

## India Set to Become a Global Fashion Destination by 2026

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India is rapidly emerging as a **key destination for global fashion brands** and a major growth market for the apparel industry, with industry forecasts indicating robust expansion in both luxury and mainstream segments through 2025.

According to the **McKinsey Fashion Growth Forecasts 2025**, retail sales of luxury fashion in India are expected to grow by **15–20 % in 2025** — significantly faster than markets such as the United States, Europe and China. The growth trend extends to the broader non-luxury fashion sector, where sales are projected to rise by **12–17 %** in the same period.

### A Consumption Powerhouse With Rising Aspirations

India's rise as a fashion hub is driven by its large and increasingly trend-sensitive middle class. With approximately **430 million middle-class consumers**, larger than the combined middle classes of the US and Western Europe, India's fashion market is poised to expand rapidly. This consumer base is expected to continue growing, with aspirational buyers fueling demand for both premium and accessible fashion.

In addition, India's population of **ultra-high-net-worth individuals (UHNIs)** is projected to increase by around **50 % between 2023 and 2028**, reinforcing the country's potential as a luxury fashion market with strong purchasing power.

### Brands Flocking to India's Market

The positive outlook has encouraged international fashion labels to deepen their presence in India. According to market analysts, over **27 global brands entered the Indian market in 2024**, nearly doubling the pre-pandemic average, as companies seek to tap into India's youthful and digitally savvy consumer base.

Luxury and lifestyle players such as **OVS, Shiseido, Estée Lauder, Maurice Lacroix and Police** are among those expanding operations locally, driven by the prospect of capturing share in fast-growing fashion and luxury segments.

### Beyond Retail: Manufacturing and Sourcing Shifts

India's appeal to global fashion brands also extends to its role in manufacturing and sourcing. Over the past few years, an increasing proportion of **production by smaller and mid-sized fashion labels has shifted from China to India**, driven by demand for **sustainable production, lower minimum order quantities and improved supply chain transparency**. Analysts see India's textile ecosystem as well placed to serve emerging international brands and direct-to-consumer business models.

Such shifts position India not only as a consumption market but also as a **global fashion supply hub** — offering capabilities in value-aligned production and craftsmanship that increasingly resonate with international buyers.

### Fashion Identity and Global Recognition

In addition to market growth, India's fashion identity — built on a blend of traditional textiles and contemporary design — is gaining global attention. Designers and labels are increasingly showcasing Indian aesthetics on international runways, contributing to the country's evolving creative narrative.

Industry experts believe that the combination of rapid retail expansion, strong domestic demand, manufacturing strength and creative influence will help place India firmly on the **global fashion runway by 2026**— creating opportunities for brands, designers and consumers alike.

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