



India



Nonwovens Outlook

2007-2012

- Trends & Forecasts
- Business Strategies



India

Nonwovens Outlook

2007-2012

- Trends & Forecasts
- Business Strategies



**ASSOCIATION OF THE
NONWOVEN FABRICS INDUSTRY**

P.O. Box 1288, Cary, North Carolina 27512-1288, U.S.A.
1100 Crescent Green, Suite 115, Cary, North Carolina 27518, U.S.A.

Tel: (919) 233-1210 Fax: (919) 233-1282

Web Site: www.inda.org

INDA is a registered trademark of INDA, Association of the Nonwoven Fabrics Industry

Copyright© 2007 INDA, Association of the Nonwoven Fabrics Industry. All rights reserved. This material may not be reproduced, in whole or in part, in any medium whatsoever, without the express written permission of INDA, Association of the Nonwoven Fabrics Industry.

FOREWORD

This is INDA's first report on the **Nonwovens Industry in India**. The report is divided into two sections: **Section 1** provides an overview of India, including population, people, customs, trends, gross national product, economic performance and other useful information to executives considering expansion in the country. This section also provides various market entry strategies. In brief, it is a primer on how to enter the rapidly expanding Indian market and how to do it safely and successfully.

Section 2 is an analysis of the 2007 nonwovens industry of India with an outlook to 2012. The nonwovens information is a compilation of data provided by major industry roll goods producers in India, government sources, consultants and various companies involved in the emerging Indian nonwovens industry. This report analyzes the current consumption of nonwovens and related nonwoven products, either produced domestically or imported. A forecast through 2012 is provided for the significant nonwoven markets and discusses important trends that are driving consumption.

The report analyses the major markets for nonwoven disposables: absorbent hygiene, premoistened baby wipes and medical; and durables: interlining, automotive, home furnishings and bedding, agricultural crop covers, roofing components, needlepunched carpeting, geotextiles and coated/laminated substrates. Several markets that are normally analyzed in our North American reports – filtration, sorbents, shoe components and electronics – were not studied due to their current small size in India.

INDA's mission is to promote the growth and profitability of the nonwovens industry. It is also our goal to serve the worldwide interest of our many members and consumers of nonwovens' and related industries' products.

Please feel free to contact me on any aspect of this report. You may reach me at:

E-mail: ibutler@inda.org

Telephone: (919) 233 1210, ext. 113

Ian Butler

Director of Market Research and Statistics

INDA, Association of the Nonwoven Fabrics Industry

TABLE OF CONTENTS

	Page
Section I – Overview of India	1
1. Introduction	3
Landscape and Transportation	3
The People	3
Government Systems	4
Conclusion	6
2. The Economy and Market Opportunity	7
Introduction	7
Government Policies and Initiatives	7
Current Market Opportunities Available to Foreign Investors	9
Nonwoven Industry	9
IT Services	9
Life Sciences	10
Infrastructure Related Industries	10
Consumer Products and Retail	10
Conclusions	11
3. Market Entry Strategies	12
Introduction	12
Contracting With an Indian Entity	
Draft Preparation	13
Injunctive Relief Clause	13
Arbitration Clause	14
Governing Law	14
Confidentiality and Non-competition Clauses	15
Foreign Corrupt Practices Act	15
Export Controls	16
Establishing an Indian “Office” Entity	16
Project Offices	16
Liaison Office	17
Branch Office	18
Joint Ventures with an India Company	18
Structuring the Relationship	18
Contractual Joint Ventures	19
Joint Ventures Between U.S. Subsidiary and Indian Entity	19
Mauritian Subsidiary	20
Wholly Owned Indian Subsidiary	20
Issues Associated With Doing Business in India	21

Permanent Establishment and Agent of Independent Status	22
Transfer Pricing	22
Foreign Exchange Controls	23
Foreign Direct Investment	24
Taxes	24
Employment and Immigration Issues	25
Conclusion	27
4. Conclusions: General Suggestion and Resources	28
Planning the Trip	28
Traveling in India	29
Meeting with Indian Businesses	30
Indian Numerical System	31
Resources	32
Section II – The Nonwoven Industry in India, 2007 – 2012	33
Methodology	34
List of Figures	35
List of Tables	36
Key Points	37
Disposable Applications:	41
Absorbent Hygiene	43
Baby Diapers	44
Training Pants	49
Feminine Hygiene	49
Adult Incontinence Products	54
Wipes	56
Medical / Surgical	58
Other Disposable Markets	59
Durable Applications:	60
Interlinings and Shoe Construction Materials	61
Automotive	63
Home Furnishings and Bedding	66
Agriculture and Landscape Fabrics	69
Geotextiles	69
Coated and Laminated Substrate	70
Floor Coverings / Backings (including automotive)	71
Roofing	72
Other Durable Markets	73

Nonwovens Production by Technology	74
Primary Domestic Nonwovens Producers	77
Raw Materials Consumption	79
India - Nonwoven Imports and Exports	81