 020

T: +91 11 40525000 | F: +91 11 40525001

Mobile: +91 9868801869

E-mail: pritikapil@imagesgroup.in

CONTENTS



SECTION ONE

Research & Analysis24

- 1.1 The Transformation of Fashion Retail in India: 25 Years On26
- Madhulika Tiwari & Parmesh Chopra, The Knowledge Company
- 1.2 India Goes Global: From Diaspora Retail To Global Fashion Footprints48
- RS Roy, IMAGES Group
- 1.3 The Rise of Indian Brands: How Homegrown Labels Redefined 'Made in India'68
- Rohit Bhatiani & Shambhavi Srivastava, Wazir Advisors
- 1.4 E-Commerce Boom, Rise of Fast Fashion & The Future76
- Ambuj Gupta, Kashish Gupta & Vandana Pushpadharan, 1Lattice

SECTION TWO

In Focus: Trends90

- 2.1 Winds of Change: How Fashion Has Evolved Over 25 Years & What Lies Ahead92
- Puneet Dudeja, WGSN

...Contents...

2.2 A Quarter Century of Retail Design in India	102
<i>- Juhi Santani, Retale Design Solutions</i>	

2.3 India's Future Consumer: A Map of Mindsets in Motion	110
<i>- Anuradha Chandrashekar & Kanika Vohra, ICH Creative Consulting Pvt. Ltd. and ICH NEXT</i>	

SECTION THREE

Technovation118

3.1 India 2030: The Fabric & Fibre Growth Frontier	120
<i>- Vadiraj Kulkarni, Birla Cellulose</i>	

3.2 Data, Loyalty & CRM: The Changing Landscape	128
<i>- Baqar Iftikhar Naqvi, Founder & CEO, Upriver E-Commerce Pvt. Ltd.</i>	

3.3 Digital Fashion & Next-Gen Style: Smart Fabrics, AR Try-Ons and Digitally Native Fashion	142
<i>- Prof. Meha Jayaswal, Pearl Academy</i>	

3.4 AI to ROI - What Does Apparel 5.0 Look Like in an AI World and Can It Deliver Value?	150
<i>- Shikhar Goel, Aditya Thatte & Siddhant Damani, Strategy& India</i>	

SECTION FOUR

The Green Revolution158

4.1 Sustainability in Fashion Retail: Looking Back & the Road Ahead	160
<i>- Dr. Naresh Tyagi, ABFRL</i>	

4.2 Crafting a Greener Wardrobe: The Rise of Sustainable Fashion Innovation	180
<i>- Modart International (Sri Lanka)</i>	

4.3 Unwrapping Change Bioplastics and the Future of Fashion Retail	190
<i>- Dr. Sunder Balakrishnan & Navneet Krishnan, Natur Tec Pvt. Ltd.</i>	

4.4 Designing Sustainability Through Durable Performance	196
<i>- Shauna Ge, AGS Group</i>	

Contributors	200
--------------------	------------

The Transformation of Fashion Retail in India

25 Years On

In the fiscal year 2024, the market was valued at approximately \$70.29 billion (₹6,18,525 crore). It is projected to expand by a strong 11% to reach approximately \$78.02 billion (₹6,86,562 crore) in fiscal year 2025...

By **Madhulika Tiwari**, Partner & **Parmesh Chopra**, Head Content Writer, The Knowledge Company



...Research & Analysis...

The Indian fashion retail landscape of 2026 bears little resemblance to its nascent form at the turn of the millennium. Over the past 25 years, the sector has undergone a profound metamorphosis, evolving from a fragmented, highly localised, and predominantly unorganised market into a dynamic, technology-infused powerhouse.

In 2001, organised retail was a fringe concept, accounting for less than 4% of the market, with modern shopping experiences confined to a handful of department stores and a trio of malls across the entire nation. Today, the Indian fashion retail market, which encompasses both apparel and accessories, is demonstrating robust growth and an increasing significance within the nation's broader economic landscape.

The Knowledge Company's estimates state that in the fiscal year 2024, the fashion retail market was valued at approximately USD 70.29 billion (₹6,18,525 crore). It is projected to expand by a strong 11% to reach approximately USD 78.02 billion (₹6,86,562 crore) in fiscal year 2025.

This dynamism is also reflected in its growing contribution to the overall retail sector, with its market share anticipated to increase from 7.3% in FY 2024 to 7.4% in FY 2025.



This report charts this remarkable quarter-century journey, arguing that India's ascent from a global sourcing hub to a primary consumption market has been propelled by the powerful confluence of four critical forces:

- Transformative Policy
- Disruptive Technology
- An Aspirational Consumer
- Consolidating Capital

2026 Market Snapshot

By 2026, the Indian fashion retail market is projected to reach an estimated value of USD 75-80 billion, extrapolating from a 2024 valuation of USD 70.29 billion and a robust compound annual growth rate (CAGR) of 12.87%.

This expansion is not monolithic; rather, it reflects the complexity of 'Many Indias'. The market is characterised by the concurrent and rapid growth of distinct segments: a burgeoning mass-market driven by value-conscious consumers, a swelling mid-range catering to the aspirational middle class, and a fast-maturing premium and luxury sector fueled by rising affluence.

Each segment exhibits unique consumer behaviors, is served by different retail formats, and is charting its own distinct growth path, creating a multifaceted and highly competitive ecosystem.



**INDIA
BUSINESS OF
FASHION
REPORT
2026**

IMAGES
YEARBOOK
VOLUME XXII . NO.1

Cover Price
₹10000 | US\$ 150