



Recent Trends of the Indian Nonwovens Market


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Presentation Outline

India Market for Nonwovens

- **Nonwovens market in India by application and technology**
 - **Export and import scenario**
 - **Current trends in the manufacturing of nonwovens in India**
 - **Threats and Challenges vis-à-vis the opportunities**
- 

India Nonwovens Production (2012~2018)

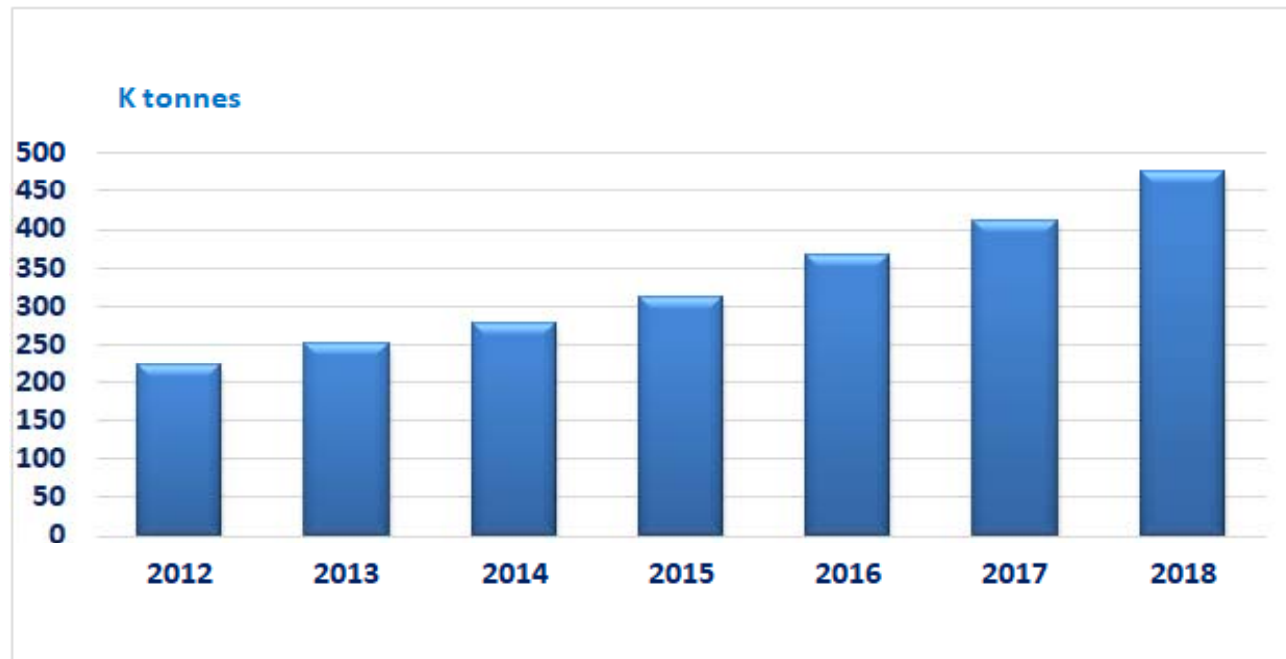
India Market for Nonwovens

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-----------------|------|------|------|------|------|------|------|
| K tonnes | 222 | 252 | 277 | 312 | 365 | 410 | 475 |
| Annual Growth % | | 13.5 | 9.9 | 12.6 | 17.0 | 12.3 | 15.9 |

Steady Growth
over last 7 years

475,000 Tonnes
production in 2018

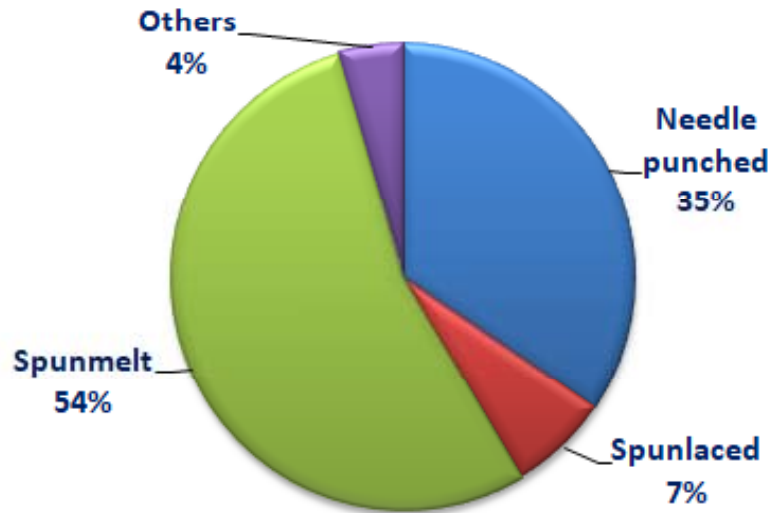
Industry grew at
15.9 % in 2018



India Nonwovens Production by Technology

India Market for Nonwovens

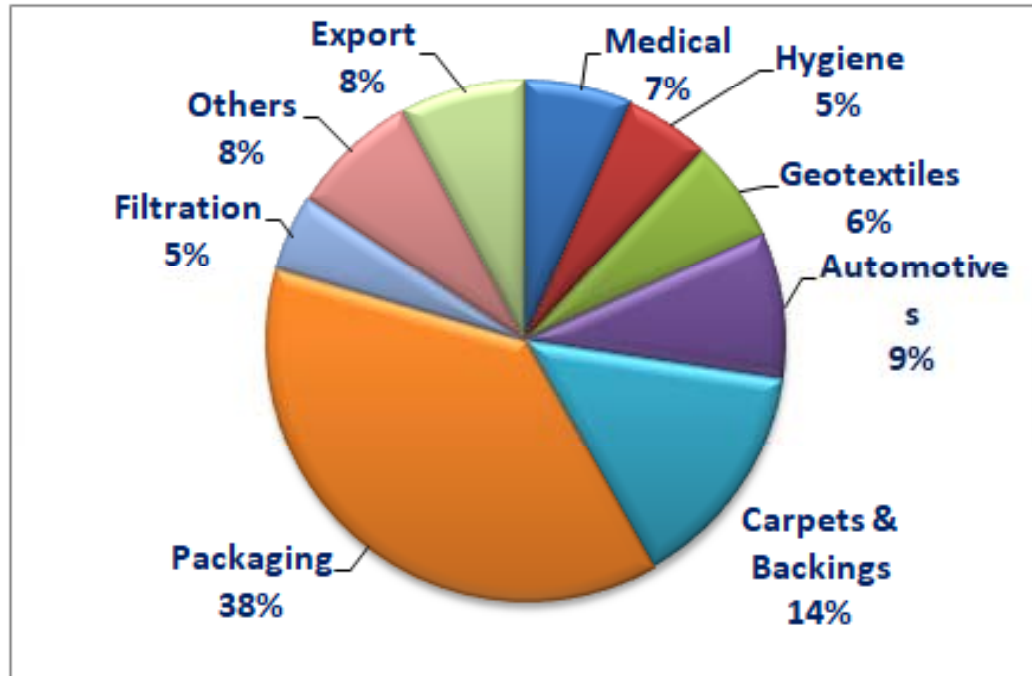
2018 nonwoven Production – 475,000 Tn



- Gradually **spunmelt** has gained the largest share owing to the growth in **medical, hygiene and filtration** markets. There are some quantities being **exported** too.
- **Spunlace** is mainly **exported**, even though the domestic market has started picking up
- Growth in **geotextiles** and the **auto sector** have pushed the **Needlepunch nonwovens**

India Nonwovens Production by Application

India Market for Nonwovens

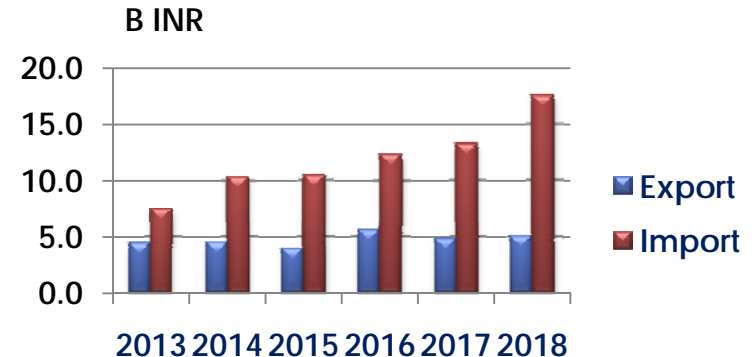
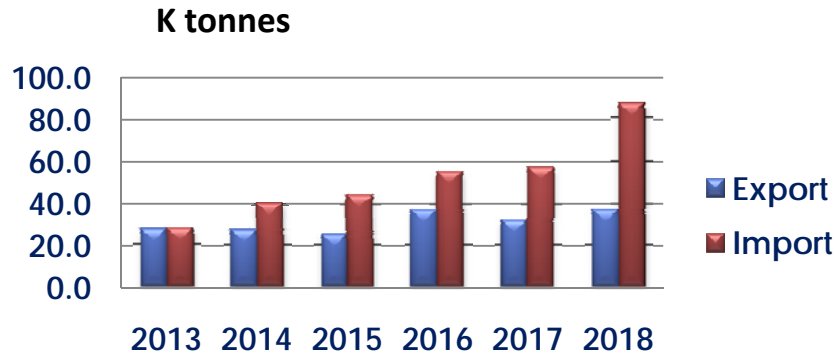


Low tech applications still constitute more than 50% of the production base

India Trend in Export & Import (2013-2018)

India Market for Nonwovens

| | | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------|--------|------|------|-------|------|------|------|
| K tonnes | Export | 27.5 | 27.6 | 25.7 | 37.1 | 32.3 | 37.3 |
| | Import | 28.1 | 40.4 | 44.3 | 55.5 | 57.3 | 87.4 |
| Bil. INR | Export | 4.5 | 4.6 | 4.00 | 5.7 | 4.9 | 5.1 |
| | Import | 7.5 | 10.3 | 10.40 | 12.3 | 13.2 | 17.5 |
| INR/kg | Export | 164 | 167 | 156 | 154 | 152 | 137 |
| | Import | 267 | 255 | 235 | 222 | 230 | 200 |

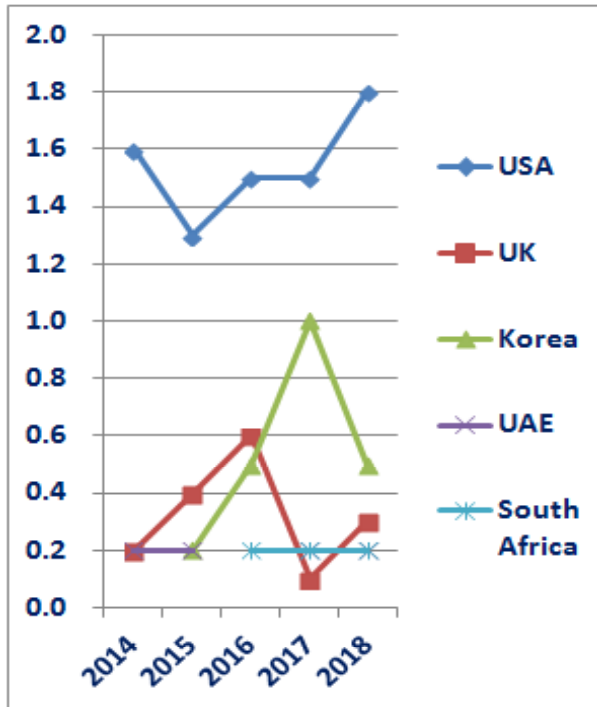


Exports constitute all technologies and are far less than imports which signifies huge potential for growth in manufacturing

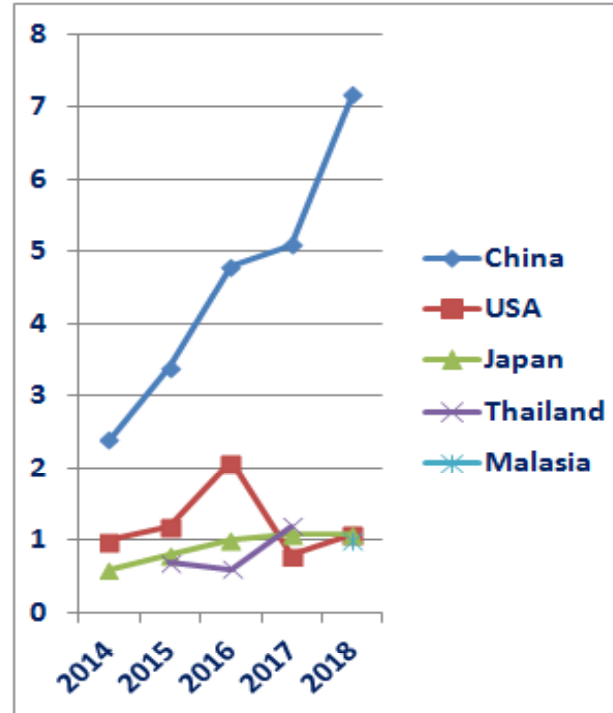
Top 5 Countries in Export & Import of India

India Market for Nonwovens

Export (Bn INR)



Import (Bn INR)



The undercurrent...

India Market for Nonwovens

India to be the **most populous** country in the world in 2027

Fastest growing economy as per IMF, surpassing China and US

Rural India catching up quickly, **middle class** growing exponentially

Many eyes on India



The 'Indian hug' is working...

Goods & Sales Tax
Biggest reform since independence to boost economy

Government going all-in to push FDI

Good Governance

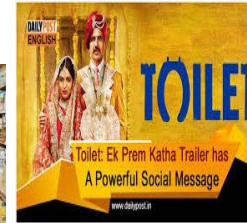
India has come of age. Economically, culturally, spiritually, India has a lot to offer the world, and the world knows it.

Be it its history, diverse religions, its dances, its flora and fauna, its architecture, sport, clothes, languages, of course it's cuisine, **and more importantly for you all – the economic opportunity in the India of 2025, 2050 and beyond.**

The Landscape is changing

India Market for Nonwovens

1



Awareness is growing

2



Laws are finally changing for the better

3



Indian E commerce market growing 3X faster than China

The Landscape is changing Cont.

India Market for Nonwovens



Big urban-rural divide still exists in India, *Rural India catching up quickly*



While majority of Indian villages suffer due to poverty, illiteracy, irrigation problems, transport, female infanticide and other problems, a handful of villages in India have overcome such problems to become model Indian villages.



Products driving growth

India Market for Nonwovens

Disposables

- Absorbent hygiene - sanitary napkins, baby diapers
- Wipes
- Medical Products – surgical gowns, drapes, face masks, caps etc.



Durables

- Automotives – Headliners, hood liners, trunk carpet, trim insulation etc.
- Geotextiles
- Packaging
- Clothing Textiles: Interlinings, waddings
- Home Textiles: Carpets, furnishings and bedding & fibrefill products
- Industrial Textiles: Filters



Segment Focus – Disposable Hygiene

India Market for Nonwovens

- Sanitary Napkins – market penetration at 44% - The upper class is ready for a **higher quality product. Cottony, Big and Thin.... Nonwovens for top sheet are beginning to take over perforated poly**
- **Baby Diapers – market penetration at 15% - pull ups are popular – MNCs setting trends**
- **Adult Diapers – market penetration at 1% - awareness growing**



Segment Focus – Wipes

India Market for Nonwovens

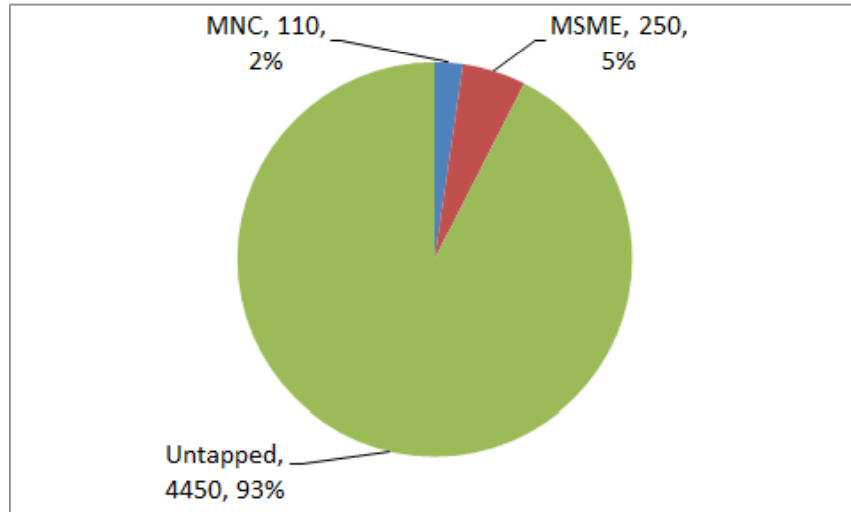
- The Brands are catered through established OEMs
- Industry growing at a CAGR of 20%
- Wipes Segment in India is led 75% by Baby Wipes
- Personal wipes segment too is seeing good awareness
- Birla Cellulose and Ginni Filament started the push
- Welspun also the big entrant
- Good capacity for spunlace nonwovens in India



Segment Focus – Medical Nonwovens

India Market for Nonwovens

| | |
|---|-------------------------------|
| Number of Surgery's per year (Invasive - which require medical Nonwovens) | 50 Million / 2019 |
| Consumables used per surgery (Average Value) | 1000 Rs |
| Total Market size of Drapes and Gowns in India (Potential) | INR 50 bn (0.7 bn usd) |



- **93%** of this Market Potential is **untapped**
- Untapped market consists majorly of Nursing Homes which are not currently using drapes and Gowns
- MSME control 5% (including the unorganised sector)
- MNC – Kimberly Clark, Medline is exploring Indian market

Segment Focus – Medical Nonwovens cont.

India Market for Nonwovens

The Major challenge in the medical nonwovens space is the absence of standards & Regulations

1

In the absence of standards **Low Price** is the only Motivation
With standards – There **WILL** be a shift to **Quality** at competitive pricing



2

Dependence of Manual Production
For Eg – Surgical cap – Production cost is 60-70% and NW cost is only 20-25 %

Semi automation / Full Automation
will ensure quality at competitive prices



Segment Focus – Filtration

India Market for Nonwovens

Growth in residential/commercial/institutional/ industrial establishments – HVAC, Hepa Ulpa, Baghouse

Automotive industry

Polluted air/ norms getting stricter- face masks, purifiers



Better Humanity



Better Product

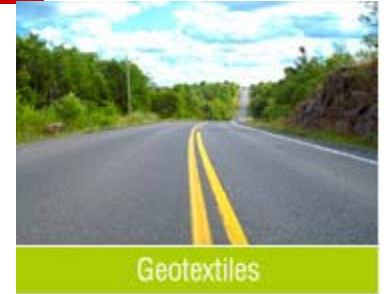


Better Environment

- Woven textiles are being superseded by nonwovens in many categories of filtration in India where wovens were the preferred choice on account of their technical advantage and lower costs
- Needle punched nonwovens dominate the scene followed by meltblown finer media and others.
- Polypropylene and Polyester are the commonly used raw materials but high temperature fibres and fabrics are mostly being imported
- Collectively the growth expected for filter media is 17% to 18% but nonwovens will see much higher growth rates in India

Segment Focus – Geotextiles

India Market for Nonwovens



- Geotextiles are currently being consumed majorly in the government projects for river bank protection & road construction
- **Great stress laid on Infrastructure & revamping of ports and airports**
- **Good growth in nonwovens for river bank protection from erosion & protection of embankments from floods and railway track beds**
- Market of nonwoven geobags is expected to grow in the coming years
- With the pressing need of having adequate infrastructure in terms of roadways, railways and ports infrastructure, Government has been doing substantial investment towards infrastructure building. So there is substantial growth prospects in future for geotextile segment

Segment Focus – Automotive Textiles

India Market for Nonwovens

- Needle punch nonwovens being extensively used for Carpets, headliners, NVH components, Filters
- Major players are Supreme Nonwovens, Uniproducts, Autotech Nonwovens, Obeetee, etc.

| Automotive Segment in India (2018-19) | | | |
|---|-------------------|-----------------------|--------------------|
| Vehicles | Production | Domestic Sales | Exports |
| Passenger Vehicles | 4 million | 3.4 million | 0.7 million |
| Commercial Vehicles | 1 million | 1 million | 0.1 million |

The industry produced a total 31 million vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in April-March 2019 registering a growth of 6.26% over the same period last year.


Segment Focus – Others

India Market for Nonwovens

| Application Area | Major Products in the nonwoven category | Present trends |
|--------------------------|--|--|
| Clothing Textiles | <ul style="list-style-type: none">• Interlinings for clothes and shoes• Waddings for shoulder pads | Most high end interlining materials are imported as special colors and copolymer products are not made in the country |
| Home Textiles | <ul style="list-style-type: none">• Fibre fill products• Needlepunched carpets• Nonwoven Blinds• Furniture backings | Constituting major market share. Products are commoditized and seeking value addition |
| Packaging | <ul style="list-style-type: none">• Spun bond pp bags constitute major share | <ul style="list-style-type: none">• Low end technology sufficing for them. Price competition prevailing |
| Agro Textiles | | <ul style="list-style-type: none">• Picking up fast |

Evolution Underway

India Market for Nonwovens

- **A lot of interest from many as market demand picking up**
 - **Multinationals entering the nonwovens manufacturing arena**
 - **Market landscape set to change in terms of product quality as standards & Legislations are setting in**
- 

Threats and Challenges

India Market for Nonwovens



- India to ban single use plastic from 2nd October 2019
- Nonwovens industry (specially packaging might also get impacted)
- Government has invited solutions from Manufacturing community to ensure smoother transition
- Delay in setting up of Standards and Legislations

To conclude

India Market for Nonwovens



- 1 Focus on Quality and only Quality.... **Standards**
- 2 Economies of Scale... **to fight healthy competition from both MNCs and Domestic**
- 3 Invest in the “**Right**” Technology and raw materials..... **Export market**
- 4 Responsible Manufacturing... **address sustainability**

Thank you
