



INDIA-UK FTA AND SECTORAL TRADE PERFORMANCE: EVIDENCE FROM INDIA'S TEXTILE AND PHARMACEUTICAL INDUSTRIES

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ABSTRACT

Purpose: - Present study examines the impact of the India-UK Free Trade Agreement (FTA) on India's textile and pharmaceutical exports to UK. It also studies India's Bilateral Revealed Comparative Advantage (BRCA) and the factors affecting exports and Foreign Direct Investment (FDI) between India and UK.

Design/methodology/approach: - The study is based on annual secondary data from 2000-2025. Trend analysis and BRCA are used to examine exports performance and competitiveness in textile and pharmaceutical sectors. Regression analysis and Gravity Model of Trade are used to examine the effect of GDP growth, Gross Fixed Capital Formation (GFCF), Exchange rate (ER), inflation, regulatory quality, and India-UK FTA on export and FDI. The study is also supported by the theories of comparative advantage and trade liberalisation. Further, several diagnostic tests such as multicollinearity, heteroscedasticity, and autocorrelation are applied to check the reliability of the models and to ensure robust results.

Findings: - The findings show that textile and pharmaceutical exports to UK increased during the study period, with pharmaceutical sector showing stronger growth. BRCA values indicate that India has a comparative advantage in both sectors. Regression results show that GDP growth, GFCF, ER, Regulatory quality and the FTA positively affect exports and FDI, where inflation has a negative effect. The study also suggests that trade liberalisation under the India-UK FTA can improve trade and investment relations between India and UK in the long run.

Research limitation/implications: - The study is limited to the textile and pharmaceutical sectors and uses annual secondary data. Since India-UK FTA has been recently signed, the

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study estimates its expected impact on current trade trends and economic indicators. The findings may help policymakers in improving trade policies and export competitiveness.

Originality/value: - The study is one of the few research works that examine both textile and pharmaceutical sectors together in the context of India-UK FTA using long-term data from 2000-2025. It also studies exports, comparative advantage, trade flows, and FDI together in a single framework.

Keywords: - *India-UK FTA, Textile exports, pharmaceutical exports, BRCA, Gravity Model of Trade, FDI and Trade Liberalisation.*

INTRODUCTION

India-United Kingdom (UK) trade is important for the economic growth of both the countries. UK is one of India's major trading partners because both countries have old historical and business relations (CII, 2021). During 2000 to 2025, trade between India and UK increased continuously, especially in textile and pharmaceutical sectors. The textile industry is one of the oldest industries in India, as it provides employment opportunities and improves foreign exchange reserves through exports. Das and Dubey (2013) stated that India has a strong position in textile exports because of low production cost, skilled workers, and a large manufacturing base. Indian textile exports still face number of problems such as high tariffs and competition from several countries such as Bangladesh, Vietnam, and China. Narayanan and Sharma (2016) found that these barriers reduce export advantage of India. Another significant sector is pharmaceutical industry. India is also called the "pharmacy of the world" because it provides low-cost medicines to several countries of the world (UNCTAD, 2022). Bhattacharya and Das (2014) explained that India's pharmaceutical exports have increased because of low production cost and high demand for generic medicines. Roy (2017) also found that better technology and production facilities have made this sector more competitive. Importance of India-UK trade relation increased after Brexit in 2020, when UK left the European Union. After this, UK started making trade agreements with different countries, including India. Therefore, India and UK started discussing an FTA (Free Trade Agreement) aiming tariffs reduction, trade expansion, and ease of doing business between both countries (PIB, 2025). Many studies are establishing that India-UK FTA can benefit both countries.



Agarwal (2025) estimated that the agreement may increase trade between India and UK by 15% in long term. Since several studies suggest that the agreement may increase employment, production, and economic growth in India. Textile and pharmaceutical sector are expected to benefit the most from this agreement. Lower tariffs may help Indian textile products become more competitive in UK market. In the same way better market access and easier rules may help India to export more pharmaceutical products to UK.

The primary motive of this research is to evaluate the dual impact of the India-UK FTA on India's Exports performance and FDI inflows within the textile and pharmaceutical sectors. Using a 25-years dataset (2000-2025), this study analyses how key macroeconomic variables including GDP growth, GFCF, Inflation, and ER (exchange rate) influence trade and investment. By comparing two distinct econometric models, we aim to determine if the same factors that drive exports also attract foreign investment. The section 2 presents literature review of the study section 3 includes objective and builds hypotheses of the study. Section 4 presents data, model and methodology of the study, section 5 shows analysis and section 6 presents conclusion of study, policy implication and limitation of the study.

THEORETICAL FRAMEWORK

This study is based on the theories of Comparative Advantage, Gravity Model of trade and Trade liberalisation. These theories help explain the relationship between India-UK FTA, exports, and FDI in the textile and pharmaceutical sectors.

Comparative Advantage Theory: - The Comparative Advantage Theory was developed by (Ricardo, 1817). The theory explains that countries should produce and export those goods in which they have lower production costs and better efficiency compared to other countries. International trade become beneficial when countries specialise in products where they have a comparative advantage. In present study, India-UK FTA can be explained through comparative advantage theory because India holds a comparative advantage in textile and pharmaceutical sectors due to lower production costs, availability of skilled labour, and strong manufacturing capabilities. Through the FTA, India can benefit from improved market access in UK market, reduced tariffs on exports, and better trade opportunities. Balassa (1965) further explained comparative advantage through the concept of Revealed Comparative Advantage (RCA),



which measures export competitiveness using trade performance data. In this study, Bilateral Revealed Comparative Advantage (BRCA) is used to examine India's competitiveness in UK market.

Gravity Model of Trade: - The Gravity Model of Trade explains that international trade mainly depends on the economic size of countries and the strength of trade relations between them. The model suggests that countries with larger markets, stronger economies, and better trade relations generally trade more with each other. The Gravity Model was first introduced by (Tinbergen, 1962), while (Anderson, 1979) later provided its theoretical foundation. In the present study, the model explains how factors such as GDP growth, exchange rate, investment, regulatory quality, and India-UK FTA affect exports and FDI between India and UK. The theory also supports the regression analysis used in study because the selected variables directly influence trade flows and investment relations between India and UK.

Trade Liberalisation Theory: - Trade Liberalisation Theory explains that reducing tariffs, trade restrictions, and other trade barriers helps increase international trade, investment, and economic growth. The theory supports free and open trade between countries and suggests that fewer trade barriers improve export performance and market access. According to Sachs and Warner (1995), countries with open policies generally achieve higher economic growth and better integration with the global economy. Similarly, Krueger (1997) explained that trade liberalisation improves international competitiveness and encourages economic development. In present study, India-UK FTA is based on the idea of trade liberalisation because the agreement aims to reduce tariffs, improve market access, simplify trade procedures, and encourage bilateral trade and investment between India and UK.

The trade relationship between India and UK has become more important after Brexit. After leaving the European Union, UK started building new trade partnerships with growing economies outside Europe. India became an important partner because of its large market, skilled workforce, and growing role in global trade (Richardson, 2024). Therefore, the proposed India-UK FTA is expected to improve trade, investment, and economic cooperation between both countries (Khan, 2024). An FTA is an agreement between countries to reduce tariffs and other trade barriers. According to trade theory, FTAs help increase exports, improve market access, attract foreign investment, and support economic growth. Studied show that



trade liberalization improves business opportunities and international competitiveness (Sowrov, 2024). In the case of India-UK FTA, sectors such as textile and pharmaceutical are expected to benefit the most because of better market access and lower trade barriers (Sharma and Bharti, 2024). FDI is also an important part of international trade relations. FDI means investment made by foreign companies in another country for production, business expansion, or market access. Economic theories explain that investors prefer countries with stable policies, good infrastructure, and strong market potential. FTAs help attract FDI by reducing uncertainty and improving investor confidence (Khan, 2024). Therefore, India-UK FTA may increase FDI inflows into India, especially in export-oriented industries. The textile sector plays an important role in India's economy through exports, employment generation, and industrial development. India has advantages such as low labour cost, raw material availability, and a strong manufacturing base. However, the sector also faces challenges from global competition and trade barriers. Studies suggest that FTAs can improve textile export competitiveness by reducing tariffs and increasing market access (Sharma and Bharti, 2024). Similarly, the pharmaceutical sector is one of India's strongest export industries. India is known as the "pharmacy of the world" because of its large production of affordable generic medicines. The growth of pharmaceutical exports depends on technology, innovation, regulatory approvals, and intellectual property rights. Researchers explain that better regulatory cooperation under India-UK FTA can improve pharmaceutical exports and investment opportunities (Upreti and Chandel, 2025). Macroeconomic variables also influence exports and FDI inflows. GDP growth increases production capacity and investor confidence, while Gross Fixed Capital Formation (GFCF) improves infrastructure and industrial efficiency. Inflation affects production costs, and exchange rate movements influence export competitiveness and investment decisions. Many studies identify these variables are important determinants of exports and FDI in developing economic (Martinez-Zarzoso, 2024). Therefore, analysing the relationship between India-UK FTA, export, FDI and macroeconomic variables provides a strong conceptual base for this study.

CONCEPTUAL FRAMEWORK

The trade relationship between India and UK has become more important after Brexit. After leaving the European Union, UK started building new trade partnerships with growing economies outside Europe. India became an important partner because of its large market,



skilled workforce, and growing role in global trade (Richardson, 2024). Therefore, the proposed India-UK FTA is expected to improve trade, investment, and economic cooperation between both countries (Khan, 2024). An FTA is an agreement between countries to reduce tariffs and other trade barriers. According to trade theory, FTAs help increase exports, improve market access, attract foreign investment, and support economic growth. Studies show that trade liberalization improves business opportunities and international competitiveness (Sowrov, 2024). In the case of India-UK FTA, sectors such as textile and pharmaceutical are expected to benefit the most because of better market access and lower trade barriers (Sharma and Bharti, 2024). FDI is also an important part of international trade relations. FDI means investment made by foreign companies in another country for production, business expansion, or market access. Economic theories explain that investors prefer countries with stable policies, good infrastructure, and strong market potential. FTAs help attract FDI by reducing uncertainty and improving investor confidence (Khan, 2024). Therefore, India-UK FTA may increase FDI inflows into India, especially in export-oriented industries. The textile sector plays an important role in India's economy through exports, employment generation, and industrial development. India has advantages such as low labour cost, raw material availability, and a strong manufacturing base. However, the sector also faces challenges from global competition and trade barriers. Studies suggest that FTAs can improve textile export competitiveness by reducing tariffs and increasing market access (Sharma and Bharti, 2024). Similarly, the pharmaceutical sector is one of India's strongest export industries. India is known as the "pharmacy of the world" because of its large production of affordable generic medicines. The growth of pharmaceutical exports depends on technology, innovation, regulatory approvals, and intellectual property rights. Researchers explain that better regulatory cooperation under India-UK FTA can improve pharmaceutical exports and investment opportunities (Upreti and Chandel, 2025). Macroeconomic variables also influence exports and FDI inflows. GDP growth increases production capacity and investor confidence, while Gross Fixed Capital Formation (GFCF) improves infrastructure and industrial efficiency. Inflation affects production costs, and exchange rate movements influence export competitiveness and investment decisions. Many studies identify these variables as important determinants of exports and FDI in developing economic (Martinez-Zarzoso, 2024). Therefore, analysing the



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LITERATURE REVIEW

In early stage, most studies on India's trade tried to answer a very basic question- what is India good at exporting and how competitive is it the global market? Researches were mainly interested in understanding India's strengths and weaknesses in international trade. For example, Batra and Khan (2005) compared India with China using concept of Revealed Comparative Advantage (RCA) study showed India has a strong advantage in labour-intensive industries such as textile. India can produce these goods at a lower cost compared to other countries, making it more competitive and mainly focused on overall export performance and did not look at trade with specific countries like UK. Similarly, Veeramani (2008) explained that when India opens its economy to international trade and imports better machines, technology, and intermediate goods, its export performance improves. Highlights importance of trade openness in boosting exports, but general in nature and did not focus on particular sectors such as textile and pharmaceutical. In the same line, Karmakar and Das (2012) showed that reducing tariffs and other trade barriers leads to an increase in exports and suggests that government policies play a key role in promoting trade. Wignaraja (2015) further added that participation in global value chains and international trade agreements helps countries grow and improve their export performance. Even though these studies provide useful insights, they do not focus specifically on India-UK trade relations, and they do not combine sector-level analysis with trade agreements. A major turning point came with Brexit, when UK decided to leave European Union (EU). This event created new opportunities for countries such as India to develop independent trade relations with UK. Banga and Kumar (2017) explained that Brexit opened the door for India to negotiate its own trade agreement with UK, which was not possible earlier when UK was part of EU. Supporting this idea, Chaisse and Matsushita (2018) suggested that India could strengthen its bilateral trade relations with UK in the post-Brexit period. Dasgupta (2018) pointed out that Brexit could bring both opportunities and challenges, depending on how future trade policies are designed and implemented. As time passed, more studies started focusing directly on India-UK trade relationship. Kumar and Ahmed (2020) predicted that trade between India and UK would increase significantly if FTA is signed.



Similarly, Ghosh (2021) highlighted that certain sectors, especially textile and pharmaceuticals get more benefit. Das and Pradhan (2021) also explained that FTAs generally help in improving export performance by reducing trade barriers and increasing market access. This view is supported by institutional reports such as (TPCI, 2021; CATR, 2021), which clearly state that India-UK FTA would reduce tariffs and make it easier for Indian products to enter UK market. Sharma and Gupta (2022) also agreed that tariff reduction would increase trade between the two countries. Large organizations and policy institutions have also supported this idea. Reports by (PHDCCI, 2023; RBI, 2023; NITI Aayog, 2024; Confederation of Indian Industry, 2022) all suggest that sectors such as textile and pharmaceutical are expected to gain the most from India-UK FTA. These reports highlight that sectors already have strong export potential and can benefit further from reduced trade barriers. In addition, more recent policy-based studies such as (Banga, 2019; Department for international trade, 2021; Department for Business and Trade, 2024; EY India, 2022) provide strong evidence that proposed FTA will increase trade flows, improve market access, and create new opportunities for export-oriented industries. At the same time, some researchers have focused on understanding the current trade relationship between India and UK. For example, Sikdar and Nag (2011) used a gravity model and found that India has significant untapped trade potential with UK, means actual trade between two countries is lower than what it could be. Kumar (2013) observed that bilateral trade has been increasing over time, but it still has a lot of room for growth. Singh and Kaur (2014) found strong trade complementarity between India and UK, which means India's exports match well with UK's import needs, that is positive sign for future trade expansion. Bose and Chatterjee (2019) also showed that trade intensity has improved, it is still below its potential level. Similarly, Bhatia (2020) found that India is quite competitive in UK market, especially in sectors such as textiles, garments, and pharmaceutical. However, studies mainly describe present situation and do not examine the long-term impact on a future FTA. A large number of studies have focused specifically on India's textile sector, which is one of the most important contributors to export earnings and employment. Das and Dubey (2013) explained that India has a strong export potential in textile due to low production costs and availability of abundant labour. Sharma and Prashant (2009) showed that textile exports improved significantly after the removal of quotas, which allowed India to compete more freely in global markets. Sharma (2015) further explained that end of Multi-Fibre Arrangement led to growth in



textile exports. Narayanan and Sharm (2016) confirmed India's strong comparative advantage in textile using RCA analysis, while (Banerjee, Chattopadhyay and Lahiri, 2016) argued that India continues to remain competitive despite increasing global competition. Identified key factors such as GDP growth, exchange rate, and investment that influence textile exports by (Ramaswamin and Singh, 2018). More recent reports such as (IBEF, 2025; Kathuria and Malouche, 2016; UNCTAD, 2022; Sekhar and Banerjee, 2026) highlight that India is one of the largest textile exporters in World, studies also suggest that trade agreements such as India-UK FTA can further boost exports by reducing tariffs and improving market access. Similarly, pharmaceutical sector has also been widely studied because of its growing importance in India's exports. Bhattacharya and Das (2014) explained that India's pharmaceutical exports have increased due to the production of low-cost generic medicines, which are in high demand globally, and also pointed out that regulatory barriers can be a challenge. Rajeev and Mazumdar (2009) showed improvements in efficiency within pharmaceutical industry, while (Roy, 2017) highlighted the global competitiveness of Indian pharmaceutical firms, and (Kaur and Kaur, 2019) explained India's pharmaceutical exports have become more diversified across different countries and regions. Reports such as (EXIM Bank, 2020; WHO, 2021) confirm that India is one of the leading suppliers of medicines in the world, studies suggest India has strong export potential in the pharmaceutical sector and can benefit further from trade agreements. Finally, recent industry and policy reports such as (Grant Thornton Bharat, 2024; Agarwal, 2025; Mukherjee and Jauhri, 2025; Alinea Customs, 2025; Deloitte Touche Tohmatsu India, 2025; Inductus Global, 2025) strongly support the idea that India-UK FTA will increase bilateral trade and provide significant benefits to sectors such as textiles and pharmaceutical, reports highlight future opportunities, such as better market access, reduced tariffs, and increased exports and most of these studies are based on projections and expectations rather than detailed empirical analysis using long-term data. Overall, when look at all studies together a clear picture emerges. There is a large amount of research on India's trade performance, FTA, and individual sectors such as textiles and pharmaceuticals. However, very few studies either focus on general trade patterns or analyse sectors separately. Many of them also do not consider UK as a specific market, especially in context of Brexit and proposed India-UK FTA. Because of this, there is a clear research gap in understanding the combined and long-term impact of the India-UK FTA on India's textile and pharmaceutical exports, particularly over the period 2000 to 2025. This



gap makes the present study important, as it attempts to bring all these aspects together in a single analysis.

OBJECTIVE OF THE RESEARCH

1. To examine the Trend and growth pattern of India's textile exports to UK.
2. To examine the Trend and growth pattern of India's pharmaceutical exports to UK.
3. To evaluate India's BRCA in textile export to UK.
4. To evaluate India's BRCA in pharmaceutical export to UK.
5. To analyse the impact of macroeconomic, trade and institutional factors on India's textile exports to UK.
6. To analyse the impact of macroeconomic, trade and institutional factors on India's pharmaceutical exports to UK.
7. To examine the determinants of Foreign Direct Investment (FDI) in India's textile sectors.
8. To examine the determinants of Foreign Direct Investment (FDI) in India's pharmaceutical sectors.

HYPOTHESES OF THE RESEARCH

H1: There is a significant trend and growth in India's textile exports to UK.

H2: There are a significant trend and growth in India's pharmaceutical exports to UK.

H3: India has a significant BRCA in textile exports to UK.

H4: India has a significant BRCA in pharmaceutical exports to UK.

H5: Macroeconomic, trade, and institutional factors have a significant impact on India's textile exports to UK.

H6: Macroeconomic, trade, and institutional factors have a significant impact on India's pharmaceutical exports to UK.



H7: Macroeconomic, trade, and institutional factors have a significant impact on FDI in India's textile sectors.

H8: Macroeconomic, trade, and institutional factors have a significant impact on FDI in India's pharmaceutical sectors.

Data and Model Specification: - This study looks at how trade between India and UK affects two important sectors, textiles and pharmaceutical. It studies how exports and foreign direct investment (FDI) are related to other important factors like economic conditions, trade policies, and institutional quality. Study uses a time-series method and is based on yearly data from 2000-2025. This period is chosen to understand long-term trends and investment, as well as recent changes related to the proposed India-UK Free Trade Agreement (FTA). Since the FTA is not fully active, dummy variable have been used in the study to account for its future impact.

Variables and Data Sources: - In this study, since there are two dependent variables a) export and b) FDI inflows, also two significant sectors have been considered textile and pharmaceutical. Hence, we propose 4 models in this study. Continue from previous page textile exports and pharmaceutical exports to UK show how well these sectors are performing in trade, while FDI inflows show how much foreign investment is coming into these sectors. Several independent variables taken in the study such as, GDP growth is included to show the overall performance of the economy. Gross Fixed Capital Formation is used to represent investment and infrastructure development in the country. The Real Effective Exchange Rate is taken to understand competitiveness of India in international trade. Regulatory quality is used to measure effectiveness of the government rules and policies. Inflation is included to show the stability of the economy. Takes a dummy variable has been also used India-UK FTA to understand its expected impact, as the agreement is not fully implemented yet. The study also uses past (lagged) values of exports and FDI to understand how current values are affected by previous trends. All the data used in this study is secondary data, collected from government reports, international databases, and official trade statistics Table1. In addition to econometric analysis, trend analysis is use to understand how exports and FDI have grown over the time. The BRCA index is also used to check whether India has a strong advantage in exporting textiles and pharmaceutical to UK.



Research Methodology: - This study uses a quantitative research method based on time-series data to achieve its objectives. It combines three main methods, trend analysis, BRCA analysis, and regression analysis to understand trade and investment between India and UK. To begin with Trend analysis is used to study the growth and direction of textile and pharmaceutical exports over the time. To understand exports during the study period. Second, the BRCA index is used to check whether India has an advantage in exporting these products to UK. For deeper analysis, study uses econometric models are shown in (equation 1- 4). Four regression models are used in the study the Ordinary Least Squares (OLS) method.

Table 1: Variables, Proxies, Abbreviation and Sources

Variable	Proxies	Abbreviation	Source
Dependent:	India's textile export performance to UK	TEXEX	https://wits.worldbank.org/ https://niryat.gov.in/
	India's pharmaceutical export performance to UK	PHARMAEX	https://comtrade.un.org
	FDI in Textile Sector	FDITEX	https://dpiit.gov.in
	FDI in Pharmaceutical Sector	FDIPHARMA	https://dpiit.gov.in
Independent:	1 GDP Growth	GDPG	https://databank.worldbank.org
	2. Gross Fixed Capital Formation	GFCF	https://www.rbi.org.in
	3. Real Effective Exchange Rate	ER	https://databank.worldbank.org
	4. Regulatory Quality	REG	https://databank.worldbank.org
	5. Free Trade Agreement	FTA	https://www.commerce.gov.in https://www.pib.gov.in
	6. Inflation	INFL	https://databank.worldbank.org

Source(s): Compiled by Author



A. Trend analysis: - To understand how exports are growing every year, this study uses the year-on-year growth rate method. It shows how much exports have increased or decreased compared to the previous year.

The formula used is:

$$\text{Growth Rate} = \frac{X_t - X_{t-1}}{X_{t-1}} 100$$

Here: X_t = Export value in the current year

X_{t-1} = Export value in the previous year

B. Bilateral Revealed Comparative Advantage (BRCA): -

$$\text{BRCA} = \frac{X_{ij}/X_{it}}{M_{wj}/M_{wt}}$$

X_{ij} : India's exports of sector j (Textile/Pharma) to UK.

X_{it} : India's total exports to UK.

M_{wj} : World's total exports of sector j to UK (UK's total imports of j).

M_{wt} : World's total exports to UK (UK's total imports).

The study estimates four distinct log-linear models using the Ordinary Least Squares (OLS) method to determine the drivers of trade and investment.

Model 1: Textile Exports (TEX_{EX}): - $\ln \text{TEX}_{EX} = \beta_0 + \beta_1 \text{GDPG} + \beta_2 \text{GFCF} + \beta_3 \text{ER} + \beta_4 \text{REG} + \beta_5 \text{FTA} + \beta_6 \text{INFL} + \beta_7 \ln (\text{TEX}_{EX})_{t-1} + \epsilon$

Model 2: Pharmaceutical Exports (PHARMA_{EX}): - $\ln (\text{PHARMA}_{EX}) = \beta_0 + \beta_1 \text{GDPG} + \beta_2 \text{GFCF} + \beta_3 \text{ER} + \beta_4 \text{REG} + \beta_5 \text{FTA} + \beta_6 \text{INFL} + \beta_7 \ln (\text{PHARMA}_{EX})_{t-1} + \epsilon$

Model 3: FDI in textile sector (FDI_{TEX}): - $\ln (\text{FDI}_{TEX}) = \beta_0 + \beta_1 \text{GDPG} + \beta_2 \text{GFCF} + \beta_3 \text{ER} + \beta_4 \text{REG} + \beta_5 \text{FTA} + \beta_6 \text{INFL} + \beta_7 \ln (\text{FDI}_{TEX})_{t-1} + \epsilon$

Model 4: FDI in textile sector (FDI_{PHARMA}): - $\ln (\text{FDI}_{PHARMA}) = \beta_0 + \beta_1 \text{GDPG} + \beta_2 \text{GFCF} + \beta_3 \text{ER} + \beta_4 \text{REG} + \beta_5 \text{FTA} + \beta_6 \text{INFL} + \beta_7 \ln (\text{FDI}_{PHARMA})_{t-1} + \epsilon$



Two models study factors affecting textile and pharmaceutical export to UK and two models study the factors affecting the FDI inflows in these sectors. In all models the dependent variables are taken in log form. Before running the regression, descriptive statistics are used to understand the basic feature of the data. To make sure the results are correct and reliable some diagnostic tests are also done these are: Multicollinearity test (VIF) to check is variables are highly related, Heteroscedasticity test to check is variance is constant, and Autocorrelation test using the Durbin-Watson test. Overall, this method helps to understand both long-term trends and short-term changes, and gives an idea about the expected impact of India-UK FTA on textile and pharmaceutical sectors.

RESULTS AND ANALYSIS

The empirical findings of the study, structured to address the four primary research objectives. The analysis begins with a descriptive evaluation of trade patterns and specialization indices, followed by the estimation of econometric models to identify the underlying determinants of India-UK sectoral trade and investment.

Table 2 presents descriptive statistics for the variables used in the study during 2000-2025. The mean value of log textile exports (6.95) is higher than the log pharmaceutical exports (5.52), although pharmaceutical exports show greater variability, with a standard deviation of 1.02 compared to 0.56 for textiles.

Table 2. Descriptive Statistics

Variable	Mean	Median	Minimum	Maximum	Standard Deviation
Ln TEXEX	6.945727	7.11125	5.895449	7.712055	0.555401091
Ln PHARMAEX	5.518772	5.968159	3.09874	6.633542	1.020171255
Ln FDITEX	6.480593	6.710006	4.389499	7.352441	0.75723852
Ln FDIPHARMA	7.291524	7.520938	5.200429	8.163371	0.757238734
GDPG	6.238369	7.1028	-5.7777	9.6896	3.021858689
GFCF	29.75385	30.4	23.9	33.8	3.192018893
ER	107.0827	105.25	92.5	124	10.16586742
REG	51.06808	51.24	47.9	55.7	1.91653
FTA	0.153846	0	0	1	0.367946484
INFL	5.932692	5.04	1.71	11.99	2.65487

Source (s): Compiled by Authors

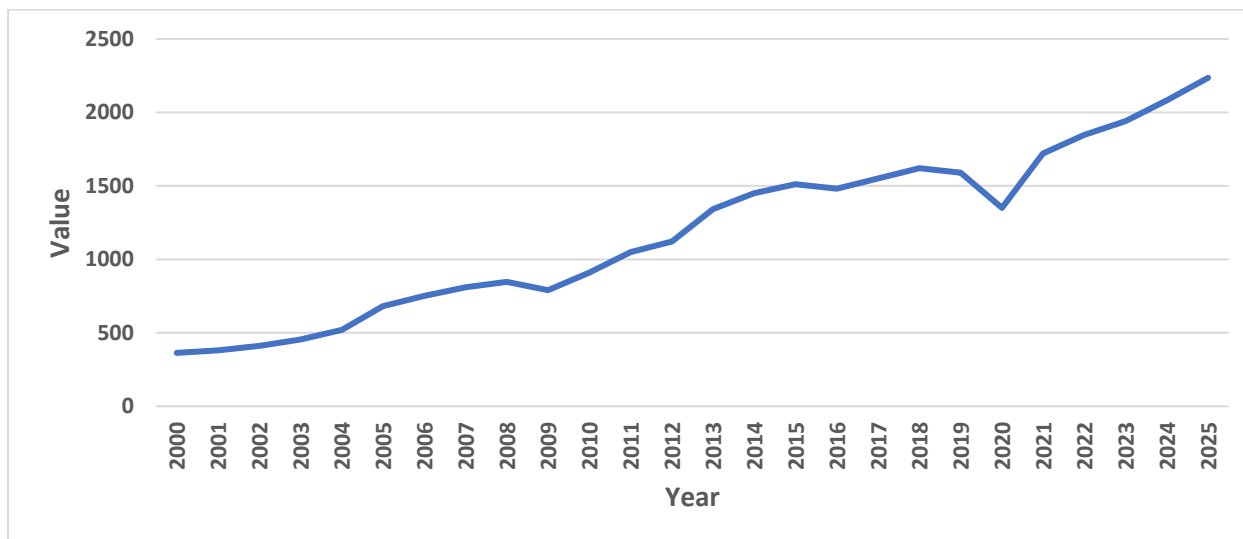


This suggests that while textile represents a “mature” and stable export base, the pharmaceutical sector has undergone more rapid and fluctuating structural growth over the last two decades. In contrast, FDI inflows is higher in the pharmaceutical sector (7.29) than in the textile sector (6.48), reflecting the capital-intensive nature of medical manufacturing and the sector’s higher attractiveness to foreign investors. Regarding macroeconomic indicators, GDP growth averages 6.24, reflects the significant external shocks India has faced, (World Bank, 2021). GFCF shows a robust mean of 29.75, indicating a strong investment level, consistent with the finding of the (UNCTAD , 2023). The mean ER is 107.08, suggesting changing export competitiveness over time, which supports the importance of exchange rates highlighted by the (IMF, 2024). Inflation averages 5.93, while the FTA dummy mean is 0.15 indicates that FTA periods cover a limited share of the sample.

TREND ANALYSIS OF TEXTILE AND PHARMACEUTICAL EXPORTS TO UK: -

The trend analysis indicates that India’s exports increased substantially from USD 363.38 million in 2000 to USD 2235.13 million in 2025, reflecting strong long-term growth in textile sector. Textile grew consistently between 2001 and 2008, with the highest growth rate recorded in 2005 (30.68). This strong performance suggests increasing global demand and greater export competitiveness of the Indian textile industry. The textile sector showed that it is strongly affected by global economic conditions. For instance, exports fell by 6.59 during the 2009 Global Financial Crisis and by 15.10 during the 2020 COVID-19 pandemic. This shows that the sector depends a lot on global demand and is sensitive to international shocks. According to Goswami (2022), such ups and downs are common in labour-intensive industries, especially during time of global uncertainty. However, the sector also showed strong recovery, in 2021 exports increased by 27.42 which show a “V-shaped recovery” Figure 1, mainly due to the reopening of global supply chains (World Bank, 2021).

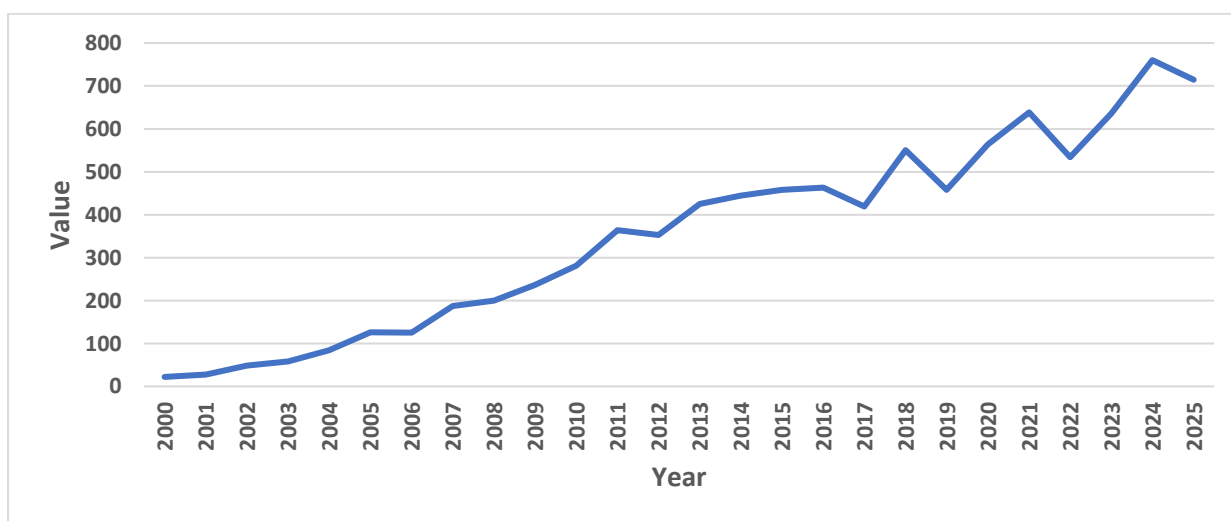
Figure: Indicate Textile Export (US \$ Mn)



Source(s): Compiled by Authors

On the other hand, pharmaceutical exports showed a strong overall increase, rising from USD 22.17 million in 2000 to USD 714.72 million in 2025. However, the growth was more uneven compared to the textile sector. The highest growth rates in pharmaceutical were seen in certain years Figure 2, which indicates fast growth of India's pharmaceutical industry and increasing global demand, especially for generic medicines.

Figure 2: Indicate Pharmaceutical Export (US \$ Mn)

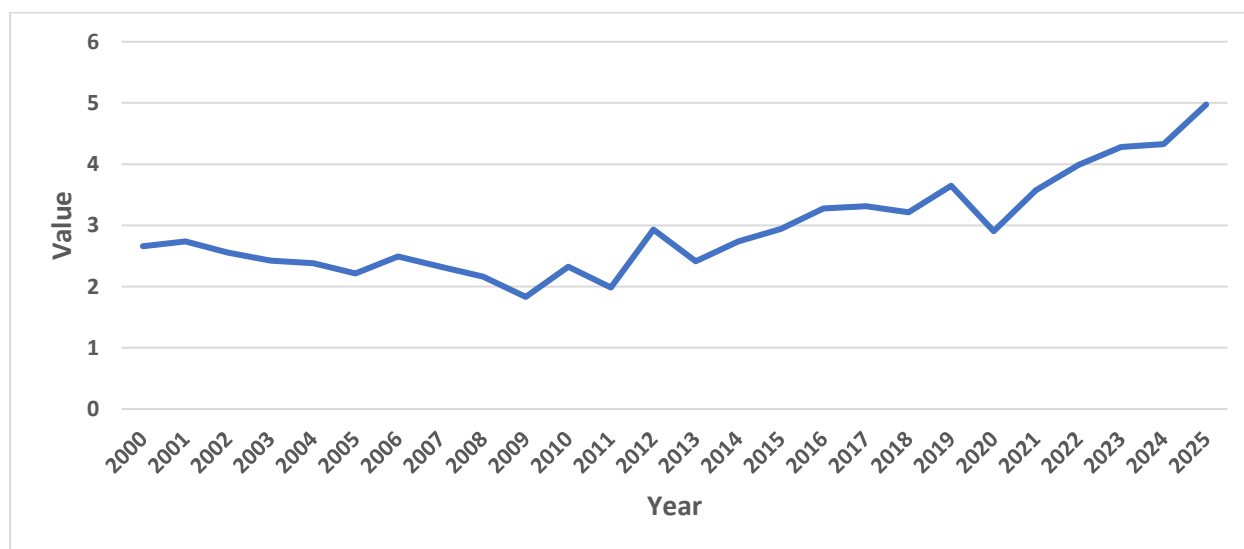


Source(s): Compiled by Authors

Unlike textiles, pharmaceutical exports increased during the COVID-19 period, rising by 23.16 in 2020 and 13.30 in 2021. This suggests that India's pharmaceutical industry benefited from rising global demand for medicines, vaccines, and active pharmaceutical ingredients during the pandemic. This performance solidifies India's role as the "Pharmacy of the world," a status recognized by the (WHO, 2021) during the global health emergency.

BRCA Analysis: - To understand whether India has a specializes advantage in exporting textiles and pharmaceuticals to UK, this paper used BRCA index. According to the framework given by (Balassa, 1965), a BRCA value (> 1) shows that a country has a comparative advantage in that sector. BRCA analysis show that India has a strong and continuous comparative advantage in textile exports to UK Figure 3.

Figure 3: Indicate Textile BRCA

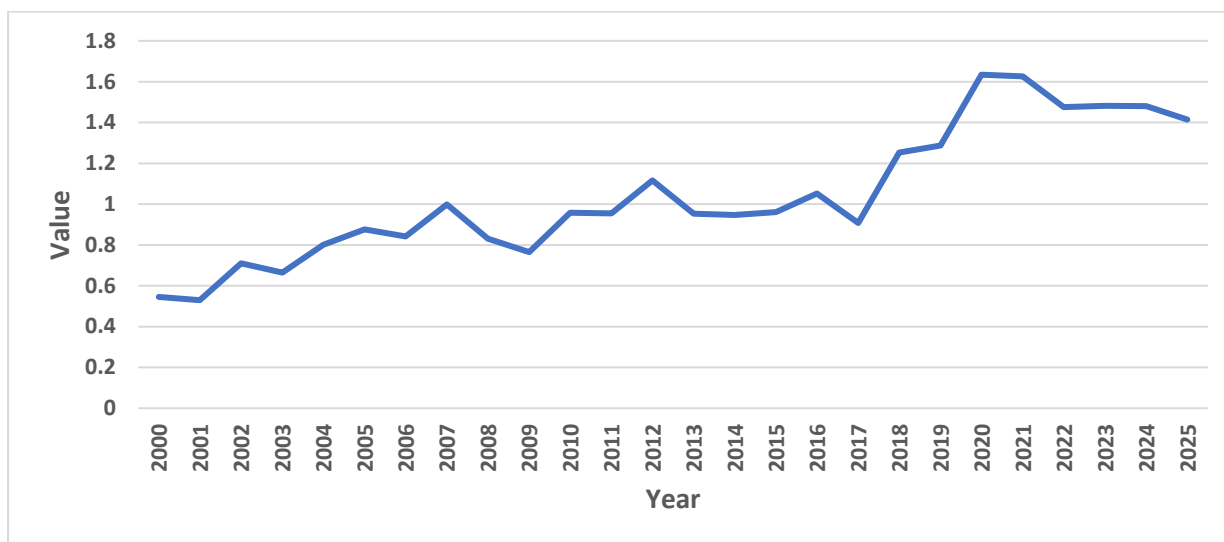


Source(s): Compiled by Authors

The textile BRCA remained above 1 throughout 2000-2025, rising from 2.66 in 2000 to 4.97 in 2025. Although it declined to 1.83 in 2009 due to the Global Financial Crisis, it recovered steadily after 2012. The consistently high values indicate strong export specialization and competitiveness in UK market, supporting the findings of (Majeed, 2022) this higher BRCA values reflect stronger international competitiveness.

Rise after 2012 shows India's pharmaceutical sector started becoming more competitive in the global market. During this period, BRCA value crossed 1, which indicates a shift from a weaker position to a stronger comparative advantage (Figure 4).

Figure 4: Indicate Pharmaceutical BRCA



Source(s): Compiled by Authors

This improvement continued over the years and reached its peak in 2020 during COVID-19, mainly because of high global demand for Indian generic medicines. Although the value declined slightly to 1.41 in 2025, it still remained above 1, which means India was able to maintain its competitive position. Similar findings are supported by (French, 2017), who explains that increasing BRCA values reflect better trade efficiency. Additionally, Goswami (2021) highlights that improvements in regulation and institutional quality have India strengthen its position.

Next, study presents the pre-estimation diagnostic tests conducted to ensure the structural stability and econometric validity of the four research models. Variables were tested by multicollinearity, heteroscedasticity, and autocorrelation as detailed below:

Study tested multicollinearity of the explanatory variables using Variance Inflation Factor (VIF). As summarized in Table 3 VIF values across all models remain well below the conservative threshold of 10 (Gujarati and Porter, 2020). In model 2, results show that there is



no serious multicollinearity problem in the model. This means each variable, provides its own separate and reliable information, and the results are stable.

Table 3: Multicollinearity Test

Variable	GDPG	GFCF	ER	REG	FTA	INFL	LAG LN
TEXEX	1.244	2.613	3.378	2.639	2.23	2.234	2.081
PHARMAEX	1.286	3.122	7.71	2.639	2.775	2.36	6.414
FDITEX	1.268	1.268	4.176	2.674	2.406	2.287	3.0833
FDIPHARMA	1.265	2.68	3.845	2.67	2.361	2.275	2.721

Source(s): Compiled by Authors

To check whether the results are reliable, the residuals were tested for constant variance (homoscedasticity) and no autocorrelation. The Breusch-Pagan test results Table 4 show that the p-value for the pharmaceutical and FDI models are above 0.05. this means there is no heteroscedasticity problem, and the variance of errors is constat. For the textile export model, the P-value is 0.054, and indicates that the error variance is mostly constant over the period 2000-2025. Overall, the results suggest that the models satisfy the assumption of homoscedasticity and are reliable.

Table 4: Heteroscedasticity Test

Model	Breusch-Pagan value
1. TEXEX	0.054
2. PHARMAEX	0.901
3. FDITEX	0.793
4. FDIPHARMA	0.776

Source(s): Compiled by Authors

The Durbin-Watson (DW) test was used to test autocorrelation in the model. A DW value close to 2 means there is no autocorrelation problem. The DW vales for the textile and FDI models are table 5 which are very close to 2. This shows that these models do not have any serious autocorrelation problem and the result are reliable. The pharmaceutical export model has a DW value of 2.48, value is slightly higher than 2, it is still acceptable because the model includes the past value of exports. Therefore, the model is also considered reliable.



Table 5: Autocorrelation Test

Model	Durbin-Watson Value
1. TEXEX	2.107
2. PHARMAEX	2.485
3. FDITEX	2.086
4. FDIPHARMA	2.08

Source(s): Compiled by Authors

Model 1: Determinants of India's textile exports: -

The results of model 1 show that GDP growth, GFCF. And ER all have a positive and significant impact on textile exports presented in table 6. Among these, GFCF has the strongest effect which means that higher investment and better infrastructure increase production and improve export performance. This supports the idea given by (UNCTAD, 2022) that more capital investment is important for improving exports in developing countries. The ER also has a positive effect, which means that when the exchange rate is favourable, Indian textile products become more competitive and attractive in international markets. This is also supported by IMF (2021), which states that a good exchange rate helps in increasing exports. Significant of GDPG implies that domestic economic expansion facilitates textile exports through enhanced production efficiency and greater integration with global supply chain. In contrast, inflation and lagged textile export variable are found to be insignificant in this model, as show in Table 6. This suggests that India's textile exports are more sensitive to structural investment.

Table 6: Model 1 Textile export

Variables	Coefficient	Std. Error	t-Statistic	P Value
GDPG	0.012	0.005	2.195	0.041**
GFCF	0.051	0.008	6.453	0.000***
ER	0.055	0.002	19.532	0.000***
REG	-0.019	0.013	-1.424	0.171
FTA	-0.286	0.064	-4.458	0.000***
INFL	0.005	0.008	0.606	0.551
LAG LN TEXEX	0.001	0.015	0.070	0.944



Significance F	0.000***			
R Square	0.98			
Adjusted R	0.97			

Note(s) ** and ***Denote significant at 5 and 1 per cent, respectively

Source(s): The authors

The REG variable shows negative and insignificant relationship. Although some other studies reported by (UNCTAD, 2022; Kathuria and Malouche, 2016), explained that regulatory burdens can reduce export competitiveness in developing countries. Similarly, the FTA variable has a negative coefficient, indicating that trade liberalization may increase international competition for India's textile sector. Competition from countries such as Bangladesh, Vietnam, and China may create pressure on Indian exporters, (Banga , 2019; WTO, 2023) also found that FTA benefits often take time to appear because industries need time to adjust to new market conditions.

Model 2: Determinants of India's Pharmaceutical Exports: -

Model 2 gives a clear picture of India's pharmaceutical exports. The model is strong, explaining about 98 of the variation, which shows the variables are reliable. It finds that GDP growth and regulatory factors are not significant, supporting studies such as (Veeramani, 2008; Bhattacharya and Das, 2014), explains pharmaceutical exports depend more on global demand than domestic conditions. REG coefficient also shows negative and insignificant relationship with pharmaceutical exports, similar findings reported by (UNCTAD, 2022; EXIM Bank, 2020), which explained that complex regulatory procedures and intellectual property requirements can negatively affect pharmaceutical exports from developing countries.

Table 7: Model 2 Pharmaceutical export

Variables	Coefficient	Std. Error	t-Statistic	P Value
GDPG	0.008	0.010	0.792	0.438
GFCF	0.078	0.015	4.905	0.000***
ER	0.078	0.007	9.912	0.000***
REG	-0.001	0.024	-0.052	0.959



FTA	-0.614	0.130	-4.709	0.000***
INF	0.049	0.016	2.974	0.008***
LAG LN PHARMAEX	0.169	0.049	3.408	0.003***
Significance F	0.000***			
R Square	0.98			
Adjusted R	0.98			

Note(s) ***Denote significant at 1 per cent, respectively

Source(s): The authors

The key factors driving pharmaceutical exports are GFCF, ER, inflation, and past export performance, all the variables are showing a positive and significant effect. This means better infrastructure and global competitiveness help increase exports, as also highlighted by (Roy, 2017; Kaur and Kaur , 2019). Surprisingly the inflation is having a positive and significant impact on the pharmaceutical export, which can be explained by the fact that inflation is making exported product cheaper in the foreign market. However, the FTA variables show a negative and significant impact, suggesting short-term challenges, which aligns with (Dasgupta, 2018). Overall, while the sector is strong, the benefits of India-UK FTA may take time to fully emerge, as expected by (Kumar and Ahmed , 2020; Ghosh, 2021) .

Model 3: Determinants of FDI Inflows in the Textile sector: -

Model 3 shows a different angle of India's textile sector by focusing on FDI. It explains that overall economic growth and regulatory factors do not play a major role in attracting foreign investment, which means investors care more about sector-specific conditions than the general economy, as also supported by (Kathuria and Malouche, 2016).

Table 8: Model 3 FDI Textile

Variables		Coefficient	Std. Error	t-Statistic	P Value
GDPG		0.007	0.006	1.059	0.303
REG		0.017	0.015	1.114	0.279
GFCF		0.040	0.009	4.377	0.000***
INFL		0.033	0.010	3.266	0.00***



ER		0.051	0.003	14.335	0.000***
FTA		-0.336	0.075	-4.439	0.000***
LAG LN FDITEX		0.176	0.021	8.185	0.000***
Significance F		0.000***			
R Square		0.98			
Adjusted R		0.98			

Note(s) ***Denote significant at 1 per cent, respectively

Source(s): The authors

GFCF, ER, Inflation, and past investment trends make textile sector more attractive and competitive globally, which aligns with (UNCTAD, 2022). Overall, textile FDI depends more on investor confidence and market conditions, and the FTA coefficient negative relationship with FDI inflows indicating that benefits of the India-UK FTA may the time to appear, some supporting reports (WTO, 2023; Banga, 2019).

Model 4: Determinates of Foreign Investment in India's Pharmaceutical sector: -

Model shows FDI in India's pharmaceutical sector is mainly driven by sector strength rather than overall economic growth or regulations, which are not very important here. This supports (Bhattacharya and Das, 2014), as the pharmaceutical sector is more globally focused.

Table 9: Model 4 FDI and Pharmaceutical Sector

Variables	Coefficient	Std. Error	t-Statistic	P Value
GDPG	0.007	0.007	1.083	0.293
REG	0.018	0.016	1.128	0.273
GCFC	0.042	0.009	4.414	0.000***
INFL	0.035	0.010	3.271	0.004***
ER	0.053	0.003	14.853	0.000***
FTA	-0.354	0.078	-4.509	0.000***
LAG LN FDIPHARMA	0.149	0.019	7.714	0.000***
Significance F	0.000***			
R Square	0.98			
Adjusted R	0.98			

Note(s) ***Denote significant at 1 per cent, respectively

Source(s): The authors



The favourable factors make more competitive and attractive to investors, as highlighted by (Kaur and Kaur , 2019; WHO, 2021). FTA shows a negative short-term impact, suggesting initial challenges like policy changes or strict standards (Dasgupta, 2018; Kumar and Ahmed , 2020; WHO, 2021).

The results support all four alternative hypotheses. Figure 1 & 2 shows a significant increase in India's textile and pharmaceutical exports to UK during 2000-2025. Table 10 indicates BRCA values above one, confirming India's comparative advantage in both sectors. Further, Table 10 shows that macroeconomic, trade and institutional factors significantly influence exports and FDI. The significant level takes in this paper that is 5% but mostly results come at 1%. Therefore, all null hypotheses are rejected and the alternative hypotheses are accepted.

Table 10: Hypotheses Result

Hypotheses	Statements	Main variables	Result/ Key value	Decision
H1	There are a significant trend and growth in India's textile and pharmaceutical exports to UK.	Trend / Growth rate	Growth during 2000-2025	Accepted
H2	India has a significant BRCA in textile and pharmaceutical exports to UK.	BRCA	BCA>1 for both sectors	Accepted
H3	Macroeconomic, trade, and institutional factors have a significant impact on India's textile and pharmaceutical exports to UK.	GDP Growth, GFCF, ER, REG, FTA, Inflation	All variables come significant but Inflation comes negative	Accepted
H4	Macroeconomic, trade, and institutional factors have a significant impact on FDI	GDP Growth, GFCF, REG,	Positive and significant impact on FDI	Accepted



	in India's textile and pharmaceutical sectors.			
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Source(s): Compiled by Authors

CONCLUSION

The study concludes that India's textile and pharmaceutical exports to UK have increased significantly during 2000-2025. Among the two sectors, pharmaceutical exports have shown stronger and more stable growth, while textile exports have also improved over time. The BRCA results show that India has a comparative advantage in both sectors in UK market. The advantage is stronger in pharmaceutical, which indicates that India is more competitive in this sector in UK market. Textile exports also show positive competitiveness, although at a lower level than pharmaceutical. The regression analysis shows that factors such as GDP growth, GFCF, exchange rate, regulatory quality and the proposed India-UK FTA have a positive effect on exports and FDI, whereas inflation has a negative effect. This means that better economic conditions, stronger institutions, and improved trade relations help to increase exports and attract more foreign investment. The FDI analysis shows that foreign investment in the textile and pharmaceutical sectors increase when economic growth is strong and policy environment become more favourable. Better institutional quality and smoother trade relations with UK help attract foreign investment in these sectors. Between the two, the pharmaceutical sector is more likely to receive higher FDI because of its strong export performance rising global demand and India's strength in generic medicines. On the other hand, the textile sector can attract more FDI if it improves productivity and product quality. Economic growth, low inflation, better infrastructure, strong institutions, and higher investment all play an important role in improving exports and attracting FDI. Therefore, policymakers should focus not only on trade agreements but also on improving domestic conditions so that India can get benefit from the India-UK FTA and strengthen its position in UK market.

POLICY IMPLICATIONS

Above findings of study provide several important policy implications. Results show that benefits of exports and foreign investment are not automatic and may not be same in all



situations. In some cases, factors such as investment, exchange rate, and past performance help in improving exports and attracting FDI, while in other cases, policies such as FTA may have negative effects in short-run. Therefore, it is important for policymakers to understand that trade agreements alone are not enough, and proper support is needed to ensure positive outcome. Negative short-term impact of the FTA suggests that industries may face adjustment challenges such as increased competition, strict standards, and uncertainly. To deal with this, government should provide support to firms in form of training, financial assistance, and help in meeting international standards, especially in pharmaceutical sector where regulations are strict. Further, study highlights that investment and infrastructure play a very important role in improving export performance and attracting foreign investment. This means government should focus on increasing capital formation, improving transport, logistics, and production facilities so that industries can compete better in global market like UK. Since exchange rate conditions also have a strong impact, maintaining a stable and favourable exchange rate environments is necessary to keep Indian exports competitive. At same time, positive effect of past exports and investment show that consistency and long-term relationship are important. Therefore, policies should focus on building strong trade connections, improving product quality, and maintaining reliability in international markets. Another important point is general economic growth and regulatory factors do not have a strong impact in models, which suggests that sector-specific policies are more effective. Government should design targeted policies for textiles and pharmaceuticals, such as export promotion schemes, incentives, and easier access to finance. Improving skill development and technology adoption can also help these sectors grow faster. Overall, while India-UK FTA has strong long-term potential, its benefits will take time to fully appear. Therefore, government should not only focus on signing agreements but also on creating a supportive environment that helps industries adjust, compete, and grow in global market.

LIMITATION

The main limitation of the study is that it focuses only on the textile and pharmaceutical sectors and used annual data from 2000-2025. Since, India-UK FTA has not been implemented yet, study cannot show the actual results. Also, study does not include detailed product-level



analysis. Future research can cover more sectors and use more detailed data after India-UK FTA is implemented to provide more accurate and reliable results.

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APPENDIX

Table 11: Summary of Literature review

Author (Year)	Title	Journal/Publisher	Key Focus	Methodology	Research Gap
Balassa (1965)	Revealed Comparative Advantage	Manchester School	Trade advantage concept	Theoretical	Does not explain country- specific or sector-specific application like India–UK trade
Rajeev and Mazumdar (2009)	Pharma Efficiency	Int. Journal	Efficiency of pharma firms	DEA/Empirical	Old study, no recent trends or UK-specific analysis
Sharma and Prashaant (2009)	Textile Performance	Paradigm	Textile growth post-quota	Analytical	Outdated and not linked to current global trade or UK market
Veeramani (2008)	Imported Goods & Growth	Taylor & Francis	Trade openness & exports	Empirical	No focus on specific sectors like textiles/pharma or UK market
Sikdar and Nag (2011)	Trade Potential	SAGE	India's trade potential	Gravity model	Does not analyse impact of future FTAs like India–UK



Karmakar and Das (2012)	Trade Liberalisation	Economic Integration	Tariff reduction impact	Analytical	Focus on EU, not UK; no sectoral focus
Kumar (2013)	India-UK Trade	SAGE	Bilateral trade trends	Descriptive	No future policy or FTA impact analysis
Das and Dubey (2013)	Textile Industry	Emerald	Export potential	Descriptive	No country-specific (UK) analysis
Singh and Kaur (2014)	Trade Complementarity	SAGE	Export-import match	Empirical	Does not examine long-term FTA impact
Bhattacharya and Das (2014)	Pharma Exports	Emerald	Growth in pharma exports	Empirical	No UK-focused or policy-based analysis
Wignaraja (2015)	Economic Integration	Wiley	Trade agreement role	Conceptual	Lacks empirical and India–UK specific evidence
Sharma (2015)	Textile Exports	SAGE	MFA impact	Descriptive	Does not include recent trade developments
Narayanan and Sharma (2016)	Textile Competitiveness	Taylor & Francis	RCA in textiles	Empirical	No UK market focus
Kathuria and Malouche (2016)	Textile Competitiveness	World Bank	Sector development	Policy analysis	No direct link with FTA or UK trade



Banerjee et al. (2016)	Textile Exports	Int. Trade Journal	Competition with China	Empirical	No focus on UK market or FTA
Banga and Kumar (2017)	Brexit & Trade	SAGE	India-UK opportunity	Policy analysis	Lacks empirical testing
Roy (2017)	Pharma Competitiveness	SAGE	Global pharma strength	Analytical	No UK-specific or FTA-related analysis
Dasgupta (2018)	India-UK Trade	Taylor & Francis	Brexit impact	Analytical	Does not include long-term data or sector analysis
Ramaswamin and Singh (2018)	Textile Determinants	CSIR	Export drivers	Regression	No UK-specific focus
Bose and Chatterjee (2019)	Trade Intensity	Elsevier	Trade performance	Statistical	No future trade agreement impact
Kaur and Kaur (2019)	Pharma Growth	Springer	Market diversification	Empirical	No UK-specific analysis
Banga (2019)	Brexit Impact	UNESCAP	Trade relations	Policy analysis	Lacks sector-level empirical study
Kumar and Ahmed (2020)	Brexit & Trade	Wiley	Future trade prediction	Predictive	No real data testing
EXIM Bank (2020)	Pharma Exports	EXIM Report	Export opportunities	Report	General, lacks empirical analysis



Bhatia (2020)	UK Competitiveness	Emerald	India in UK market	Empirical	Does not analyse long-term FTA impact
WHO (2021)	Global Health	WHO	Pharma supply chains	Report	Not focused on trade competitiveness
Das and Pradhan (2021)	FTA Impact	Taylor & Francis	Export performance	Econometric	No UK-specific study
Ghosh (2021)	Post-Brexit Trade	EPW	Sectoral growth	Descriptive	Limited empirical evidence
TPCI (2021)	India-UK FTA	Report	Trade opportunities	Policy report	Based on projections, not data analysis
CATR (2021)	Trade Creation	Report	Market access	Policy	No sector-specific detail
UNCTAD (2022)	Trade Report	UN	Global trends	Report	No India-UK specific insight
EY India (2022)	FTA Analysis	EY	Sectoral impact	Report	Based on projections only
Sharma and Gupta (2022)	FTA Gains	SAGE	Tariff benefits	Analytical	No long-term empirical study
CII (2022)	Sector Opportunities	CII	Industry benefits	Report	No statistical validation
RBI (2023)	Trade Relations	RBI Bulletin	Trade trends	Descriptive	No deep sectoral or FTA analysis



PHDCCI (2023)	Export Potential	Report	Sector growth	Report	Limited detailed analysis
NITI Aayog (2024)	FTA Implications	Govt Report	Manufacturing	Policy	Lacks empirical testing
Grant Thornton (2024)	Trade Tracker	Report	Trade growth	Industry report	No deep sectoral analysis
Inductus Global (2025)	Economic Potential	White Paper	Trade benefits	Projection	Not based on actual data
IBEF (2025)	Market Growth	IBEF	Export trends	Report	General overview only
Alinea Customs (2025)	Strategic insights into UK-India FTA	Report	Rules of Origin and tariff reduction	Policy analysis	No focus on RBC
Agarwal (2025)	Opportunity: UK-India FTA	CaeEdge	Impact on textile and pharmaceutical exports	Descriptive / secondary data	Lack analysis of labour and environment standards
Sekhar and Banerjee (2026)	Textile Prospects	Industry	FTA benefits	Projection	Future-based, no empirical proof

Source(s): Compiled by Authors