



The Indian  
**TECHNICAL TEXTILES  
INDUSTRY**

MISSP is a facilitative platform led by Embassy of India, Berne, to connect Swiss SMEs, making up more than 99% of Swiss companies, with the vibrant New India. For further information, please write to [missp2@missp.ch](mailto:missp2@missp.ch)

## ABOUT MOMENTUM IN INDIA: SWISS SMES PROGRAMME (MISSP)

India has made a jump of 79 positions to 63 in 2019 from 142 in 2014 in World Bank's Doing Business rankings. The World Bank has hailed India as one of the top 10 improvers for the third consecutive year. The Government of India is targeting US\$ 1.4 trillion infrastructure investment over 2020-25 to enable economic growth. Switzerland is an ideal partner for India as it is amongst the leaders in the world in innovation, international competitiveness and environmental performance.

India provides a great opportunity for the Swiss SMEs sector to invest and grow.

The Embassy of India, Berne, has been promoting India as an active economic partner and investment destination for Swiss SMEs, which make up 99% of the Swiss companies. In line with this, the Embassy of India, Berne, launched the 'Momentum in India: Swiss SMEs Programme' (MISSP) to facilitate Swiss SMEs explore, enter, and expand in the Indian market.

The MISSP programme responds to the need for an organized platform dedicated to assist Swiss SMEs establish successful business models across the value chain in India. The Business support services provided by the MISSP programme to Swiss SMEs India entry/expansion strategy include the following:

- Strategy consulting
- M&A
- Operational market entry support
- Tax & legal support
- Financial services
- Project financing
- Location services
- Technology collaboration
- Partner Search and Due diligence

As you would have noticed, the MISSP is a true one-stop source for Swiss SMEs requiring support services, with the additional benefits of:

- Participation in Specialized Common Workshops by subject matter experts
- Regular tax & legal updates
- Access to the MISSP Network and Exchange Platforms to facilitate member companies to share their experiences, best practices, success stories and network among themselves

The program is implemented with the support of Central and State Governments in India and other key Indian and Swiss industry partners, who assist the Swiss SMEs have a smooth experience in various aspects of doing business in India.

As on date, 83 Swiss companies from various sectors have onboarded on the MISSP programme.

The MISSP programme is implemented and monitored by the Embassy of India, Berne, with T&A Consulting as Knowledge Partner responsible for the day-to-day management of the program and Rödl & Partner as the Legal & Tax Partner.

The MISSP team wishes you a great read of this teaser and looks forward to having you join us as the next MISSP member company.

We also invite you to visit our website [www.missp.ch](http://www.missp.ch) and follow us on Twitter at @misspeoi



## OVERVIEW

### Industry Snapshot



India's current share in global exports of technical textiles – **4-5%**

Indian technical textiles industry is expected to grow at **18% CAGR** during 2018-25



India is the **2<sup>nd</sup> largest** textile producer In the world



**13 %** - Share of technical textiles in Indian textile value chain



**USD 28.7 bn** – Expected value of the Indian technical textile industry by 2021

The Indian technical textile industry is import dependent

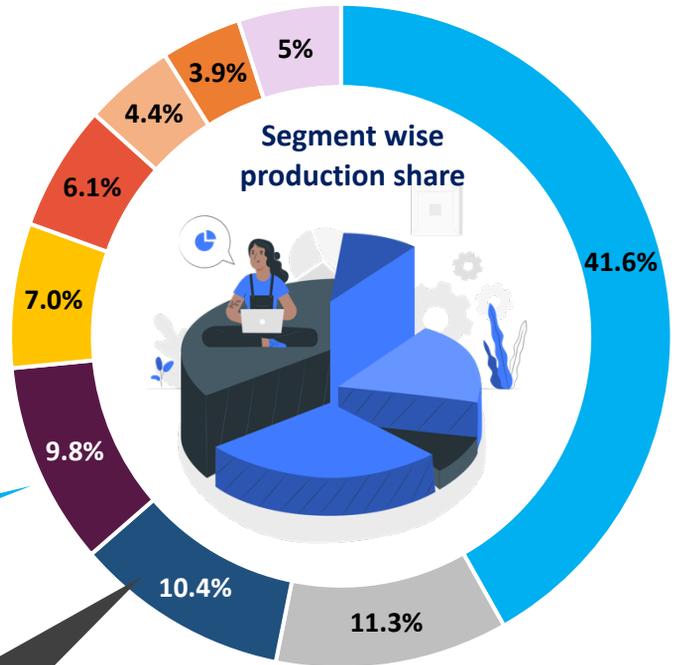
Source: Niti Aayog, Baseline Survey (Ministry of Textiles), World statistics

### Notable Trends

- Mobiltech, Indutech and specialty fibres are some of the products which are currently being extensively imported into India
- Exports from India increased by 17 % in Jan-June 2019 over Jan-June 2018 to USD 1.02 bn
- High-value product segments such as Indutech, Mobiltech, Sportech, Meditech, Buildtech have low market penetration
- In India, majority of intended end users of technical textile products are still unaware of the benefits of usage of such products, thereby leading to lack of adoption

## Market Segments and Share

Packtech
Indutech
Homotech
Mobitech
Clothtech
Sportech
Medtech
Buildtech
Others



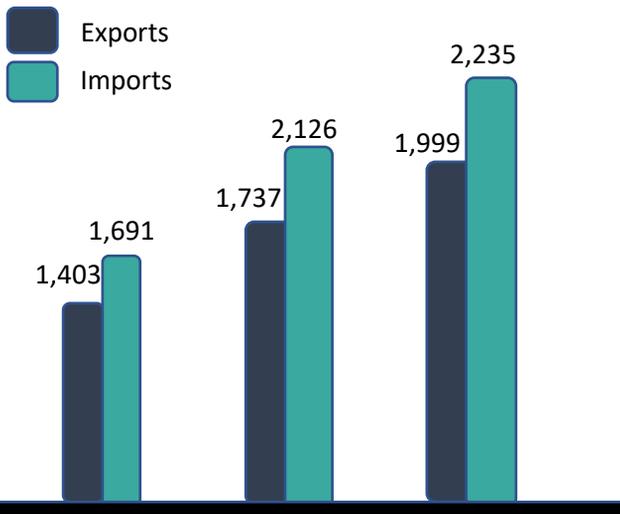
Packtech forms a major segment in terms of production but value of products is low

Segments such as Meditech, Geotech, Sportech and Clothtech are in nascent stage and are expected to grow at a high rate in the future

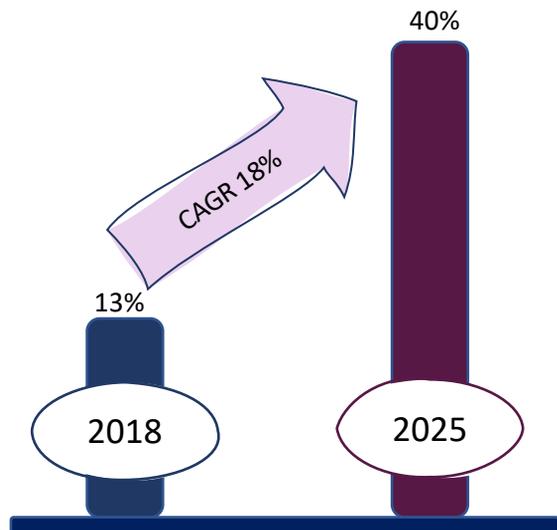
## Growth Forecasts

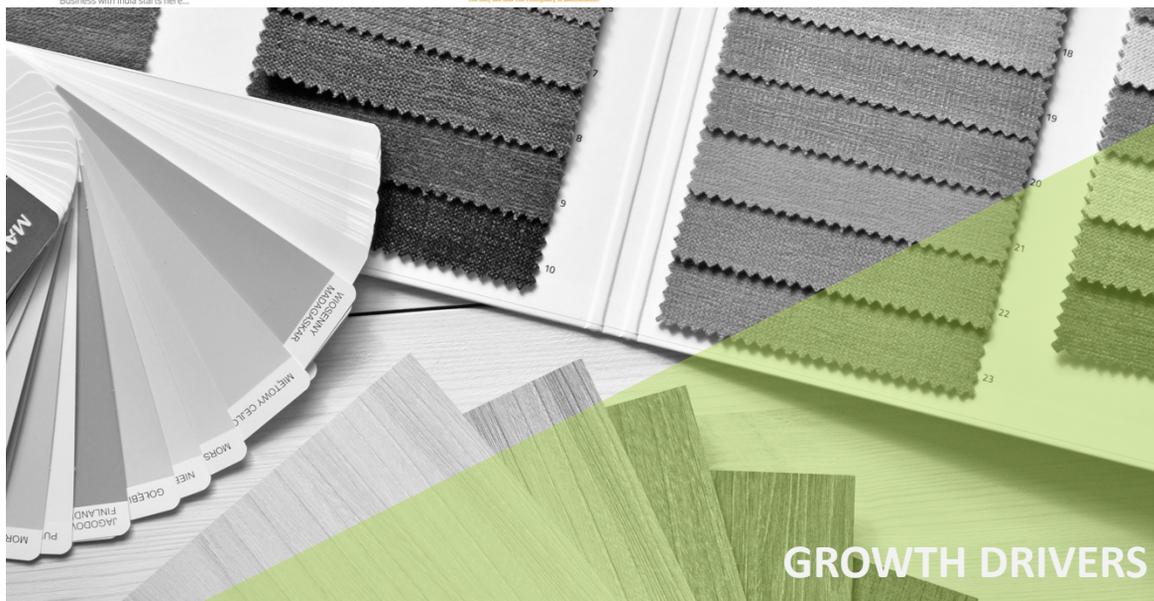
The technical textiles sector has seen rapid growth in terms of both imports and exports. While the current share of technical textiles is 13%, in the total textile industry, it is expected that it will increase to 40% by 2025, at a CAGR of 18%

### Export and Import trends (USD mn)



### Share of technical textiles in the Indian textiles sector





**GROWTH DRIVERS**

**Growth Drivers**



Industrialization and urbanization have led to the growth in end user sectors of technical textiles, which has further led to the growth of the technical textiles sector. These include, industrial product, automotive, FMCG and home improvements.

**Low Per Capita Consumption**

The consumption of technical textiles in India is only 1/8<sup>th</sup> of that of the world, with an average of 1.7 kgs per capita as compared to the global average of 10-12 kgs. This leaves scope for growth and deeper penetration in the market.

**Focus on research related activities and product development**

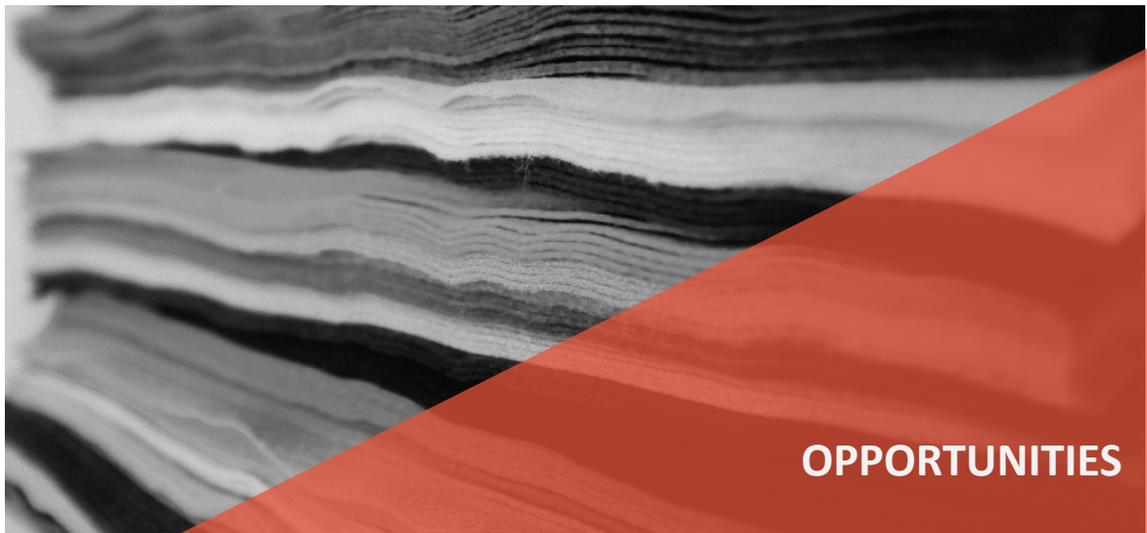
Indian companies have expanded their focus from mass production to R&D. Development of new products includes technical textiles for automobiles and safety and defense related textiles.

**Increasing disposable income**

Disposable income in India has been steadily increasing, with it, the adaptability and acceptance of new products. This is one of the major factors leading to the growth of this sector. These include increase in churn rate of furniture in the homotech sector

**Favourable government policies**

The government has been promoting production of technical textiles and reduction on import dependence. The Government of India has initiated several initiatives, these include building of standardized common testing facilities, establishment of centers of excellence and aiding startups.



**OPPORTUNITIES**

**Opportunities**



Focus of the Indian market in the technical textiles segment has been majorly towards packtech, which is a low value technology. The production of packtech accounts for 41.6% of the total technical textiles market. This leaves a gap for high value product segments such as Indutech, Mobiltech, Sportech, Meditech, Buildtech which have low market penetration.



**Transfer of Technology**

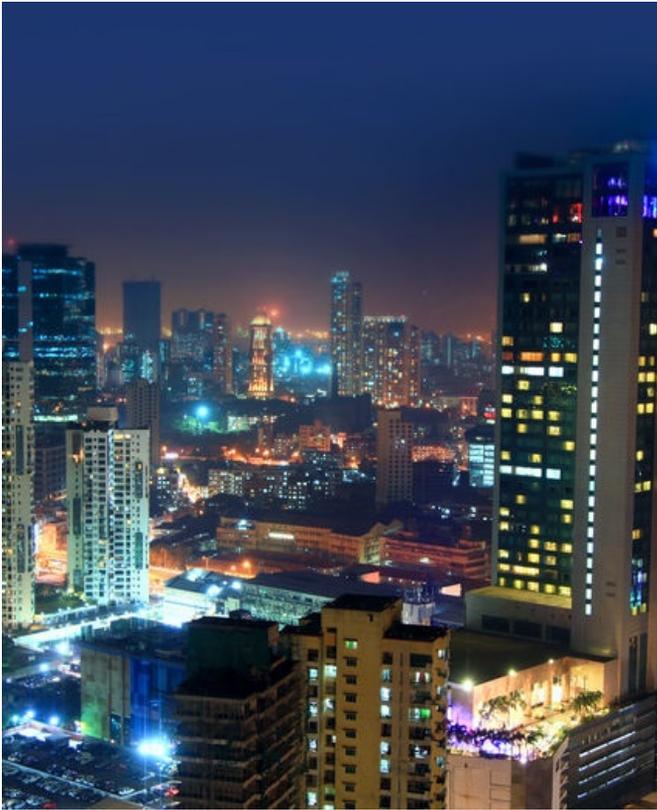
As this sector is capital and research intensive, foreign companies can set up JVs with Indian companies, where the foreign company brings in the technology and the Indian company brings in production expertise. This would help companies make use of India's cost efficient production practices

Some of the products that are imported to India include, glass fiber, high tenacity nylon yarn, nonwoven man-made filaments and fabrics laminated and coated with PVC. Foreign companies producing the mentioned goods can look to export goods directly to India.



Institutional buyers such as railways, defense forces, hospitals, are heavily dependent on imports for high-value technologically intensive technical textile products. By the process of tendering, foreign companies can apply for tenders of these institutional buyers.

**T&A Analysis:**  
Due to India's expertise in the textile sector and increasing investments from Indian companies in upgradation of production capacity along with government initiatives and private intervention, the sector is expected to increase in size. There has been a shift of focus to research and development. Several companies are starting to engage in the production of technical textiles as they provide higher margins and an untapped market with high growth prospects due to low penetration. Foreign companies can look at providing their technology to Indian manufacturers or for selling directly to institutional customers.



## About Us

### Business with India starts here

T&A Consulting is a global advisory firm with extensive experience of working with overseas enterprises towards achieving a successful and accelerated entry into India.

We work with various international Investment Attraction agencies where India is a key market and have been delivering a range of programs to identify outward investment opportunities from India.

Incepted in 2006 in the capital city of New Delhi, T&A currently has 4 offices in India and global operations in Toronto, Canada, and Zurich, Switzerland.

Today, within its different verticals, the company caters to international economic development agencies, overseas enterprises, higher education institutions, and tourism boards.

**+ India Market Entry:**  
Opportunity assessment, feasibility studies, targeted market research reports, competitor analysis, price bench-marking, location identification & partner identification

**+ Outward Foreign Direct Investment (OFDI):**  
Targeted analysis of outward investment, trends and opportunities to assist international inward investment agencies with lead generation.

**+ Client Engagement and Business Development:**  
Relationship management with foreign Economic Development and Trade Promotion Organizations, organizing trade and reverse trade missions

**+ Tourism Representation:**  
Promoting Indian outbound tourism and providing representation to tourism boards and destination management companies

**+ Education Representation:**  
Student recruitment support and representation to international education institutions and assisting in forging partnerships for research and student and faculty exchange

Looking at India market?

Get in touch

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