Industry Report on Infants & Adults Diapers and Feminine Hygiene Products Market in India

29th June 2026

Table of Contents

The Knowledge Company LLP

Ankur Bisen
Senior Partner

1. Overview of Global and Indian Economy

Global economic growth continues to be led by emerging markets, particularly Asia, with India being among one of the fastest-growing economies. Sustained GDP growth, rising urbanisation, and increasing disposable incomes are driving a gradual shift in household consumption towards organised, branded, and convenience-oriented product categories. Concurrently, increasing retail spending and the rapid expansion of omnichannel distribution models have improved product availability and consumer access across urban and semi-urban markets.

1.1 GDP and GDP Growth of Key Global Economies

Emerging markets are expected to contribute significantly to the next phase of global economic growth, with global GDP growth momentum strengthening across major economies

The global Gross Domestic Product (GDP) is projected to expand from USD 117.17 trillion in CY 2025 to USD 149.57 trillion by CY 2030, growing at a CAGR of 5.00%. India is expected to lead the growth rate and is projected to register a CAGR of 10.00% during CY 2025 to CY 2030, followed by China at 6.31% and the United Kingdom at 5.60%. Among developed economies, the United States is estimated to grow at a CAGR of 3.75%, while Germany and Japan are projected to record CAGRs of 3.71% and 3.65%, respectively, over the same period.

Exhibit 1.1: GDP at Current Prices (Nominal GDP) (USD Tn) (CY) and GDP Ranking (CY 2025)

Country	Rank in GDP	2020	2021	2022	2023	2024	2025E	2030P	CAGR (CY2025-30P)
Developed Economies									
USA	1	21.06	23.32	25.60	27.29	28.75	30.62	36.81	3.75%
Germany	3	3.94	4.36	4.20	4.56	4.69	5.01	6.01	3.71%
Japan	4	5.05	5.04	4.26	4.21	4.03	4.28	5.12	3.65%
UK	5	2.72	3.19	3.18	3.42	3.69	3.96	5.20	5.60%
France	7	2.65	2.97	2.79	3.06	3.16	3.36	4.01	3.60%
Developing Economies									
China	2	15.00	18.20	18.32	18.27	18.74	19.40	26.34	6.31%
India	6	2.16	2.56	2.84	3.15	3.46	3.76	6.05	10.00%
World	**-**	**85.91**	**98.14**	**102.25**	**106.74**	**110.98**	**117.17**	**149.57**	**5.00%**

Source: World Bank, IMF, Indian Data taken from RBI, for India CY 2020 refers to FY 2021, CY2024 refers to FY 2025 and so on.
For calculation purposes, 1 USD = 92 INR
Note: 2025E refers to estimated data, 2030P refers to projected data
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23*

The nominal GDP of World grew by 3.97% in CY 2024, and is expected to further strengthen, with growth projected at 5.58% in CY 2025. Among developed economies, the United States recorded a nominal GDP growth of 6.50% in CY 2025. Within developing economies, India and China are projected to grow at 8.61% and 3.52%, respectively, in CY 2025. India continues to demonstrate robust and sustained year-on-year growth momentum, underlining its position as the fastest-growing major economy during the period.

Overall, the world's real GDP is expected to grow at 3.16% CAGR from CY 2025 to CY 2030. Among developed economies, the United States recorded real GDP growth of 2.78% in CY 2024 and is projected to grow at a CAGR of 2.00% from CY 2025 to CY 2030. Among developing economies, China's real GDP had grown at 5.00% in CY 2024, and India had a real GDP growth of 7.10% in the same period.

Exhibit 1.2: Real GDP Growth rate of Key Economies (CY) (%)

Country	2021	2022	2023	2024	2025E	2030P	CAGR (CY 2025 – 2030P)
Developed Economies							
USA	6.06%	2.50%	2.91%	2.78%	2.00%	1.80%	2.00%
Germany	3.98%	1.91%	-0.80%	-0.54%	0.20%	0.70%	1.06%
Japan	2.75%	0.89%	1.55%	0.22%	1.10%	0.50%	0.56%
UK	8.36%	5.14%	0.31%	1.22%	1.30%	1.40%	1.40%
France	7.05%	2.71%	1.51%	1.12%	0.70%	1.20%	1.16%

Ankur Bisen
Senior Partner

Developing Economies							
China	8.58%	3.15%	5.39%	5.00%	4.80%	3.40%	3.90%
India	9.69%	73.86%*	7.21%	7.10%	7.57%	6.50%	6.50%
World	**6.41%**	**3.40%**	**2.95%**	**2.87%**	**3.20%**	**3.10%**	**3.16%**

Source: IMF, The Knowledge Company analysis
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23*

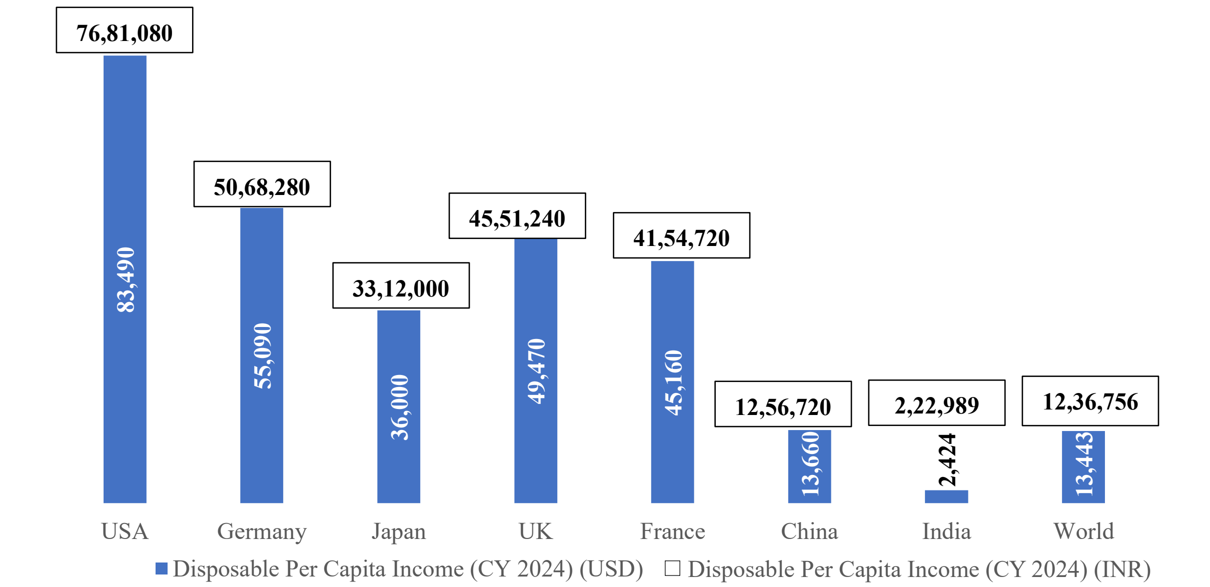
1.2 Rising Disposable Incomes are Powering a Consumption-Led Growth Cycle

Rising disposable incomes across key global economies, particularly in high-growth emerging markets such as India and China, are strengthening consumer spending capacity

Disposable Per Capita Income of Key Economies

Disposable per capita income has shown a consistent upward trend during the period CY 2020 to CY 2024, with global disposable income recording a CAGR of 4.90% over the same period. Among developed economies, the United States, the United Kingdom, Germany and France recorded CAGRs of 6.49%, 5.90%, 3.22%, and 3.28% respectively for the period CY 2020 to CY 2024. Japan, on the other hand, recorded a negative CAGR of 3.16% for the same period. Developing economies such as India and China experienced steady growth in disposable income, with CAGR of 11.53% and 6.20% respectively.

Exhibit 1.3: Disposable (GNI) Per Capita Income of Key Economies in CY 2024(Current Prices USD) (INR)



Source: IMF, For India, CY 2024 data refer to FY 2025 and so on,
For calculation purposes, 1 USD = 92 INR

Total Private Final Consumption Expenditure of Key Economies

Private Final Consumption Expenditure (PFCE) encompasses spending on both goods and services, serves as a key indicator of domestic consumption. In CY 2023, PFCE accounted for 56.4% of India's GDP which was higher than France (53.0%), Germany (50.0%) and China's (40.0%), it remained below that of other major economies such as the United States (68.0%) in CY2022 and the United Kingdom (60.0%) during CY 2023. PFCE's contribution to India's GDP was 56.50% for CY 2024 and is estimated to be 56.70% in CY 2025 (FY 2026).

Ankur Bisen
Senior Partner

The Knowledge Company LLP

Exhibit 1.4: Total Private Final Consumption Expenditure of Key Economies in CY (current prices, USD Tn)

Country	2020	2021	2022	2023	2024	Contribution to GDP 2022	Contribution to GDP 2023	Contribution to GDP 2024	CAGR (CY 2020 – 2024)
Developed Economies									
USA	14.21	16.04	17.51	NA	NA	68.00%	NA	NA	11.01%
Germany	1.95	2.11	2.08	2.26	NA	50.00%	50.00%	NA	5.04%
UK	1.60	1.88	1.91	2.06	NA	60.00%	60.00%	NA	8.79%
France	1.41	1.56	1.48	1.63	NA	53.00%	53.00%	NA	4.95%
Developing Economies									
China	5.72	6.98	6.92	7.23	7.48	38.00%	40.00%	40.00%	8.12%
India	1.32	1.56	1.62	1.78	1.95	57.10%	56.50%	56.50%	10.52%
World	**47.64**	**53.94**	**56.48**	**NA**	**NA**	**55.2%**	**56.5%**	**NA**	**8.88%**

Source: IMF. For India, CY 2024 data refer to FY 2025,
For calculation purposes, 1 USD = 92 INR
Note: Economies with PFCE data not available for CY 2023 and CY 2024, CY 2022 and CY 2023 data have been considered, for calculation of CAGR

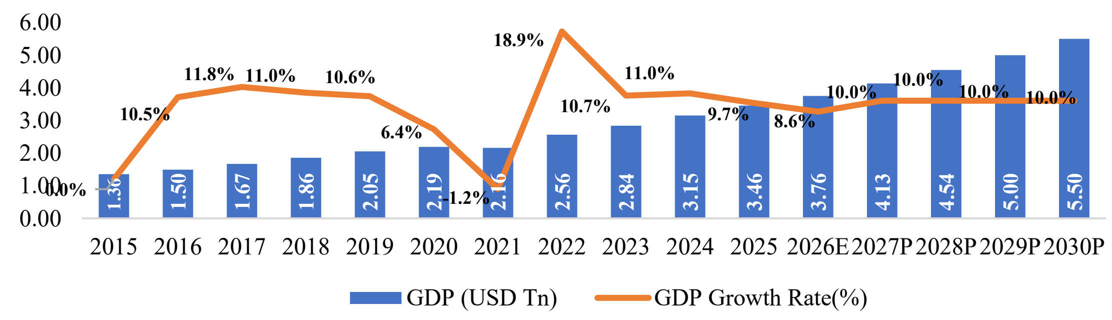
1.3 India's Growth Flywheel: GDP Expansion Translating into Income and Consumption Upside

India's sustained GDP expansion, coupled with accelerating per capita income growth, is reinforcing its structural transition into a high-growth, consumption-driven economy

GDP and GDP Growth - India

India is ranked sixth in the world in terms of nominal gross domestic product ("GDP") for FY 2026 and is the third-largest economy in the world in terms of purchasing power parity ("PPP") with a GDP of USD 17.26 trillion in FY 2026 following China and US with a GDP of USD 41.24 trillion and USD 30.77 trillion respectively for the same period. Furthermore, India is expected to be a USD 5.50 trillion economies by FY 2030 and is estimated to become the fourth largest economy, surpassing UK (USD 4.9 trillion), Japan (USD 4.87 trillion), and France (USD 3.89 trillion) during the same period

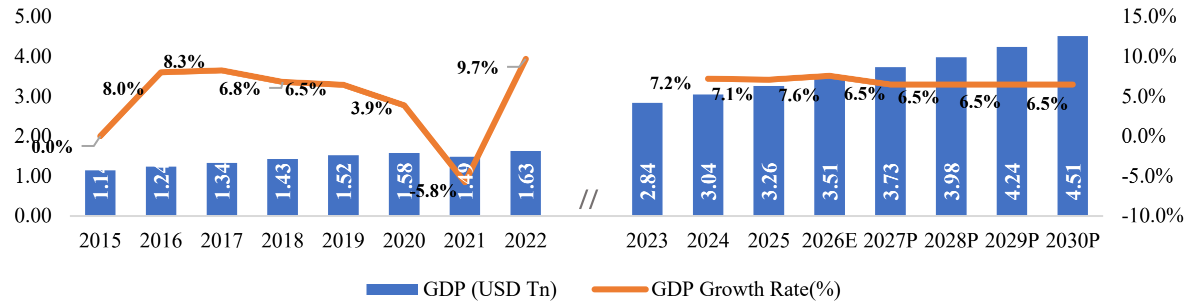
Exhibit.1.5: India's GDP at Current Prices (Nominal GDP) (In USD Tn) and GDP Growth Rate (%) (FY)



Source: RBI, The Knowledge Company Analysis
For calculation purposes, 1 USD = 92 INR
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23*

Ankur Bisen
Senior Partner

Exhibit. 1.6: India's GDP at Constant Prices (Real GDP) (In USD Tn) and GDP Growth Rate (%) (FY)



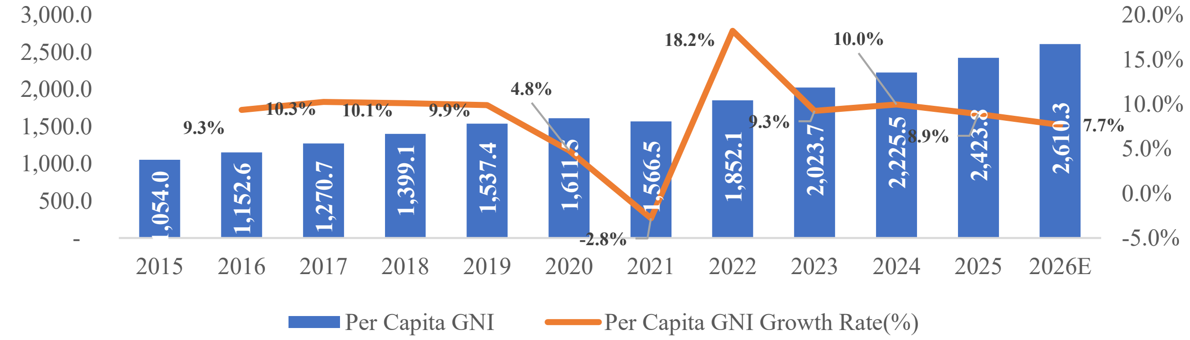
Source: RBI, The Knowledge Company Analysis
For calculation purposes, 1 USD = 92 INR
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23*

Between FY 2015 and FY 2025, nominal GDP grew at a CAGR of 9.8%, and it is expected to accelerate further, registering a CAGR of 10.0% over the 4-year period from FY 2026 to FY 2030.

Per Capita Income Growth - India

India's income growth is one of the strongest drivers for higher private consumption trends. In recent years, the rate of growth of per capita Gross National Income (GNI) has accelerated, with India's per capita GNI valued at USD 2,423.8 in FY 2025, marking a 50.4% increase from USD 1,399.1 in FY 2018, exhibiting a CAGR of 8.5% during the period.

Exhibit 1.7: India's GNI Per Capita (USD) (Current Prices) And Y-O-Y Growth Trend (%) (FY)



Source: Ministry of Statistics and Program Implementation, The Knowledge Company Analysis
For calculation purposes, 1 USD = 92 INR
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23*

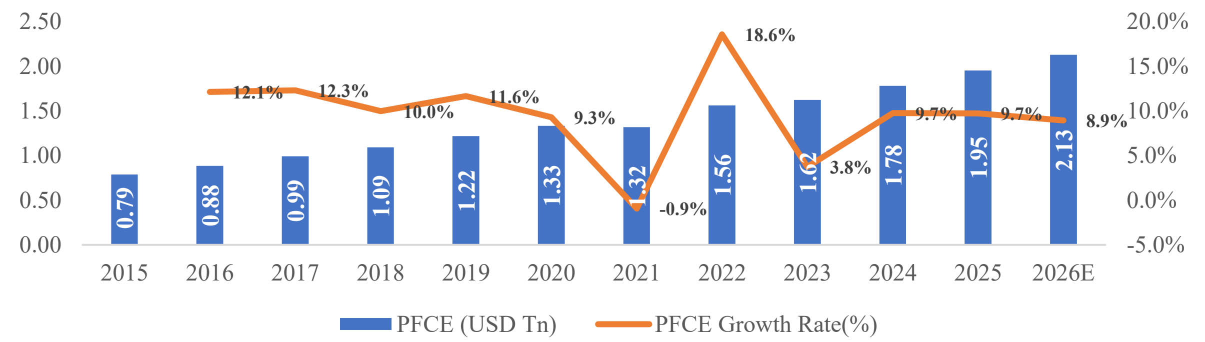
Private Final Consumption Expenditure - India

India is a private consumption-driven economy, where the share of domestic consumption is measured as PFCE. India's private final consumption expenditure has grown at a CAGR of 8.0% between FY 2020 and FY 2025, underscoring the sustained strength of domestic demand. Consequently, the share of PFCE accounted for 56.5% of India's GDP in FY 2025, rising further to 56.7% in FY 2026. With the rapidly growing GDP and PFCE, India is poised to become one of the top consumer markets globally.

Ankur Bisen
Senior Partner

The Knowledge Company LLP

Exhibit 1.8: India's Private Final Consumption Expenditure (Nominal) (In USD trillion) (FY)



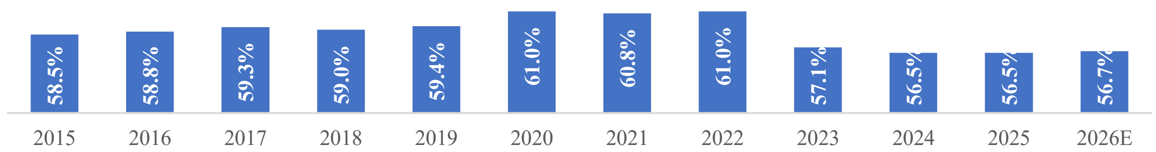
Source: RBI, Ministry of Statistics and Program Implementation, The Knowledge Company Analysis,
For calculation purposes, 1 USD = 92 INR
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23*

Private Final Consumption Expenditure to India's GDP

India's share of PFCE to GDP has increased over the years, reaching 56.5% in FY 2025 and further expected to reach 56.7% in FY 2026, indicating resilient household consumption that continues to anchor economic growth.

India's PFCE-to-GDP ratio is now broadly in line with consumption-led global economies such as the US and the UK, where private consumption forms the backbone of economic activity. This alignment underscores India's transition towards a structurally consumption-driven economy, providing a stable and sustainable demand base for sectors such as lifestyle, personal care, and hygiene products.

Exhibit 1.9: Share of Private Final Consumption Expenditure to India's GDP (Nominal) (%) (FY)



Source: Ministry of Statistics and Program Implementation

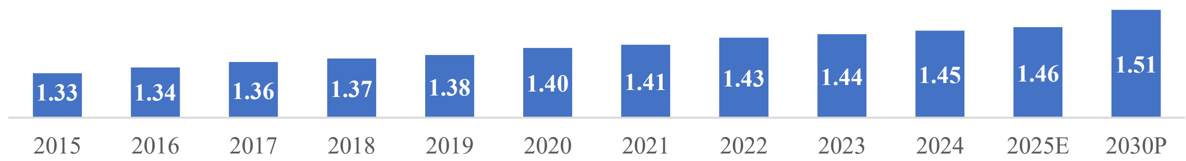
1.4 Emerging Trends in India's Lifestyle and Hygiene Industry

India's favourable demographics, rising urbanisation, increasing female workforce participation and expanding middle class are structurally strengthening the consumer base for lifestyle and hygiene products

Growing Consumer Base

India's population increased from 1.37 billion in CY 2018 to 1.46 billion in CY 2025, with a CAGR of 0.91% during the period. Despite the gradual growth rate, India has emerged as the world's most populous country. India's population is projected to continue rising and expected to reach 1.51 billion by CY 2030, growing at a CAGR of 0.68% during CY 2025 to CY 2030.

Exhibit 1.10: Population of India (in billion) (CY)



Source: IMF Projections, The Knowledge Company analysis, CY 2030 growth rate pertains to CAGR between CY 2025 to CY 2030
Note: For India, Data for CY 2018 refers to FY 2019 and so on

Ankur Bisen
Senior Partner

Younger Age Group Driving Structural Growth and Demand

India possesses one of the youngest populations among major global economies. As of CY 2024, the median ages in China and the United States were 40.2 years and 38.9 years respectively, while the median age in India was approximately 29.8 years. Notably, India's median age is projected to remain below 30 through 2030.

A younger population supports workforce growth, higher household formation and long-term consumption expansion, driving strong demand for life-stage linked categories such as infant care, feminine hygiene and personal care products. A younger population is also more receptive to branded products and digital channels, enabling faster brand and organised channel adoption.

Exhibit 1.11: Median Age CY 2024

Country	USA	Germany	Japan	UK	France	China	India
Median Age (in Years)	Developed Economies					Developing Economies	
	38.9	46.8	49.9	40.8	42.6	40.2	29.8

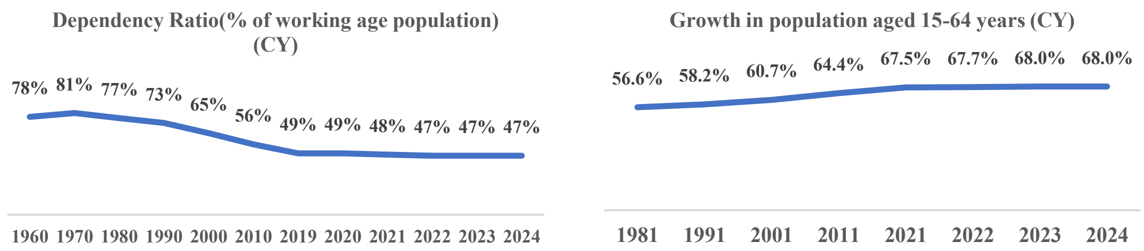
Source: World Population Review

Lower Age Dependency Ratio

India's age dependency ratio has declined structurally from ~78-81% in the 1960s to ~47% by CY 2024, indicating a sustained reduction in the economic burden on the working population. In parallel, the share of population aged 15-64 years has expanded steadily, reaching ~68% in CY 2024, underscoring India's ongoing demographic dividend phase.

A lower dependency burden increases disposable income and consumption capacity, supporting higher penetration and usage of essential consumer categories. For hygiene products, this enables greater affordability, higher adoption and gradual premiumisation, particularly for diapers and feminine hygiene products driven by working and dual-income households.

Exhibit 1.12: Age Dependency Ratio



Source: Census of India 2011, World Bank, MOSPI
Note: Dependency Ratio and Growth in population aged 15-64 years are in CY. CY 2023 for India refers to FY 2024 data and so on.

Number of reported live births

Reported live births in India have declined from CY 2019 to CY 2023, reflecting a gradual moderation in fertility trends over the period. However, the uptick in CY 2024 indicates early signs of stabilisation, suggesting a potential bottoming out of birth rates, which supports a sustained baseline demand outlook for infant care products.

Exhibit 1.13: Number of reported live births (CY) (in million)

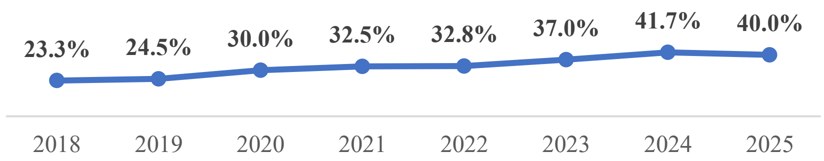
Year	2019	2020	2021	2022	2023	2024
Number of reported live births	24.1	23.5	23.3	23.3	23.2	24.0

Source: World Bank, Secondary Source, The Knowledge Company Analysis

Rising Female Workforce Participation

The female labor force participation rate in India has seen a marked improvement, increasing by 8.9% from 32.8% in FY 2022 to 41.7% in FY 2024 and remained stable at 40.0% in FY 2025.

Exhibit 1.14: Participation of Women in Workforce Aged 15 Years and Above (%) (FY)



Source: Periodic Labor Force Survey (PLFS), MOSPI

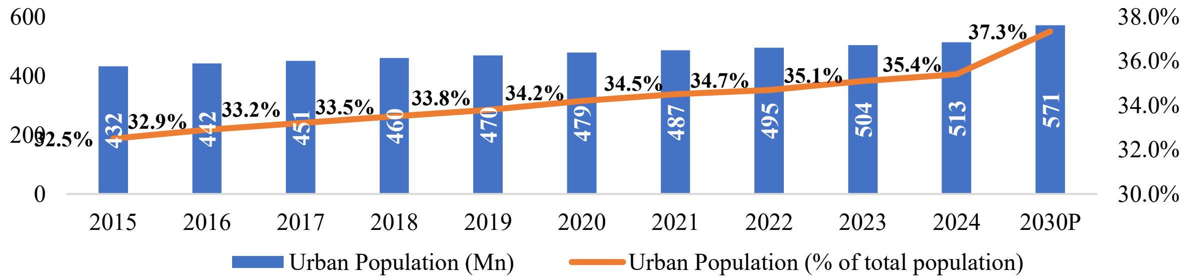
Rising participation of women in the workforce has substantially strengthened household disposable incomes, with an increasing share of families transitioning towards dual-income structures with an increased spending on quality and branded products,, and higher consumption across personal care and hygiene categories, as working women demonstrate a greater willingness to pay for products that deliver enhanced comfort, quality, hygiene, and reliability, thereby driving a structural expansion in demand across these segments.

Rising Urbanisation and Shifts in Consumer Lifestyles

As of CY 2024, India had the second-largest urban population globally in absolute terms, estimated at 513 million, trailing only China. The Indian urban system accounts for approximately 11.0% of the global urban population. Around 35.4% of India's total population is currently classified as urban in CY 2024, significantly below the global average of approximately 58.0%. The share of India's urban population is expected to reach 37.3% in CY 2030, highlighting the accelerating role of urban centres in India's economic and consumption landscape.

Urbanisation contributes to improved retail access and greater exposure to branded products, accelerating adoption 9of packaged and convenience-led goods. In lifestyle and hygiene categories, urbanization supports higher penetration, increased usage and gradual premiumisation, driven by nuclear households, working consumers and expanding consumer base.

Exhibit 1.15: India's Urban Population (In million) and Increasing Urban Population as a Percentage of Total Population Over the Years (CY)



Source: World Bank, The Knowledge Company Analysis
Note: For India, Data for CY 2023 refers to FY 2024 and so on.

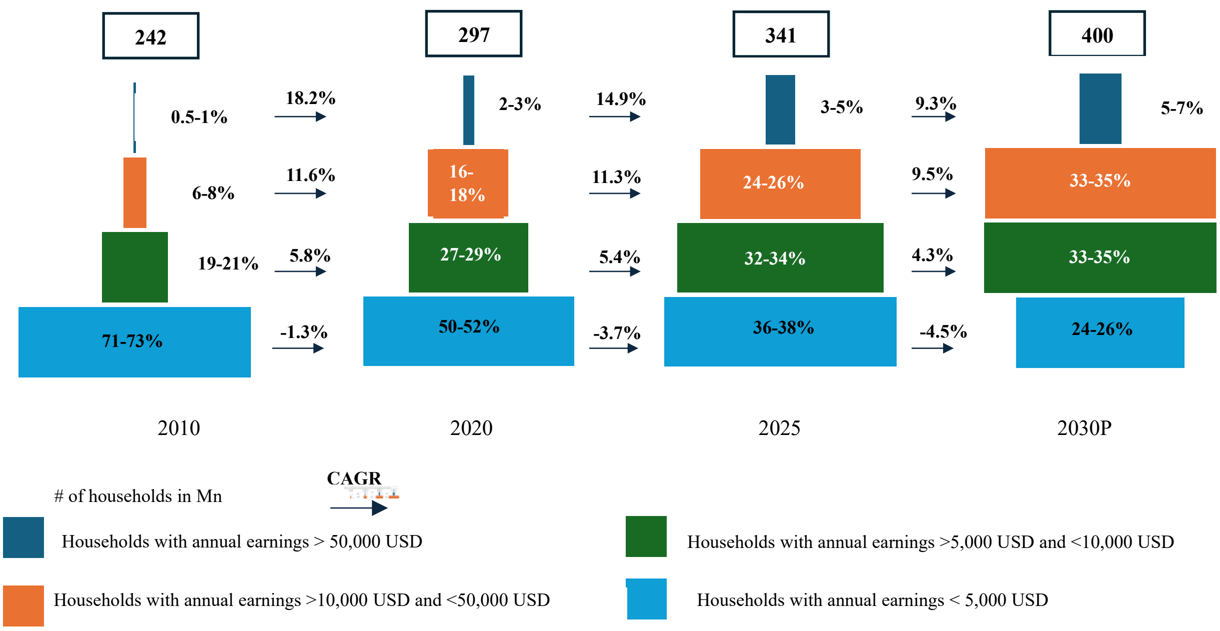
Growing Middle Class Driving Consumption with Rising Disposable Income

The expanding middle-class population in India is emerging as a key driver of consumption growth. Households with annual incomes in the range of USD 10,000 to USD 50,000 accounted for 5.8% of the population in FY 2010, which increased to approximately 33.4% by FY 2023 and is projected to reach around 42.0% by FY 2030. This structural shift reflects a broad-based increase in disposable income levels across urban and semi-urban households.

Rising disposable incomes are shifting consumption from basic, price-led choices to branded, quality and convenience-driven products. This supports higher penetration and usage of lifestyle and hygiene categories, including diapers and feminine hygiene products, driven by safety, performance and value perceptions.

Ankur Bisen
Senior Partner

Exhibit 1.16: Household Annual Earning Details (FY)



Source: Secondary Research, The Knowledge Company Estimates
Note: x-y% represents % of number of households

Ankur Bisen
Senior Partner

2. Consumer Hygiene and Diaper Market in India

The Indian diaper market, valued at INR 138.2 Bn for FY 2025 and projected to reach INR 251.6 Bn by FY 2030, is evolving from episodic use to routine hygiene consumption. This transition is supported by rising disposable incomes, urban nuclear households, and improved access through general trade, e-commerce, and modern retail. Pant-style diapers account for the majority share in the Diaper market due to their convenience and suitability for active infants. Consumer adoption typically follows a laddered progression entry at economy price points followed by gradual trade-up to mid-premium and premium SKUs resulting in a mid-premium–heavy value mix. The market remains strongly branded, with ~97% share, reflecting the category's high trust and performance sensitivity.

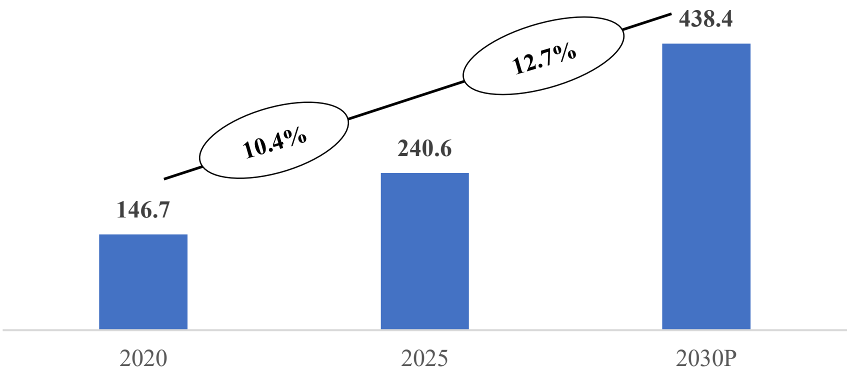
On the supply side, India is positioning itself as a competitive manufacturing hub for baby diapers, enabled by growing domestic demand, cost-efficient production, and favourable policy tailwinds. The ecosystem comprises both integrated players and specialised contract manufacturers serving established brands, private labels, and digital-first entrants. The rise of private-label diapers across organised retail and e-commerce has further amplified the need for agile, compliant, and multi-format production. Government support for technical textiles and adherence to BIS standards are accelerating formalisation, while China+1 dynamics are opening up export-aligned manufacturing opportunities, reinforcing India's relevance in the global hygiene value chain.

2.1. Overview of Hygiene Market

The hygiene products market in India, comprising baby diapers, adult incontinence products, feminine hygiene products, and wet wipes, represents a structurally underpenetrated but rapidly formalising segment within the broader consumer healthcare and FMCG landscape. Unlike traditional FMCG categories that are driven primarily by discretionary consumption, hygiene products are increasingly being adopted as functional and preventive healthcare solutions, with demand driven by necessity, medical guidance, and evolving household behaviour.

The overall Indian hygiene market grew at a CAGR of 10.4% during the period FY 2020-25 valued at INR 240.6 Bn in FY 2025. Building on this momentum, the Indian hygiene industry is projected to grow at a CAGR of a 12.7% across all categories to reach a market size of INR 438.4 Bn. This growth is supported by rising awareness, expanding organised retail and e-commerce reach, and increasing acceptance of hygiene-led products across age cohorts and income segments.

Exhibit 2.1: Hygiene Market in India (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

2.2. Hygiene Market Segmentation by Product Type

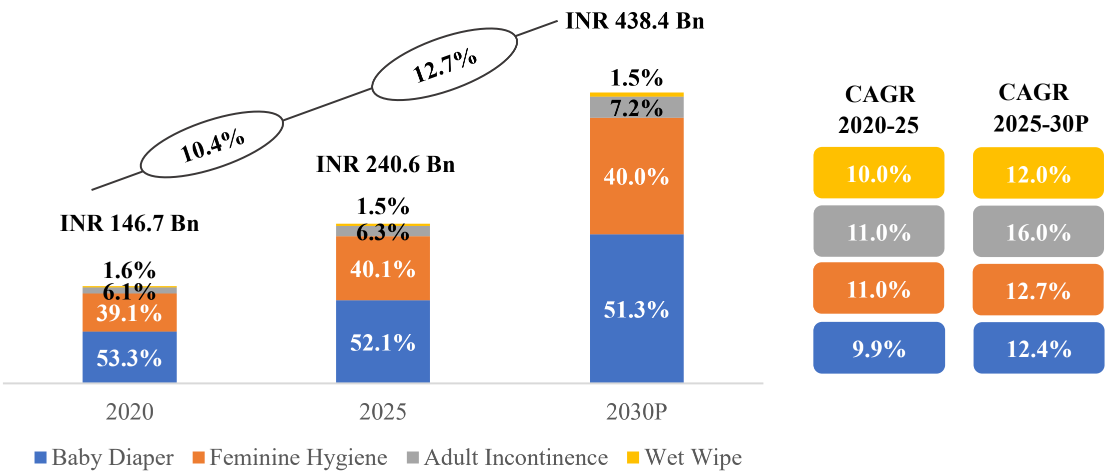
The product mix of India's hygiene market reflects life-stage–driven demand, with baby care and feminine hygiene forming the core consumption base, while adult incontinence represents an underpenetrated but fast-growing segment

Within the hygiene market, baby diapers and feminine hygiene products accounted for 52.1% and 40.1% share respectively in FY 2025. Adult Incontinence with 6.3% and Wet wipes with 1.5% accounted for the remaining market. This hygiene market is projected to grow at a CAGR of 12.7% across three key product verticals, driven

Ankur Bisen
Senior Partner

by secular trends: India's relatively young and growing population, as compared to other emerging and developed markets, and growing middle class with disposable income and increased hygiene awareness are expected to propel baby care's growth and shift from unorganised to organised retail. At the same time, rapidly ageing populations, increasing life expectancies and new family structures in urban centers drive the growth of the adult incontinence products market. Finally, the increasing purchasing power and workforce engagement of women in urban and semi-urban India, as well as improved hygiene awareness in rural areas, both of which are driven by government action, are leading to the growth of feminine hygiene which is compounded by more discrete and convenient availability via online channels. All these categories are characterized by inelastic demand for staple consumer hygiene products, supported by rising disposable income, increased hygiene awareness, urbanization, and a shift from unorganised to organised retail.

Exhibit 2.2: Indian Hygiene Market Segmentation by Product Type (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

Key Trends and Growth Drivers of Indian Hygiene Market

- **Premiumisation and Product Upgradation:** Across baby diapers, adult diapers, and sanitary napkins, consumers are increasingly upgrading from basic products to variants offering superior absorbency, comfort, dermatological safety, and added features. In urban markets and among higher-income households, there is a rising willingness to pay for premium variants such as ultra-thin cores, breathable materials, organic cotton layers, and skin-friendly formulations. This shift is supporting value growth across categories, even as volume expansion remains gradual in certain segments.
- **Expansion of Distribution and Digital Channels:** The growth of modern trade, pharmacy chains, e-commerce, and quick commerce has materially improved product availability and purchase convenience across hygiene categories. Digital platforms are enabling discreet buying (particularly in adult incontinence), subscription-based replenishment, and wider assortment visibility. In sanitary napkins, e-commerce accounted for 11.2% of the market in FY 2025 and is expected to further increase by FY 2030, reflecting the structural role of online channels in category expansion.
- **Rising Awareness and Hygiene Consciousness:** Increased interaction with healthcare professionals, institutional programs, digital parenting and women's health content, and urban lifestyle exposure are strengthening hygiene awareness across demographic groups. For baby diapers, government-led maternal and child health initiatives and rising institutional deliveries are supporting behavioural shifts, while in adult diapers and sanitary napkins, improved literacy and health awareness are gradually reducing resistance to product adoption.
- **Private Label and Contract Manufacturing Expansion:** The rise of private-label and digital-first brands across diapers and sanitary napkins is widening product assortment and intensifying competition. Retailers and online platforms are leveraging strong distribution reach and consumer data to introduce own-label offerings, often supported by specialised contract manufacturers. This model has lowered entry barriers for new brands while increasing scale opportunities for organised manufacturers.
- **Rural and Semi-Urban Penetration:** Improved logistics, deeper pharmacy and distributor networks, and availability of smaller pack sizes are enabling gradual expansion beyond metros. However, penetration remains at an early stage in certain categories; for example, rural market share by value of

Ankur Bisen
Senior Partner

baby diapers stood at ~11% in FY 2025, highlighting significant headroom for growth as awareness and affordability improve.

- **Emerging Sustainability Focus:** Environmental concerns are increasingly influencing product development across hygiene categories. Manufacturers are exploring lighter materials, reduced wood pulp usage, biodegradable inputs, and eco-friendly packaging. Although sustainable variants currently remain niche due to higher price points, growing awareness and urban demand are expected to support gradual adoption over the medium term.

Challenges in the Indian Hygiene Market

- **Affordability and Price Sensitivity:** Hygiene products, particularly diapers, are recurring and high-frequency consumables, making cumulative monthly expenditure significant for middle- and lower-income households. Even minor per-unit price variations influence purchase frequency and brand choice, limiting premium penetration beyond urban and upper-income segments. Smaller pack sizes and economy variants are increasingly used to address this constraint, but affordability remains a structural barrier to deeper adoption.

- **Dependence on Imported Raw Materials**: Manufacturing across hygiene categories remains dependent on imported superabsorbent polymers (SAP) and specialised non-woven fabrics. This exposes manufacturers to foreign exchange fluctuations, global commodity price cycles, and supply chain disruptions. Elevated input costs and import duties can compress margins or necessitate price revisions, which are difficult to fully pass on in a price-sensitive market.

- **Uneven Regional Penetration and Awareness Gaps:** Despite category growth, adoption remains uneven across regions. In sanitary napkins, rural markets accounted for only ~18% of the market by value in FY 2025, reflecting lower awareness and purchasing power relative to urban areas. Similar patterns are observed in baby and adult diapers, where penetration in non-metro regions remains comparatively lower.

- **Environmental and Waste Management Concerns:** Hygiene products are largely non-biodegradable and contribute to municipal solid waste challenges. Increasing public scrutiny and regulatory focus on sustainability, including waste management and potential Extended Producer Responsibility norms, are adding operational complexity and cost considerations for manufacturers.

- **High Capital and Compliance Requirements:** Entry into hygiene product manufacturing, especially diapers, requires significant upfront investment in automated production lines and quality control systems. Ongoing compliance with BIS standards and other safety norms increases operating costs and necessitates continuous investment in testing infrastructure and certification processes, creating structural barriers for smaller or unorganised players.

2.3. Overview of Global Diaper Market

Global diaper market growth is driven by expanding baby diaper penetration in developing markets and reduced social stigma associated with adult incontinence usage in ageing economies

The global diaper market, comprising both baby diapers and adult incontinence diapers, expanded from USD 55-60 Bn in CY 2019 to USD 70-75 Bn in CY 2024, reflecting a CAGR of ~4.9% during the period. Growth was driven by sustained demand for baby diapers in developing markets, supported by increasing hygiene adoption, urbanisation, improving affordability, and wider access through modern trade and e-commerce channels. In parallel, consumption of adult incontinence products increased in developed and ageing economies, aided by higher diagnosis rates, expanding institutional care, and privacy-led online fulfilment models.

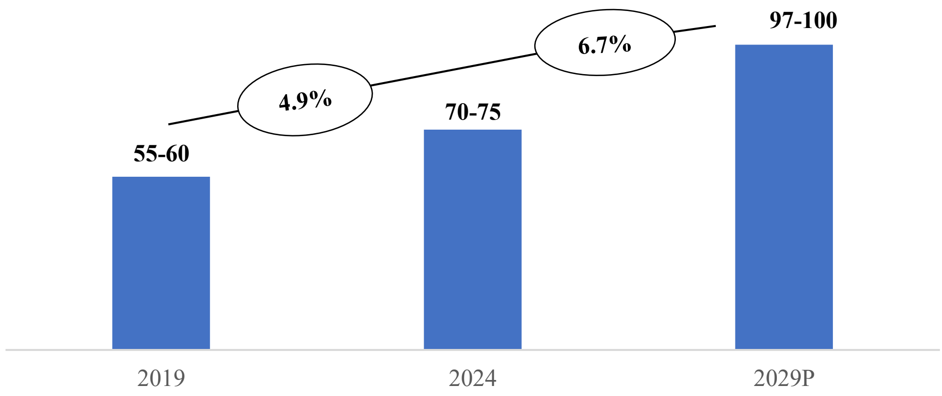
The global diaper market is projected to further expand to USD 97-100 Bn by CY 2029P growing at CAGR of 6.7% during the period CY 2024-29, supported by continued premiumisation in baby diapers through increased adoption of pants formats, higher-performance SKUs, and larger pack sizes, alongside structurally rising adult incontinence demand driven by ageing populations, higher prevalence of chronic health conditions, and greater acceptance of home-care solutions.

In CY 2024, India accounted for ~2% of the global diaper market, reflecting limited penetration of both baby and adult diapers compared to developed markets. Baby diaper penetration in India was ~30% and adult diaper

Ankur Bisen
Senior Partner

penetration was ~5% in FY 2025 indicating substantial headroom for growth. Supported by a large and sustained birth cohort alongside a gradually expanding elderly population, positioning the market for faster growth relative to the global average. As a result, India's share of the global diaper market is projected to increase to ~3% by CY 2029, positioning the market for faster growth relative to the global average.

Exhibit 2.3 Global Diaper Market (in USD Bn) (CY)



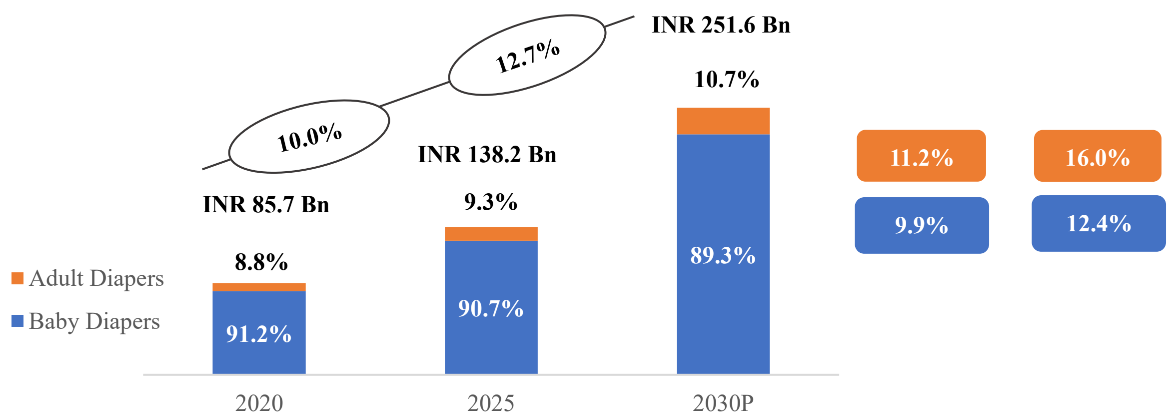
Source: Secondary Research, The Knowledge Company Analysis
Note: Market size includes both baby and adult diaper market.

2.4. Overview of Diaper Market in India

The Indian diaper market is baby-diaper led, with adult diapers emerging as a faster-growing segment driven by demographic ageing and formalisation of incontinence care

The Indian Diaper market in India was valued at INR 85.7 Bn in FY 2020 and grew at a CAGR of 10.0% from FY 2020-25 to reach INR 138.2 Bn in FY 2025. The market in FY 2025 was predominantly driven by the baby diaper segment, which accounted for ~90.7% of market value, while adult diapers contributed the remaining ~9.3%. By FY 2030, the market is projected to reach INR 251.6 Bn, growing at a CAGR of 12.7% during the period. This growth is driven by rising disposable income, improved hygiene awareness, and greater retail access. Baby diapers continue to scale on the back of urban nuclear households and convenience adoption, while adult diapers are growing faster from a smaller base due to ageing demographics, elder-care needs, and increasing normalisation of incontinence management.

Exhibit 2.4: Indian Diaper Market (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis
Note: Market size does not include Adult Incontinence products like Underpads, Liners & Guards

Ankur Bisen
Senior Partner

BABY DIAPER MARKET IN INDIA

2.5. Transition of Infant Hygiene Practices in India: From Cloth-Based Care to Disposable Diapers

Infant hygiene practices in India have evolved gradually from traditional, reuse-based solutions to modern disposable diaper formats, driven by changes in household structures, urbanisation, and increasing awareness of hygiene and convenience. Historically, infant care relied predominantly on langots and cloth wraps, typically made from cotton fabric and reused multiple times a day. These solutions were low-cost and aligned with joint-family structures where caregiving time and household labour were readily available. However, they provided limited absorption and inconsistent hygiene, particularly in urban settings and during monsoon conditions.

Pre-Category Formation and Low Adoption (Pre-2000s)	Multinational Entry and Awareness-Led Expansion (Early-2000s to Mid-2010s)	Mainstreaming and Convenience-Led Adoption (Mid-2010s to Present)
✗ Disposable baby diapers largely unavailable ✗ Limited domestic manufacturing; small-scale pioneers (e.g., early Shogun/Snuggy) ✗ Usage restricted to select urban hospitals and maternity clinics ✗ High unit prices; low perceived necessity ✗ Strong cultural preference for cloth nappies ✗ Negligible organized retail presence ✗ Very low awareness in Tier 2/3 cities and rural markets	✓ Entry of multinational and large Indian players (Huggies, Pampers, MamyPoko, Himalaya, Libero) ✓ Increased category education and marketing investments ✓ Expansion of tape-style and pant-style diaper formats ✗ Usage largely occasion-based (night-time, travel, hospital use) ✗ Price sensitivity limits regular usage ✓ Partial localisation of manufacturing and supply chains ✓ Distribution expands to chemists, baby stores, and modern trade ✗ Rural adoption remains limited	✓ Diapers increasingly viewed as a hygiene essential in urban households ✓ Diversification across SKUs (newborn, pants, value packs, sensitive care) ✓ Focus on skin safety, comfort, and absorbency innovations ✓ E-commerce and D2C brand emergence (Solimo, LuvLap, SuperBottoms etc) ✓ Higher frequency of daily and regular usage ✓ Strong presence across pharmacies, MT, and online adoption remains low ✗ Rural adoption improves but remains below urban levels

Despite these developments, traditional cloth-based solutions like langots continue to coexist with disposable diapers, particularly in rural and price-sensitive segments. As a result, the Indian diaper market remains structurally mixed, with disposable penetration still evolving and offering headroom for further growth.

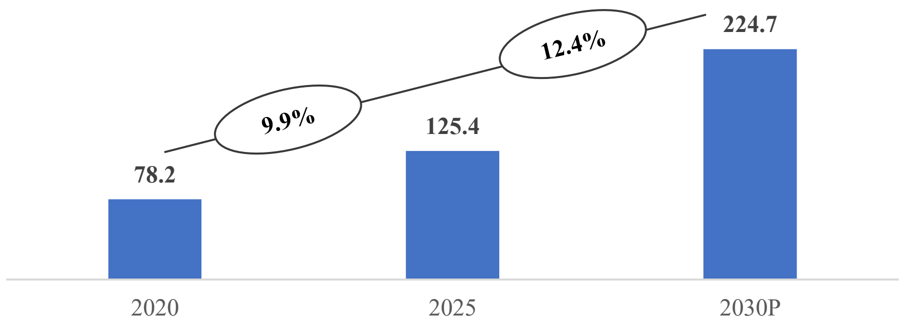
2.6. Overview of Baby Diaper Market in India

Growth in the Indian baby diaper market is increasingly driven by rising usage frequency and format upgrades, indicating a gradual shift from awareness-led adoption to deeper category utilisation

The Indian baby diaper market was valued at approximately INR 78.2 Bn in FY 2020, and expanded to INR 125.4 Bn in FY 2025, reflecting a CAGR of 9.9% over the period. Growth during this phase was primarily driven by deeper urban adoption, increased acceptance of disposable formats over cloth-based alternatives and widening organised retail presence. The market is further projected to reach INR 224.7 Bn by FY 2030, growing at a CAGR of 12.4% during FY 2025-30.
The projected acceleration reflects a shift in the category's growth profile from awareness-led expansion to usage-led growth. Incremental demand is increasingly expected to be driven by higher per-child consumption, broader day-time usage, and increased adoption of pants-style diapers, rather than only first-time users.

The Knowledge Company LLP
Ankur Bisen
Senior Partner

Exhibit 2.5: Indian Baby Diaper Market (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

2.7. Segmentation by Product Type

PANT STYLE v/s TAPE STYLE

Pant-style diapers dominate the Indian market due to their convenience for mobile infants and urban caregivers, while tape-style formats remain relevant for early-stage usage driven by hospital and home-care settings

Pant-style and tape-style diapers serve distinct consumer needs and usage occasions, with format choice influenced primarily by infant mobility stage, convenience, and setting of use. Pant-style diapers are the preferred format among caregivers of active infants and toddlers, owing to their ease of use, quick-change functionality, and suitability during travel or day-care routines. As a result, pant-style formats have scaled rapidly, supported by brand-led marketing and rising demand for convenience across urban households.

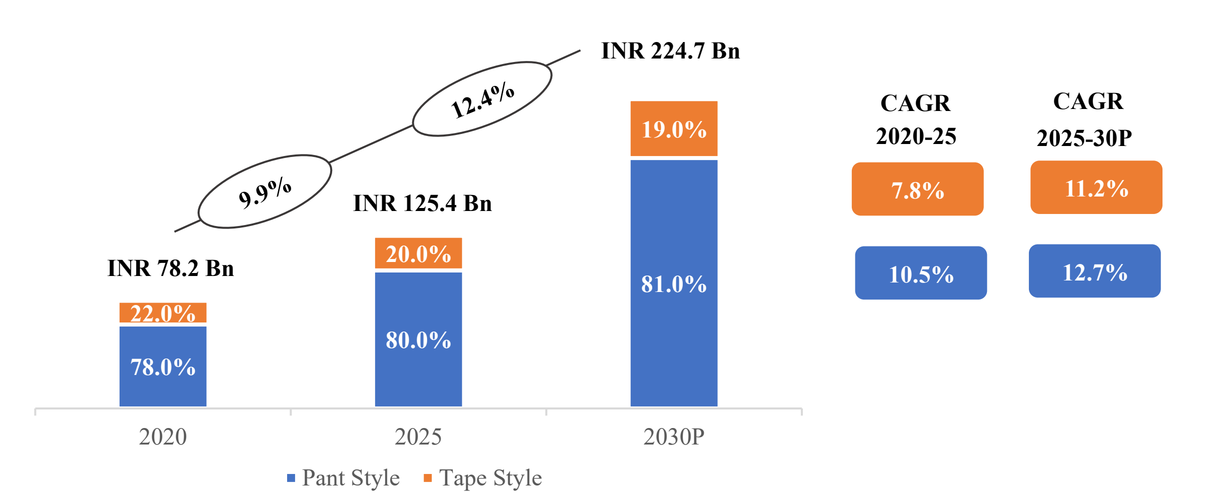
Tape-style diapers, while smaller in share, retain relevance in early-stage usage, particularly for newborns, where a snug, adjustable fit is necessary and caregivers prefer to change diapers while the baby is lying down. Hospitals and maternity care settings continue to distribute tape-style diapers, reinforcing their role in initial trial and category entry.

Pant Style Diapers	
	• Pull-up design worn like underwear; suitable for mobile babies and toddlers who can stand or crawl. • Can be pulled on and removed easily, making it convenient for changes during travel or day care • Elastic waist and leg cuffs provide a snug fit without adjustment
Tape Style Diapers	
	• Flat design with adhesive side tabs; suitable for non-mobile infants • Requires laying the baby down for fastening; suited for home or hospital environments • Adjustable tape tabs allow for tighter fit control and repositioning

Pant-style diapers accounted for 80.0% of baby diaper category value, valued at INR 100.3 Bn, while tape-style held the remaining 20.0%, valued at INR 25.1 Bn in FY 2025. The pant segment is projected to grow to INR 182.0 Bn by FY 2030, maintaining its dominance, supported by a CAGR of 12.7% over FY 2025-30, outpacing the 11.2% CAGR of tape-style diapers.

Ankur Bisen
Senior Partner

Exhibit 2.6: Segmentation of Baby Diaper Market by Pant vs Tape Style (by Value) (in INR Bn) (FY)



2.8. Urban vs Rural Segmentation

The baby diaper market remains urban-dominated, with rural demand constrained by affordability and continued reliance on informal alternatives

Demand for baby diapers in India remains heavily urban-skewed, with the urban market valued at ~87-89% of total baby diaper segment in FY 2025. Urban consumption is driven by higher disposable incomes, greater exposure to organised retail and digital commerce, strong influence of hospitals and paediatricians, and a higher willingness to pay for convenience-led hygiene products. Additionally, growing nuclear families, increased workforce participation of women, and rising awareness around child health and hygiene further support sustained urban consumption.

In contrast, rural markets accounted for ~11-13% of the market for FY 2025 of the market for FY 2025, and remain underpenetrated due to price sensitivity, lower awareness, and continued reliance on traditional cloth-based diapering practices such as langots. Growth in these regions is expected to be led by affordability-focused strategies such as smaller pack sizes, entry-price SKUs, and expanded general trade distribution, which collectively aim to lower the barrier to first-time adoption. While rural adoption is expected to increase gradually, the urban market is projected to remain the dominant demand centre, supported by demographic trends, lifestyle shifts, and ongoing premiumisation in usage preferences.

2.9. Segmentation by Branded vs Unbranded

The baby diaper market is overwhelmingly branded due to safety sensitivity, regulatory standards, and high consumer reliance on trusted products

The baby diaper market in India is overwhelmingly branded, with branded products estimated to account for ~97% of category value in FY 2025. This dominance is structurally rooted in the product's intimate and high-involvement nature, where parents prioritise safety, performance consistency, and skin comfort, particularly for prolonged and overnight usage. Consumer behaviour in this segment is typically shaped by prior experience, peer networks, and retail visibility rather than experimentation, leading to high brand stickiness and repeat purchase once a trusted product is identified.

Beyond consumer preference, regulatory standards have reinforced this brand-led structure. The enforcement of Bureau of Indian Standards (BIS) norms for disposable baby diapers, covering critical parameters such as absorbency, rewet levels, pH neutrality, microbiological safety, and product integrity has materially raised the operational threshold for market participation. Meeting these standards requires formal quality control systems, certified infrastructure, and consistent production capabilities which manufacturers like Swara that operate at scale can provide, poses structural challenges for smaller unbranded players. Notably, Swara Baby Products Ltd. was the first Indian manufacturer to receive BIS certification for disposable baby diapers in accordance with Indian Standard (IS) 17509:2021 in FY 2024. As a result, unbranded offerings remain confined to fragmented, price-driven rural markets with limited distribution reach or access to organised retail and pharmacy ecosystems. This

Ankur Bisen
Senior Partner

has created a favourable environment for branded players, where competitive advantage is increasingly defined by investments in quality assurance, distribution depth, and brand-building.

2.10. Segmentation by Channel

Channels play distinct roles, with general trade driving penetration, e-commerce enabling replenishment, modern trade supporting premiumisation, and pharmacies anchoring early trust

The baby diaper market in India is distributed through a diversified multi-channel architecture, with each channel playing a distinct role across the consumer lifecycle, ranging from awareness and trial to repeat purchase and premiumisation.

In FY 2025, general trade (GT) accounted for approximately 35% of market value, remaining the primary channel for penetration and affordability-led expansion. GT which primarily includes non-pharmacy kirana stores and small-format retailers, continues to be particularly relevant in Tier II, Tier III, and semi-urban markets, where proximity, price sensitivity, and retailer recommendations materially influence purchase decisions. This channel typically facilitates entry-level packs and initial adoption, especially among first-time users transitioning from cloth to disposable diapers.

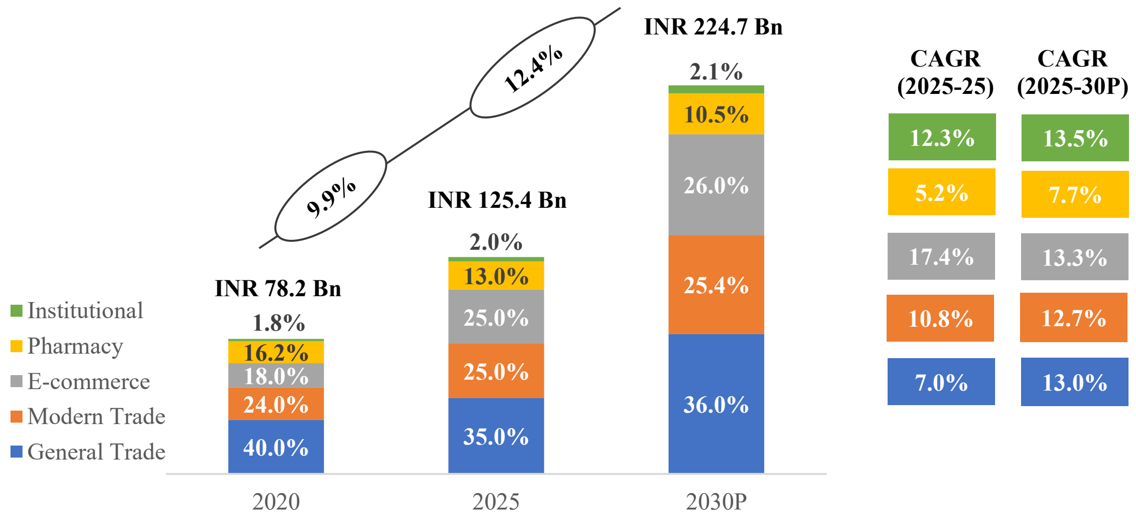
E-commerce contributed approximately 25% of the market in FY 2025 and emerged as an increasingly important channel due to its ability to support assortment depth, price transparency, and home delivery convenience. The channel facilitated higher adoption of larger pack sizes and pants-style diapers, thereby supporting higher average order values and repeat purchase behaviour. Within e-commerce, specialised online baby retailers such as FirstCry strengthened category engagement through curated assortments across brands and formats, including subscription-based replenishment options that supported habitual consumption among urban parents. In parallel, platforms such as Nykaa, traditionally focused on beauty and personal care for women, expanded into baby care categories including diapers, enabling cross-category purchasing by young mothers. The growth of quick-commerce further reinforced the positioning of diapers as a routine replenishment product, supporting frequency-led consumption within the broader online channel.

Modern trade (MT) accounted for approximately 25% of market value in FY 2025 and served as a key channel for brand visibility and premium SKU sales. Large-format retail enables structured shelf communication, bundled offerings, and value packs, supporting premiumisation and higher per-basket consumption. Specialised baby retail formats within the organised retail ecosystem complement this role through focused assortments and in-store assistance. Modern trade includes stores like D-mart, Reliance Mart etc.

Pharmacies and institutional channels together accounted for a share of 13% and 2% respectively of the market in FY 2025. Pharmacy channel plays an important role in early-stage adoption and trust-based purchasing, particularly for newborn and first-time usage. Healthcare settings and recommendations from doctors, maternity hospitals, and pharmacists influence initial trial, while institutional demand from day-care centres and orphanages was largely functional in nature. Repeat purchases typically migrated to other channels based on convenience, pricing, and pack size preferences. Pharmacies include modern trade pharmacy chains like Apollo, Wellness Forever etc as well as pharmacies operating in the unorganised sector. Given the criticality of hygiene and safety in these settings, stringent quality standards, rigorous qualification processes, and long-standing supplier relationships are common, which collectively create material entry barriers for new market participants.

Ankur Bisen
Senior Partner

Exhibit 2.7: Segmentation of Baby Diaper Market by Channels (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis
Note: General Trade includes non-pharmacy kirana stores and small-format retailers,
Pharmacy includes both standalone medical stores, organised pharmacy chains and sale though on-premises pharmacies of healthcare institutions like hospitals and nursing homes
E-commerce includes online marketplaces, direct-to-consumer brand websites, quick commerce platforms, and online pharmacy platforms.
Modern Trade includes supermarkets, hypermarkets, and large-format retail chains.
Institutional includes baby day-care facilities and orphanages.

2.11. Segmentation by Price Segments

Consumer adoption follows a step-up pattern, with initial entry at lower price points and gradual trade-up as usage becomes habitual.

Consumer adoption in the Indian baby diaper market reflects a tiered progression, with initial trial at affordable entry-points and a gradual shift toward mid-premium and premium offerings as comfort, convenience, and trust become more important in repeat usage.

In FY 2025, the mid-premium segment (INR 8-13 per piece) dominated the market with ~55% share by value. This segment caters to urban and semi-urban households seeking a balance between price and performance such as adequate absorbency, skin protection, and convenient formats (pant-style designs). Illustrative brands in this segment include Cuddles Diaper Pants, Pampers Baby-Dry Pants, MamyPoko Pants, Huggies Wonder Pants, Supples Taped Diaper, Himalaya Diaper Pant, etc., in smaller or medium pack sizes, which are preferred by working parents and nuclear families with routine diaper usage needs.

The economy segment (INR 4-8 per piece) contributed ~25% of the market value in FY 2025, led by smaller sizes and bulk-discounted packs targeted at price-sensitive buyers. This segment is prominent in Tier 2, Tier 3, and rural markets where affordability is critical to conversion from cloth-based alternatives. Illustrative brands such as Supples diaper pants with pack size 72 and above, Teddyy, entry-tier MamyPoko, Pampers, Huggies, Bumtum, Wowper Diaper Pant Pack of 2, etc variants are active in this category, helping drive early adoption and trial through online marketplaces and general trade.

The premium segment (INR 13+ per piece) held ~20% share, targeting urban, affluent households with preferences for soft-touch materials, extended protection, and eco-friendly options. This includes brand offerings like, Huggies Nature Care, Pampers Premium Care, and Bambo Nature, which position on skin-friendliness, overnight absorbency, and fragrance-free features. Private label and D2C brands like Babyhug Unisex Pro Bubble Premium Diaper Pants, SuperBottoms UNO Diapers, Alter, etc are also tapping into this niche, often combining digital-first access with higher-value propositions.

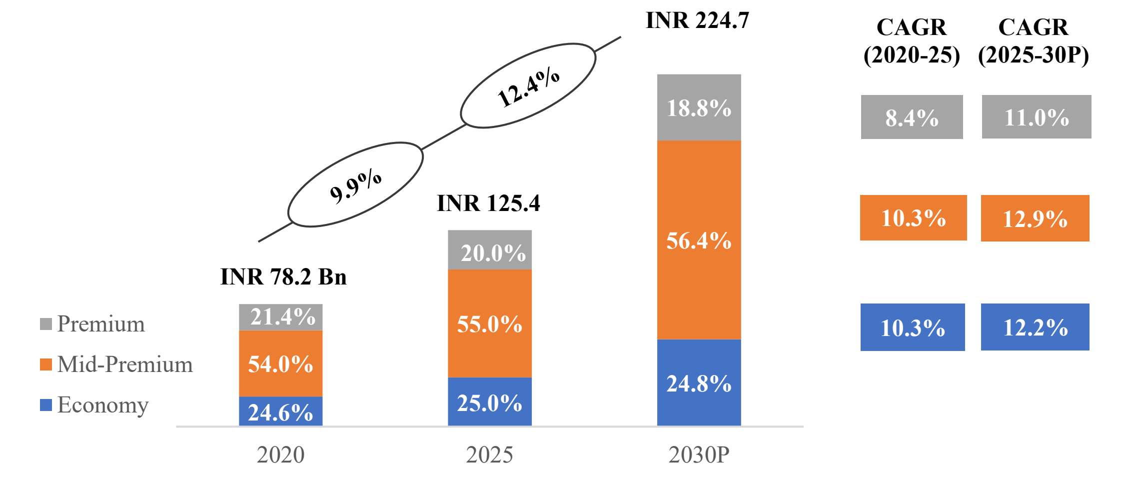
Across segments, per-piece pricing is shaped by product specifications such as absorption levels, rash-free claims, material quality, size range, and packaging formats. Similar to consumer behaviour in sanitary pads, diaper users often enter through economy SKUs and progressively shift to higher-tier products as usage becomes habitual and brand trust is established.

The Knowledge Company LLP

Ankur Bisen
Senior Partner

Looking ahead, while the premium segment is projected to grow steadily in affluent urban markets, the economy and mid-premium segments are likely to drive the bulk of value growth during FY 2025-30, supported by affordability-led expansion in rural and semi-urban regions and increasing habitual usage in urban centers.

Exhibit 2.8: Segmentation of Baby Diaper Market by Price Segments (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis
Note: Price range for Economy (INR 4-8 per piece), Mid-premium (INR 8-13 per piece) and Premium (INR 13+ per piece)
Price segmentation is given at retail sales price on websites like Amazon Flipkart and FirstCry.

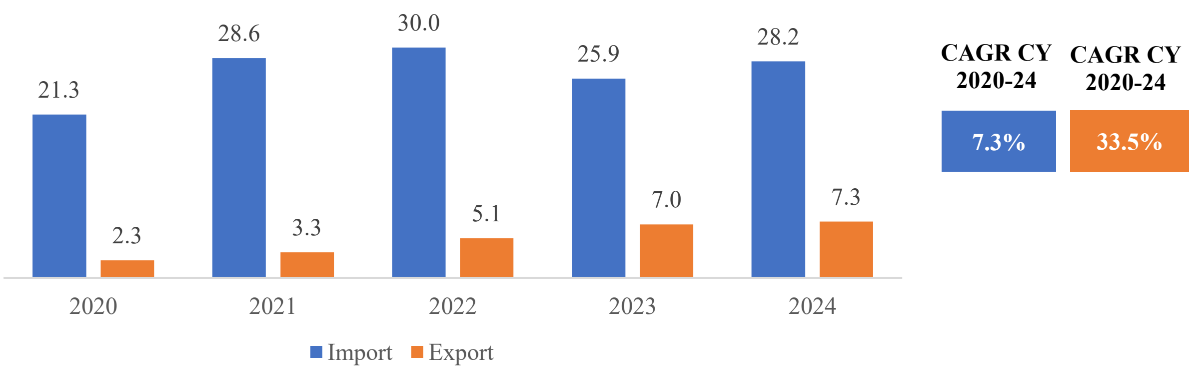
2.12. Import & Export

India has a relatively small share of imports for diapers in the overall market, which is primarily driven by demand for cost-competitive and specialised formats, even as export activity grows on the back of improving domestic manufacturing competitiveness

India's diaper trade remains import-led, with imports increasing from USD 21.3 Mn in CY 2020 to USD 28.2 Mn in CY 2024, growing at a CAGR of 7.3%. Imports peaked at USD 30.0 Mn in CY 2022 before moderating in CY 2023 and recovering in CY 2024, indicating continued reliance on overseas supply for specific brands, segments, and cost-competitive products.

Exports, while smaller in absolute terms, have expanded at a significantly faster pace, rising from USD 2.3 Mn in CY 2020 to USD 7.3 Mn in CY 2024, reflecting a CAGR of 33.6%. The steady increase in exports indicates improving competitiveness of Indian manufacturers in select international markets.

Exhibit 2.9: Import and Export of Diaper Market in India (in USD Mn) (CY)



Source: Secondary Sources, HSN Code: 96190040
Note: Import and export data includes both baby and adult diapers

Ankur Bisen
Senior Partner

Indian exports are primarily directed towards emerging and price-sensitive markets, led by the United Arab Emirates (~31.5%), followed by Sri Lanka (~15.4%), the Russian Federation (~14.3%), Kenya, Israel, Nepal, and select European markets. The UAE acts as both a consumption market and a redistribution hub for the Middle East and Africa. India's diaper exports are supported by competitive manufacturing costs, increasing private-label production, and expanding domestic capacity, particularly among organised Indian manufacturers such as Swara Baby Products Ltd., which operate as dedicated contract and private-label manufacturers for domestic and international brands.

On the other hand, imports are highly concentrated, with China accounting for ~71.8% of India's total diaper imports in CY 2024, followed by Nepal (~10.0%), and smaller shares from Poland, Malaysia, Vietnam, Thailand, and the United States of America.

2.13. Competitive Landscape in the Baby Diaper Market

Market is led by multinational incumbents with deep brand equity, alongside a rising base of domestic and digital-first challengers

India's baby diaper market is characterised by a mix of international majors, scaled domestic players, emerging D2C brands, and private labels. The top of the market is dominated by global leaders like Pampers (P&G), MamyPoko (Unicharm), and Huggies (Kimberly-Clark), which benefit from long-standing consumer trust and extensive retail distribution These brands compete largely on performance, skin safety, and emotional positioning, and have built wide salience across urban and semi-urban markets. While incumbent players continue to grow in absolute terms, the competitive landscape has broadened over the past five years, with emerging brands and private labels expanding their presence. As a result, the combined share of the top three players, which accounted for ~76% of the market in FY 2020, is estimated to have moderated to ~68% in FY 2025, reflecting gradual diversification of the competitive base.

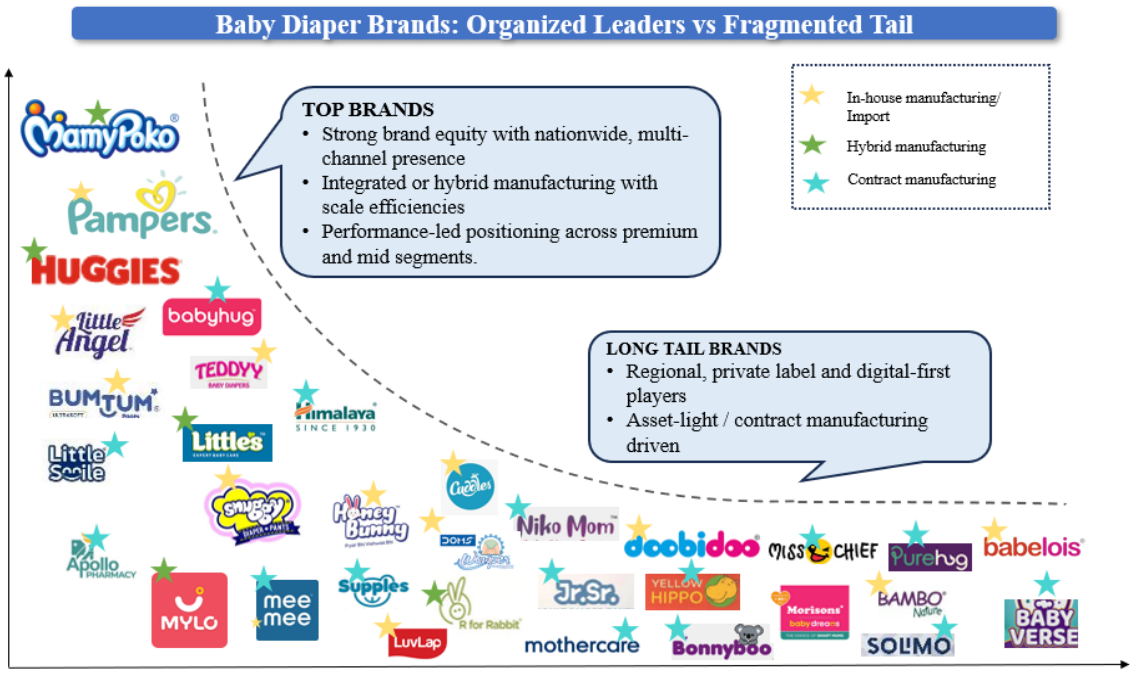
Among domestic players, Swara Baby Product Ltd. (Cuddles), Nobel Hygiene (Teddy, Snuggy) and PAN Healthcare (Little Angel) operate with large-scale captive manufacturing. Meanwhile, brands such as Redcliffe Hygiene (PeeSafe) and Piramal (Little's) are expanding via asset-light, contract-manufacturing models with focused presence in pharmacy and mass retail.

The last five years have seen the rise of digital-first, D2C brands such as SuperBottoms, Bumberry, Mylo, Little Smile etc which target sustainability-conscious, urban consumers through cloth-based or disposable offerings. These brands rely heavily on digital storytelling, community-building, and convenience-led online selling. Private labels by e-commerce platforms and baby retailers, including Babyhug (FirstCry), Supples (Amazon), and Miss & Chief (Flipkart) have built strong recall through platform-driven bundling, price competitiveness, and value packs. While these brands primarily play in the economy and mid-tier segments, their presence has increased price pressure and accelerated brand-switching behaviour in online marketplaces.

Despite high brand concentration at the top, category competition remains intense due to low switching costs, price sensitivity, and increasing online discovery. As consumer expectations evolve, especially around sustainability, softness, and convenience, brands are increasingly investing in innovation, eco-friendly materials, and value-led differentiation to drive retention and category leadership.

The Knowledge Company LLP
Ankur Bisen
Senior Partner

Exhibit 2.10: Key Players in the Indian Baby Diaper Market



Source: Secondary Research, The Knowledge Company Analysis

2.14. Key Emerging Trends and Growth Drivers for the Baby Diaper Market

Apart from growth drivers impacting the hygiene market in India like premiumization and product innovation, expansion of distribution and digital channels, rising awareness and hygiene consciousness, private label and contract manufacturing expansion and emerging sustainability focus, below are a few specific growth drivers for the baby diaper market in India:

- **Increasing Birth Rates and Infant Population**- With one of the highest numbers of annual births globally, India adds around 25 million newborns every year as per census data (2023) thereby benefitting structurally from the country's large and continuously replenishing infant population and first-time diaper users. Also, parents are beginning diaper usage earlier including newborn and premature categories and continuing usage for longer durations as comfort, hygiene awareness, and product affordability improve. This combination of high birth volumes and longer usage cycles significantly expands lifetime consumption per child.
- **Urbanization and Changing Family Structures**- Rapid urbanization in India is reshaping household structures and childcare practices, with migration to urban and semi-urban areas leading to a shift from joint families to nuclear households with an average urban household size from about 4.7 members in 2012 to an approximate 3.8 members in 2024 indicating limited in-home caregiving support. This transition increases reliance on convenient, hygienic, and time-efficient childcare solutions, directly supporting the adoption of disposable baby diapers.
- **Rising Female Workforce Participation-** Rising female workforce participation and the growth of dual-income households have reduced the time available for labour-intensive childcare activities such as washing and drying cloth nappies. As more women return to work soon after childbirth, convenience and time efficiency become critical making disposable diapers a practical choice due to their ease of use and reliable hygiene. In addition, greater exposure to urban work environments, healthcare professionals, and digital parenting platforms has further increased awareness of hygiene standards and product benefits, accelerating the shift toward branded diapers.
- **Increased Awareness of Baby Hygiene and Health-** Awareness of infant health and hygiene has risen significantly among Indian parents as they are becoming more conscious of issues such as skin rashes, infections, moisture control, and overall comfort. This shift has supported wider adoption of disposable baby diapers, penetration currently being ~30% while still leaving substantial headroom for growth. Parents are preferring diapers with better absorption, breathability, skin-friendly materials and chemical-free formulations along with product information related to safety standards and dermatological testing encouraging a move toward branded and higher-quality offerings.

Ankur Bisen
Senior Partner

3. Overview of the Adult Incontinence Market in India

The adult incontinence market in India is evolving from low-awareness, hospital-centric usage to a structured consumer category driven by rising life expectancy, better healthcare access, and improved awareness. While diapers remain the dominant format, the segment is seeing diversification across formats and channels, supported by pharmacies, e-commerce, and institutional usage. The market is highly brand led with low penetration in rural and unorganised segments. Price sensitivity remains a barrier but is being addressed through SKU innovation and expanding retail reach. Organised players are benefiting from scale, compliance, and trust advantages, and increased participation from domestic and global players, coupled with institutional and digital adoption, is further accelerating market formalisation. The adult incontinence market is projected to grow to INR 31.7 Bn at a CAGR of 16.0% from FY 2025 to FY 2030, driven by rising demand across urban centres and semi-formal care settings. However, compared to developed markets, India lags in penetration, indicating significant headroom for growth.

3.1. Evolution from Low Awareness to Organised Adoption in the Adult Incontinence Category in India

The adult incontinence category in India has undergone a significant transformation over the past two decades, evolving from low-visibility coping mechanisms to an increasingly structured consumer hygiene segment. What was once a medically driven, caregiver-led solution is now seeing greater traction in retail and at-home use, supported by innovations in product design and growing user awareness.

Product innovation in adult incontinence solutions has focused on improved absorbency, comfort, pant-style formats, odour control, and skin-friendly materials, supporting broader acceptance for regular at-home use. However, penetration remains at an early-stage relative to the underlying medical need, with adoption concentrated in urban and semi-urban markets and continued reliance on informal care solutions in rural and price-sensitive segments. Overall, the category is evolving from low awareness and unorganised coping mechanisms to a gradually formalising market, supported by healthcare expansion, demographic ageing, and increasing acceptance of hygiene-led solutions, indicating a long-term growth runway for organised players.

Importantly, the emergence of digitally native D2C brands and diversified hygiene companies, many of which operate across adjacent segments such as baby diapers and sanitary napkins, has accelerated formalisation in the adult incontinence space. This institutionalisation has also benefitted contract manufacturers like Swara Baby Products Ltd., who now serve an expanding base of brand-led demand across both retail and institutional channels, driven by quality, compliance, and capacity readiness.

Pre-Category Formation and Informal Care (Pre-2000s)

- ✗ Branded adult diapers not available
- ✗ Cloth pads and plastic sheets common
- ✗ Very low public awareness
- ✗ Usage limited to hospitals and nursing homes
- ✗ No organised retail presence
- ✗ Social stigma around incontinence

Institutional-Led Introduction and Early Formalization (Mid-2000s to Mid-2010s)

- ✓ Entry of brands like TENA, Friends, Depend
- ✓ Focus on tape-style and pant-style diapers
- ✗ Usage limited to hospitals and caregivers
- ✗ Limited direct consumer adoption
- ✓ Availability in pharmacies and elder-care facilities
- ✗ Low rural and general trade reach

Organized Retail and Home-Care Adoption (Post-2015)

- ✓ Diversification across formats and SKUs
- ✓ Higher urban awareness and comfort focus
- ✓ E-commerce and D2C brand emergence
- ✓ Pharmacy and MT presence expands
- ✓ Usage extends to daily home care
- ✗ Rural adoption remains low

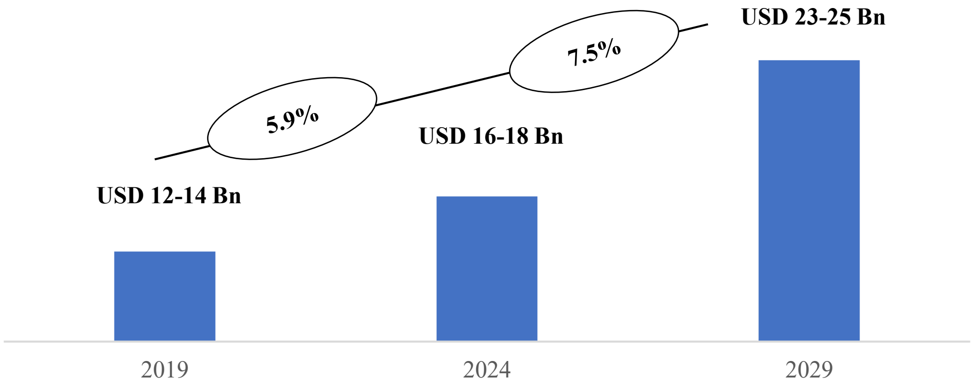
Ankur Bisen
Senior Partner

The Knowledge Company LLP

3.2. Overview of Global Adult Incontinence Market

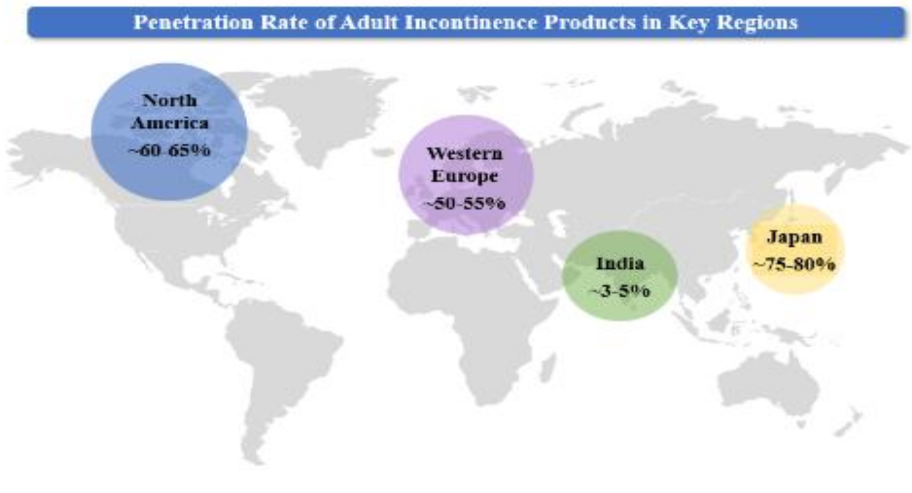
India's adult incontinence market accounted for ~1% of the estimated global market in 2024, underscoring the early-stage nature of domestic adoption. In contrast, advanced markets such as North America and Western Europe collectively represent over 60% of global demand, supported by mature healthcare ecosystems, higher median ages, and broader awareness. The global market for adult incontinence products is valued at approximately USD 16-18 Bn in 2024 and is expected to grow to USD 23-25 Bn by 2029, at an estimated CAGR of 7.5%, driven by ageing demographics and higher diagnosis of chronic health conditions including urinary disorders and mobility impairment.

Exhibit 3.1: Global Adult Incontinence Market (in INR Bn) (FY)



Source: Secondary Research

India's penetration remains significantly lower than in peer markets. While product usage in India reaches just ~3-5% of the relevant population, corresponding penetration in Japan, North America, and Western Europe stands at ~75-80%, ~60-65%, and ~50-55%, respectively. These disparities suggest that India's category adoption is still in its infancy relative to the size of its ageing population, with an expected curve similar to what developed economies have previously experienced. As life expectancy increases and nuclear households grow, in-home caregiving solutions like adult diapers and underpads are expected to follow this curve in India as well.



Source: Secondary Research

Advanced markets provide a reference for emerging unmet needs in India. For example, in North America and parts of Europe, home-care penetration is high, and product usage has extended beyond diapers to include protective underwear, booster pads, bed shields, and hygiene wipes. Additionally, product positioning increasingly emphasizes skin health, discretion, and sustainability, with demand for breathable, dermatologically tested, and biodegradable alternatives gaining traction. These trends highlight potential whitespace in India around specialised product formats, channel expansion, and ecological positioning.

Ankur Bisen
Senior Partner

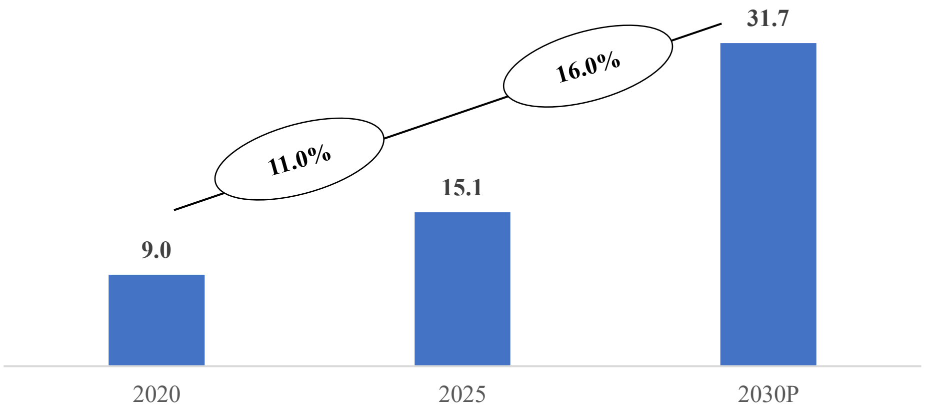
3.3. Overview of Adult Incontinence Market in India

Low current penetration combined with strong demographic and healthcare tailwinds positions the category for sustained growth over the medium to long term

The Indian adult incontinence market was valued at INR 9.0 Bn in FY 2020 and expanded to INR 15.1 Bn in FY 2025, reflecting a CAGR of 11.0% during the period. This growth has been driven by increasing life expectancy, rising diagnosis of age-related and chronic conditions, expansion of hospital and elderly care infrastructure, and gradual improvement in awareness and acceptance of incontinence management solutions.

The market is projected to reach INR 31.7 Bn by FY 2030, growing at a CAGR of 16.0% during FY 2025-30, supported by accelerating urban adoption, higher healthcare expenditure, greater availability through pharmacies and e-commerce, and increased participation from organised and branded players offering improved product formats and discreet usage solutions.

Exhibit 3.2: Indian Adult Incontinence Market (in INR Bn) (FY)

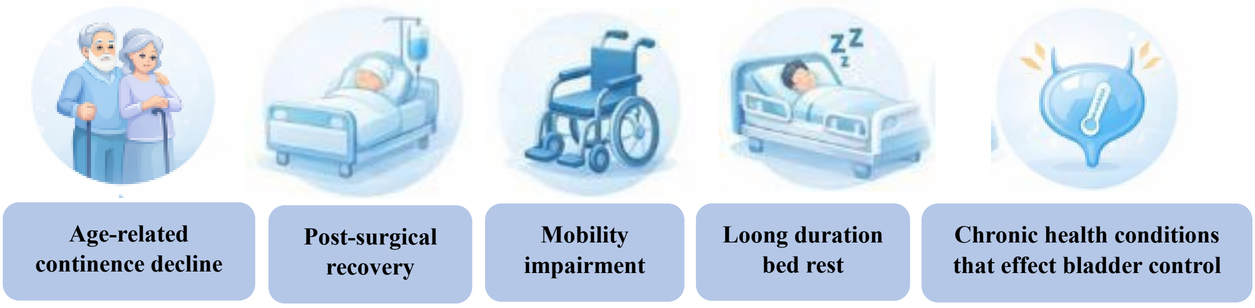


Source: Primary Research, The Knowledge Company Analysis

3.4. Segmentation by Product Type

Adult diapers account for the majority of demand due to their comprehensive functionality, while underpads and liners remain secondary categories constrained by informal substitutes and lower awareness

Adult incontinence products are designed to manage urinary and, in some cases, faecal incontinence among adult and elderly users In India, consumption is typically highest in scenarios involving caregiving support, including home-care provided by family members or nursing attendants, as well as hospitals, and elder-care facilities.
The category addresses multiple usage contexts, including:



The Knowledge Company LLP
Ankur Bisen
Senior Partner

The adult incontinence market in India is divided into below three categories: -

<table>
<tr><th colspan="2">Adult Diapers</th></tr>
<tr><td></td><td>

Adult diapers accounted for ~85% of adult incontinence market in FY 2025, valued at INR 12.8 Bn.
The market is projected to grow at a CAGR of 16.0% to reach INR 26.9 Bn in FY 2030.
Primarily used for moderate to heavy incontinence due to their all-in-one functionality and consistent absorbency.
Most adult diapers in India are disposable, with reusable formats having limited adoption due to convenience-related trade-offs.
Tape-style diapers are used for bedridden patients in care settings, while pant-style formats offer discreet comfort for mobile users.

</td></tr>
<tr><th colspan="2">Underpads (Bed Protectors)</th></tr>
<tr><td></td><td>

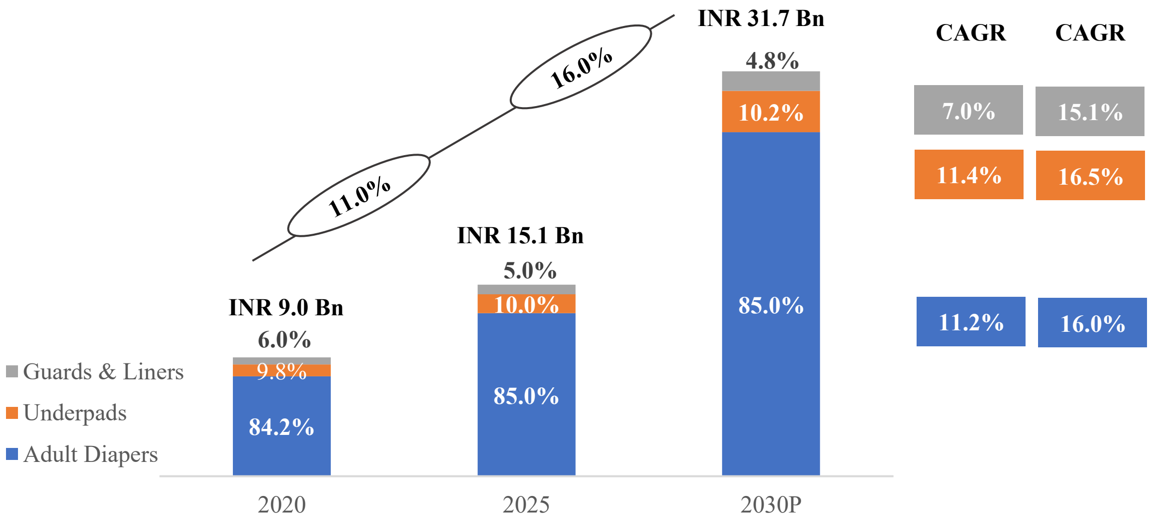
Underpads accounted for 10% of the adult incontinence market, valued at INR 1.5 Bn in FY 2025 and is projected to grow at a CAGR of 16.5% to reach INR 3.2 Bn in FY 2030.
Underpads are suitable for light to moderate incontinence and often act as an entry point into organised incontinence care.
Usage remains limited due to continued reliance on informal alternatives like cloth mats and plastic sheets in price-sensitive households.
Most underpads are disposable, with reusability generally restricted to low-income segments due to maintenance effort.

</td></tr>
<tr><th colspan="2">Liners & Guards</th></tr>
<tr><td></td><td>

Liners & Guards accounts for 5.0% of the adult incontinence market, valued at INR 0.8 Bn in FY 2025.
The market is projected to at a CAGR of 15.1% to reach INR 1.5 Bn in FY 2030
These products are used for light or occasional incontinence and offer discretion, comfort, and lower upfront costs.
Adoption is concentrated among urban, mobile users seeking trial or supplementary protection.
Inserts are also used as boosters alongside adult diapers to enhance absorbency in high-need situations.

</td></tr>
</table>

Exhibit 3.3: Adult Incontinence Market Segmentation by Product Type (by Value) (INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

Ankur Bisen
Senior Partner

3.5. Urban vs Rural Segmentation

Consumption remains heavily urban-skewed due to superior healthcare access and awareness, with rural demand yet to translate underlying need into formal consumption

The adult incontinence market in India is predominantly urban led, with urban markets accounting for ~97-98% of the market in FY 2025, driven by higher diagnosis rates, better access to healthcare infrastructure, and greater awareness of formal incontinence solutions. Urban demand is supported by hospitals, nursing homes, home healthcare providers, and pharmacies, alongside rising acceptance of pant-style adult diapers among mobile elderly users.

Rural penetration remains limited, accounting for 2-3% of the market, constrained by low awareness, social stigma, affordability sensitivity, and continued reliance on informal alternatives such as cloth pads, plastic sheets, and caregiver-managed solutions. While demographic need exists in rural India due to ageing populations and chronic health conditions, conversion into organised product usage remains gradual. Rural growth is expected to be driven primarily by government-supported healthcare access, increasing creation of awareness campaigns, increased institutional reach, and basic entry-level product formats rather than premiumisation.

3.6. Segmentation by Branded vs Unbranded

Medical sensitivity, recommendation-led purchasing and manufacturing expertise result in a structurally brand-led market

The adult incontinence category in India is inherently brand-led accounting for ~96-98% of the market, driven not only by product performance requirements but also by the nature of the purchase decision, which is predominantly caregiver-driven and recommendation-led. First-time adoption is typically triggered at a defined “care episode”, such as post-surgery recovery, mobility impairment, or management of chronic conditions, where reliability, predictability of performance, and hygiene assurance are prioritised over price experimentation. In such contexts, buyers exhibit low tolerance for trial-and-error, reinforcing preference for established brands.
This dynamic has enabled players such as Friends (Nobel Hygiene), TENA (Essity), and Depend (Kimberly-Clark) to build category credibility through sustained presence in pharmacies, online channel segment, and elder-care settings. In parallel, emerging brands positioned at accessible price points have adopted online-first distribution strategies, with select brands like Shield by Swara Baby Products Ltd. focusing exclusively on an e-commerce first approach.

Lower-priced, loosely branded offerings continue to exist at the extreme value end of the market, typically distributed through fragmented medical stores and local trade networks. However, their ability to scale remains structurally constrained by lower consumer trust in skin-contact products, absence from institutional and recommendation-driven channels, and increasing compliance and quality expectations. As the category continues to formalise, growth is expected to be increasingly concentrated among established brands and OEM-backed private labels that can deliver consistent quality, regulatory adherence, and reliable supply. Going forward, the branded segment is expected to retain its dominant position, maintaining a 96-98% share.

3.7. Segmentation by Channel

Pharmacies dominate as the primary recommendation and trust-building channel, while e-commerce is emerging as a critical replenishment and privacy-led fulfilment route

Pharmacies account for approximately 45% of market value in FY 2025 and represent the dominant route-to-market for adult incontinence products. Category introduction is typically initiated within organised healthcare settings such as hospitals, nursing homes, and post-acute care environments, where adult diapers are used during hospitalisation, recovery, or assisted care, creating the first trial and familiarity. In these settings, products are billed through on-premises hospital and nursing-home pharmacies, establishing the first point of usage and brand familiarity. Subsequent replenishment is largely routed through pharmacies and medical stores, which act as the primary point of assisted selection and recommendation. Given the sensitive and functional nature of the category, pharmacist endorsement materially influences brand choice. Brands with strong presence across institutional touchpoints and pharmacy networks benefit from higher repeat purchase and substitution-led continuity. Pharmacies include modern trade pharmacy chains like Apollo, Wellness Forever etc as well as pharmacies operating in the unorganised sector.

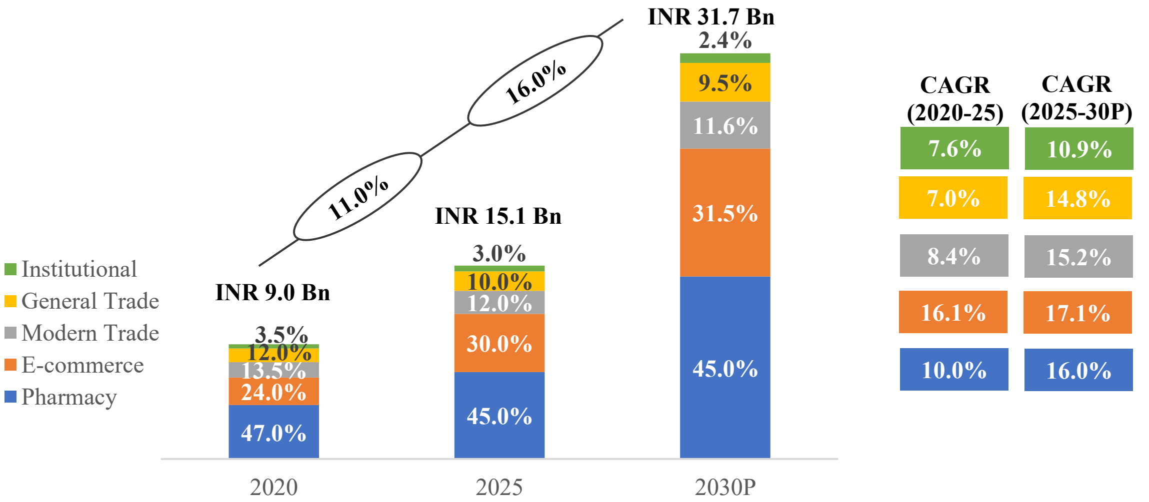
Ankur Bisen
Senior Partner

E-commerce and quick commerce have emerged as a structural growth channel and contributed ~30% of market value in FY 2025. These channels address key consumer barriers such as privacy, convenience, and access to a wider assortment of SKUs. For leading brands digital fulfilment has scaled rapidly and is transitioning from an incremental channel to a core driver of repeat consumption, particularly for pant-style formats and monthly replenishment. Ecommerce platforms include marketplaces like Amazon, Flipkart etc and websites of pharmacy chains like Tata1Mg, Apollo Pharmacis, Wellness Forever etc

Modern trade accounted for ~12% of market value for FY 2025, with its role concentrated in urban centres and larger store formats. Contribution from this channel is skewed towards premium products and value packs, as limited shelf browsing and lower consumer comfort in engaging with the category restrict impulse-driven purchases. Modern trade includes stores like D-mart, Reliance Mart etc

General trade and institutional channels together accounted for a relatively small share of market value, reflecting the category's dependence on assisted selling and medical context. General trade contributes ~10% of market value, largely through limited availability in smaller non-pharmacy kirana stores and small-format retailers, with conversion constrained by the need for guidance, discretion, and product explanation. Institutional channels like elder-care facilities and assisted-living institutions, accounted for ~3% of market value

Exhibit 3.4: Indian Adult Incontinence Market Segmentation by Channel (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis
Note: General Trade includes non-pharmacy kirana stores and small-format retailers,
Pharmacy includes both standalone medical stores, organised pharmacy chains and sale though on-premises pharmacies of healthcare institutions like hospitals and nursing homes
E-commerce includes online marketplaces, direct-to-consumer brand websites, quick commerce platforms, and online pharmacy platforms.
Modern Trade includes supermarkets, hypermarkets, and large-format retail chains.
Institutional includes, elder-care facilities, and assisted-living institutions

3.8. Segmentation by Price Segments

Initial adoption is concentrated in economy segment, with repeat usage driving gradual movement towards higher-value SKUs

Adult diaper consumption in India exhibits a laddered adoption curve, wherein users typically enter the category through more affordable formats and progressively shift to higher-performing SKUs as usage becomes regular. Accordingly, the economy tier, with per-unit pricing in the range of INR 13-25, accounted for ~45% of market value in FY 2025. This segment is supported by caregiver budgets and bulk purchasing for continuous care, particularly in high-frequency usage scenarios. Brands with presence in this tier include CIR, Kare-In, TENA (Value range), Jr. Sr., Shield, Liberty, and B-Fit.

The mid-premium tier, priced at INR 25-40 per unit and accounting for ~35% of market value, represents a "performance-to-price" trade-off. Buyers in this segment are willing to pay a moderate premium for tangible improvements in fit, leakage protection, odour control, and comfort, making it the natural upgrade band as

Ankur Bisen
Senior Partner

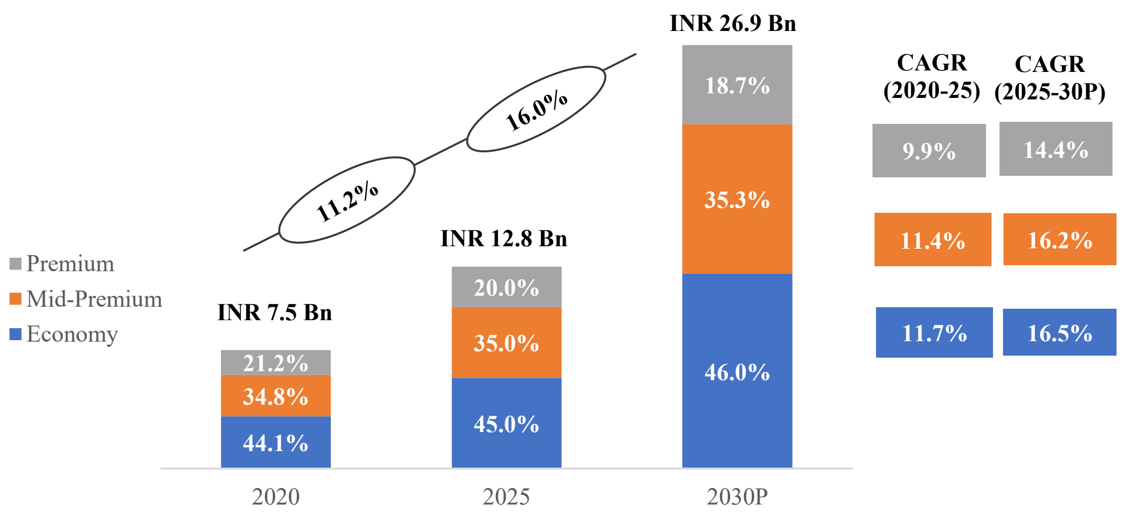
awareness improves and repeat purchase behaviour sets in. Key brands in this tier include Friends (Premium), Dignity, Lifree (Extra Absorb), Care Medica, and Lyfcare.

The premium tier, priced at INR 40+ per unit and accounting for ~20% of market value, remains disproportionately concentrated in urban markets and is skewed towards pant-style formats and discretion-led propositions. Premiumisation in this category is driven less by aspiration and more by functional needs related to dignity, mobility, and uninterrupted daily routines, which are consistently highlighted in category communication and usage narratives. Notable brand offerings include Friends (Overnight), Dignity (Overnight), and TENA (ProSkin Pants).

The economy segment is further projected to expand at a CAGR of 16.5% between FY 2025 and FY 2030, supported by strong demand from first-time users as penetration increases, price-sensitive consumers, and rural households where affordability remains a key purchase driver. Concurrently, improving disposable incomes and evolving consumer preferences, particularly in urban markets are expected to encourage a gradual shift toward mid-premium and premium variants that offer enhanced comfort and advanced features.

It is important to note that manufacturers in this category typically operate across multiple price tiers, depending on the specific SKU configuration. The same brand may offer distinct variants targeted at different usage needs, ranging from basic to high-absorbency formats such as Heavy, Ultra, Maximum, or Overnight. In addition, unit pricing varies by size, with larger sizes (e.g., XL, XXL) priced higher than smaller sizes (e.g., S, M) due to increased material usage and higher absorption capacity. As a result, product positioning within a price segment is influenced not only by brand but also by format, absorption level, and sizing, all of which contribute to the overall value proposition and consumer affordability.

Exhibit 3.5: Indian Adult Diaper Market Segmentation by Price (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis
Note: Price range for Economy (INR 13-25 per piece), Mid-premium (INR 25-40 per piece) and Premium (INR 40+ per piece)
Price segmentation is given only for "Adult Diaper" sub-category under the Adult Incontinence Market at retail sales price on websites like Tata1Mg and Amazon.
For the purpose of benchmarking brands across price segments, a standardised comparison has been made based on a pack size of 10 units in medium sizing.

3.9. Competitive Landscape in the Adult Incontinence Market

Market is concentrated among a few scaled players with own-manufacturing and channel depth, alongside a long tail of niche and OEM-backed brands

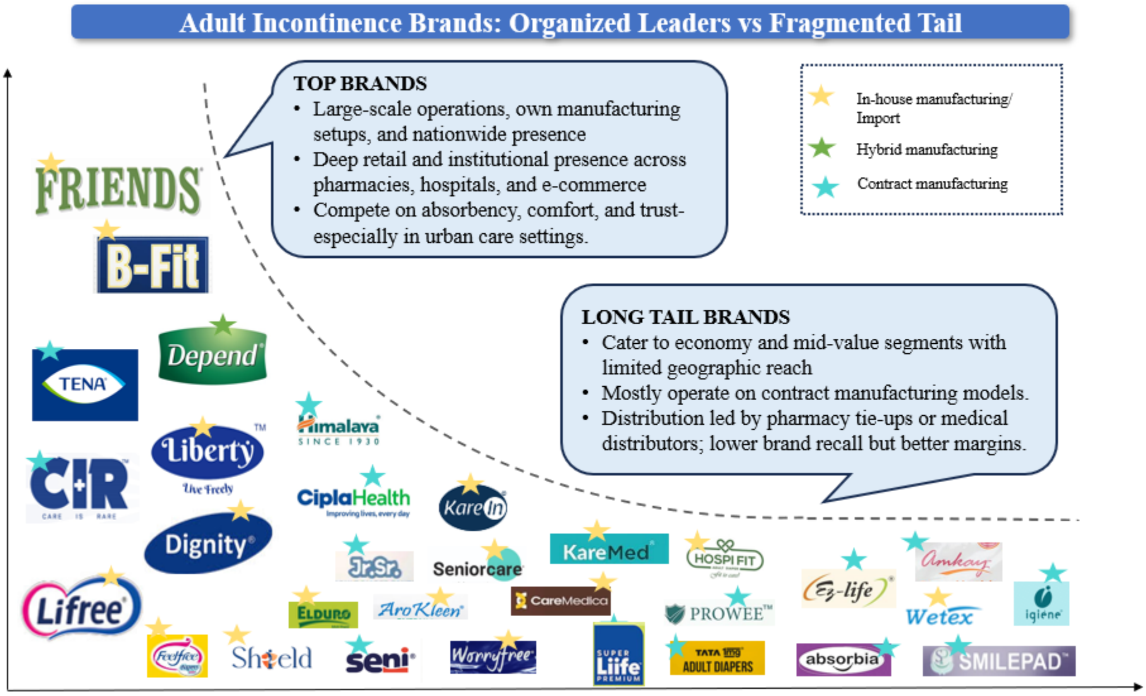
The adult incontinence market in India is led by a small set of organised, scaled brands, alongside a long-tail of smaller domestic and regional labels that operate across medical, retail, healthcare, and online channels.

Ankur Bisen
Senior Partner

At the organised end, players such as Friends and B-FIT (Nobel Hygiene), TENA (Essity), Depend (Kimberly-Clark), Lifree (Unicharm), Dignity (Romson Group), CIR by Piramal and Liberty (PAN Healthcare) have built scale and deep presence across pharmacies, hospitals, and e-commerce. These brands compete on absorbency performance, comfort, pant-style formats, and caregiver trust, and are more prevalent in urban markets, organised pharmacies, and procurement in healthcare settings.

Beyond these leaders, the market includes a long-tail of brands such as Cipla, CIR by Piramal, Himalaya, Seni, Elduro, Absorbia, Super Liife, Seniocare, CareMedica, Smilepad, Hospi Fit, MedPlus, Apollo, ELdiapers, Wetex, among others. These brands are largely positioned in the economy and mid-value segments and operate with limited geographic reach. Most follow OEM or contract manufacturing models or are promoted by medical distributors as private labels to improve margins within local pharmacy or hospital networks.

Exhibit 3.6: Indian Adult Diaper Market Segmentation by Price (by Value) (in INR Bn) (FY)



Source: The Knowledge Company Analysis, Secondary Research
Brand logos are for illustrative purpose only

3.10. Key Emerging Trends and Growth Drivers of Adult Incontinence Market

Apart from growth drivers impacting the hygiene market in India like premiumization and product innovation, expansion of distribution and digital channels, rising awareness and hygiene consciousness, private label and contract manufacturing expansion and emerging sustainability focus, below are a few specific growth drivers for the adult incontinence market in India:

- **Rapidly ageing population-** India houses the world's second-largest senior population, which is expected to increase from ~156.7 million in 2024 to 346.0 million by 2050, driven by rising life expectancy and improved healthcare outcomes. This demographic shift is closely associated with higher incidence of age-related conditions such as urinary incontinence, diabetes, prostate disorders, and mobility impairments, structurally expanding the addressable market for adult incontinence products. In addition, the growing prevalence of nuclear households and elderly individuals living independently has increased reliance on hygiene solutions that support dignity, reduce caregiver burden, and enable sustained home-based care.

- **Expansion of healthcare services and institutional usage-** India's healthcare ecosystem continues to expand across hospitals, nursing homes, rehabilitation centres, assisted-living facilities, and home healthcare providers. The estimated target market for senior living facilities alone is projected to grow from ~1.57 million households in 2024 to 2.27 million households by 2030, indicating rising institutional and semi-

Ankur Bisen
Senior Partner

institutional care adoption. In parallel, healthcare infrastructure is scaling, with private hospitals expected to add over 4,000 beds in FY 2026, supported by investments of ~INR 115 Bn. Adult incontinence products have become routine consumables in these settings, supporting continuous hygiene management, improving patient comfort, and enabling operational efficiency for caregivers and nursing staff. This healthcare institutional exposure also acts as an important trigger for first-time usage, with subsequent migration to home-based consumption as care transitions outside formal facilities.

- **Improving Awareness and Lowering of Stigma-** Earlier, adult diaper usage in India was limited by social stigma, embarrassment, and a lack of open discussion around incontinence and age-related health issues. This is gradually changing with rising health literacy, greater interaction with doctors and caregivers, and stronger medical endorsement of adult diapers as part of routine hygiene and elder-care management. Media outreach, digital health content, and brand-led awareness are further normalising usage by positioning adult diapers as practical, hygienic, promoting independence and dignity-preserving solutions rather than symbols of dependency or weakness.

Ankur Bisen
Senior Partner

The Knowledge Company LLP

4. Feminine Hygiene Market in India

The Indian feminine hygiene industry is expected to grow at a CAGR of 12.7% from FY 2025 to FY 2030, evolving into an increasingly organised market that is projected to surpass unorganised sales channels by FY 2030. The segment has gradually transitioned from limited use and informal practices to broader adoption of standardized products such as sanitary napkins, panty liners, tampons, disposable period panties and reusable alternatives. Sanitary napkins continue to account for the largest share of the market, supported by wider availability, affordability and consumer familiarity. Increasing hygiene consciousness, supportive government initiatives and the expansion of organised retail and digital channels continue to strengthen demand across price segments. The market structure remains relatively consolidated, with 2-3 leading players holding a significant share, followed by a long tail of private-label, D2C, and regional brands.

Urban markets hold higher market share, while rural and semi-urban regions offer significant growth potential as distribution reach, affordability and consumer education improve. In addition to domestic consumption, Indian manufacturers are increasingly serving export markets, particularly in Africa and select Asian countries, leveraging cost-competitive production capabilities. Product innovation, sustainable product alternatives, expansion of private label and D2C brands, stricter regulation and norms (BIS) and strengthening presence of organised manufacturers are expected to support sustained long-term growth in the segment.

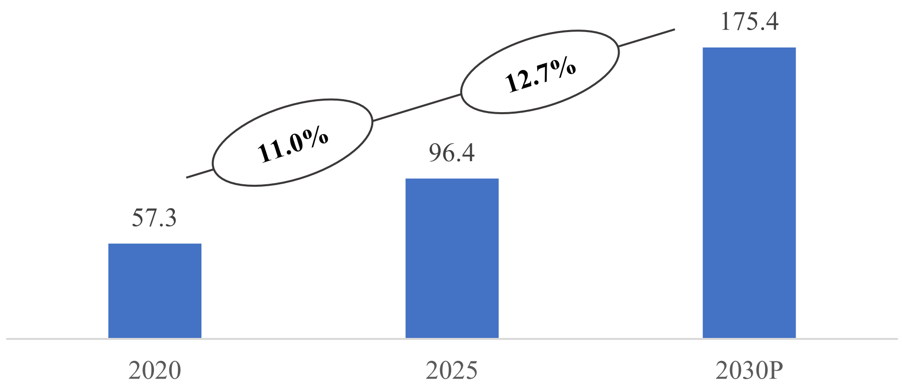
4.1 Feminine Hygiene Market Size in India

The growth of feminine hygiene market in India is being driven by rising penetration of sanitary napkins, gradual premiumization, evolving consumer preferences and increasing awareness driven by government initiatives and brand-led education across urban and rural markets

The feminine hygiene market consists of products used for menstrual care and management, including sanitary napkin, tampons, liners and related products. The segment has evolved from limited awareness and informal practices to becoming an essential with increasing awareness and acceptance of organised products over cloth rags or homemade absorbent materials.

The feminine hygiene market in India was valued at INR 57.3 Bn in FY 2020 and increased to INR 96.4 Bn in FY 2025, growing at a CAGR of 11.0% from FY 2020 to FY 2025. The market is further expected to increase with a CAGR of 12.7% from FY 2025 to FY 2030 and expected to reach a value of INR 175.4 Bn by FY 2030. Continued government focus through various schemes to promote feminine hygiene products, sustained marketing activities by brands, NGOs, educational institutes, and normalization of conversation around menstrual hygiene are the key driving factors, helping to increase the adoption and penetration of the hygiene products in urban and rural areas.

Exhibit 4.1: Feminine Hygiene Market in India (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis
Feminine Hygiene Market includes Sanitary Napkins, Liners, Tampons, Menstrual Cup, Period Panties

The Knowledge Company LLP

Ankur Bisen
Senior Partner

4.2 Evolution of Feminine Hygiene Products in India

The evolution of sanitary products in India reflects a gradual increase in product penetration and a shift from unbranded usage to branded sanitary napkins, with established players driving scale and newer brands expanding category depth through differentiated offerings

The feminine hygiene market in India has evolved significantly over time, shifting from traditional practices to modern products. Historically, cloth rags and homemade absorbents were widely used due to limited awareness, affordability constraints, and lack of product availability. Over the past two decades, sanitary napkin has emerged as the primary feminine hygiene product, supported by increasing awareness, government initiatives, and expanding retail access. In recent years, the market has further evolved with the introduction of differentiated products such as ultra-thin pads, biodegradable variants, menstrual cups, and period panties, reflecting changing consumer preferences, rising awareness, and gradual premiumization in the category.

Exhibit 4.2: Evolution of Feminine Hygiene Market in India

	Pre 1980s	1980s-1990s	1990s-2000	2000-2010	2010-2020	Post 2020
Product / Brand Evolution	No standardized sanitary product available in rural areas Cloth rags being majorly used and imported pads ,with limited presence of companies like Kotex in Indian market	 Whisper launches disposable adhesive sanitary pads and started aggressive marketing. Indian organised players such as Gandhar Enterprises, Softtouch and Carewell entered the market.	The market was dominated by Johnson and Johnson, P&G and Kimberly Clark. Local and regional manufacturing existed at a very small scale, largely unbranded or semi-branded	A number of Indian OEMs and regional manufacturers expanded production for local markets and institutional buyers. NGO pilots and small SHG initiatives began local manufacturing	 Significant scale-up of low-cost sanitary pads, supported by Self-Help Group (SHG) and NGO-led local pad production initiatives, was observed following the adoption of the Menstrual Hygiene Scheme, further aided by the GST exemption on sanitary napkins in 2018, which strengthened policy support for affordability.	Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJP) introduced Janaushadhi Suvidha sanitary napkins at scale, complementing continued SHG/NGO last-mile models. Tampons and period panties emerged as alternative menstrual products in India.
Usage and Awareness	Very low awareness and informal hygiene practices with majority using homemade cloth rags or improvised absorbent Menstruation treated as taboo	Eary awareness amongst consumer and usage limited to higher income segments	Awareness of sanitary napkins increased through newspaper advertising, targeting the "modern women of" India	Awareness rose by increased use of social media and digital content such as founder-led education by emerging hygiene brands	Menstrual hygiene gained public health priority, with awareness scaled through ASHA workers, school initiatives and NGOs	Awareness and usage increased significantly post-2020, driven by D2C brand-led digital education, influencer engagement, e-commerce penetration and continued public health communication
Penetration and Market Access	Very low penetration level with <5% penetration and No organized market access	Penetration increased to 10% and entry of product via urban retail channel like pharmacies	Adoption remained low to moderate, with usage heavily skewed toward urban and higher-income segments.	In 2010, ~ 12% of menstruating Indian women used sanitary napkins	During 2015-2016, 58% of women aged between 15-54 years were using a hygienic method of menstrual protection, with 42% women using sanitary napkins and 16% using locally prepared napkins	During 2019-2021, 78% of women aged between 15-54 years were using a hygienic method of menstrual protection, with 64% women using sanitary napkins and 15% using locally prepared napkins

Source: Secondary Research, The Knowledge Company Analysis

4.3 Segmentation by Product Type

Sanitary napkins account for the largest share ~96% of the feminine hygiene product in India, supported by its availability across multiple price segments, familiarity among consumers, and ease of use. Other product categories such as tampons, menstrual cups, and period panties are growing from a low base, with adoption influenced by factors such as awareness levels, cultural preferences, and upfront costs

The feminine hygiene market in India is segmented into sanitary napkins, liners, tampons, menstrual cups, and period panties. Among these, sanitary napkins remain the dominant product category. It accounted for the largest share (95.7%) of the market, valued at INR 54.9 Bn in FY 2020, which increased to INR 92.7 Bn (96.2%) in FY 2025 and is projected to reach INR 169.4 Bn by FY 2030. The sanitary napkin segment grew at a CAGR of 11.1% from FY 2020 to FY 2025 and is expected to grow further at a CAGR of 12.8% from FY 2025 to FY 2030, increasing its share to 96.6% FY 2030. The high share of sanitary napkin is driven by multiple factors including wide availability across both urban and rural markets, ease of use, convenience of disposal, and the presence of multiple variants catering to different price points and usage needs. Sanitary napkin is also the earliest and most familiar feminine hygiene product for Indian consumers, further supporting its widespread acceptance currently and going forward. Government-supported distribution programs and initiatives have also contributed to higher penetration of sanitary napkins, particularly in rural and low-income segments further driving its share in the feminine hygiene market.

Feminine Hygiene Product Type

Sanitary Napkins and Liners	Tampons	Menstrual Cup	Period Panties
			
Sanitary napkins and panty liners are external absorbent hygiene products, primarily disposable in nature, worn inside undergarments to absorb menstrual fluid.	Tampons are disposable, cylindrical absorbent products inserted into the vaginal canal to absorb menstrual fluid internally.	A menstrual cup is a reusable, bell-shaped device made from medical-grade silicone or rubber that is inserted into the vaginal canal to collect menstrual fluid.	Period Panties are both disposable and reusable undergarments designed with built-in absorbent and leak-resistant layers to manage menstrual flow without the need for additional products.

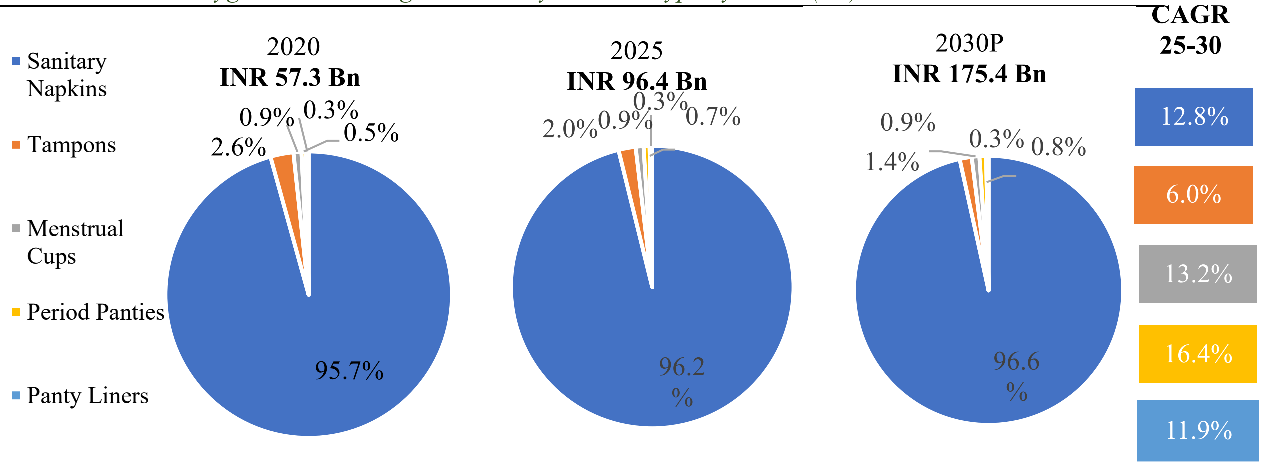
Tampons, menstrual cups, liners and period panties together accounted for the remaining 3.8% share of the feminine hygiene market in FY 2025. Tampons accounted for 2.0% of this market and is expected to grow at a CAGR of 6.0% from FY 2025 to FY 2030. Adoption of tampons remains relatively low compared to sanitary napkins, with higher usage concentrated in urban markets.

Liners refers to panty liners which accounted for less than 0.5% in FY 2025. Panty liners are used to manage light vaginal discharge, spotting or residual menstrual flow and typically used for daily freshness and between period, limiting its use in urban areas for consumers who seek everyday comfort.

Menstrual cups accounted for 0.9% of the feminine hygiene market in FY 2025. While menstrual cups offer benefits such as reusability and long-term cost efficiency, adoption remains limited due to higher upfront cost, lower awareness, and concerns related to usage technique and hygiene. However, in future the market is expected to grow with increasing adoption at a CAGR of 13.2% from FY 2025 to FY 2030.

Period panties, a relatively new category in the Indian feminine hygiene market, with adoption largely limited to niche urban consumers currently, accounted for 0.7% of the market and is expected to grow at a CAGR of 16.4% from FY 2025 to FY 2030.

Exhibit 4.3: Feminine Hygiene Market Segmentation by Product Type by Value (FY)



Source: Primary Research, Secondary Research, The Knowledge Company Analysis

4.4 Branded v/s Unbranded Market

Branded products dominate the feminine hygiene market in India, supported by regulatory standards, rising consumer trust, and expansion of distribution networks and new entrants in the market

Ankur Bisen
Senior Partner

The feminine hygiene market in India is dominated by branded products. Branded products accounted for 94-96% market share in FY 2025, while unbranded products accounted for 4-6% of the market.

Branded market is further expected to grow, driven by various factors like, increasing consumer preference for standardized and certified products; and the expansion of private-label brands like Amazon's Solimo, BigBasket's Fresho, etc., and D2C brands like Nua, Carmesi, Sanfe, Sirona, Plush and others. Established brands like Whisper, Stayfree etc. expanding their distribution network across channels are also contributing to the growth of the branded segment. Additionally, the introduction of BIS regulations for sanitary napkins is expected to further strengthen branded adoption by improving quality standards and consumer trust. Simultaneously, on the manufacturing end, contract manufacturers like Swara Baby Products Ltd. who are compliant with these norms and regulations, benefit from the new norms as established and new brands rely on them to fulfil their product needs in compliance with the regulations giving them an edge over non-compliant manufacturers. The branded market is expected to maintain a similar market share by FY 2030. This expansion of branded products, due to rising private labels and D2C brands, is expected to benefit the contract manufacturers like Swara Baby Products Ltd., Dima and others in the market due to reliance of these brands on outsourcing manufacturing to meet consumer demands.

4.5 Segmentation- Rural v/s Urban

The feminine hygiene market in India is largely concentrated in urban areas due to higher penetration and awareness, while sanitary napkin remains the most widely adopted product category across both urban and rural markets

In FY 2025, urban market accounted for 82.4% of the feminine hygiene market in India. This market has a larger share due to higher penetration driven by greater awareness of menstrual hygiene, better access to branded products, and wider availability across organised retail and online channels. Additionally, working women and upper income consumers in urban areas are willing to pay higher price for products offering advanced features and more comfort in day-to-day life. Urban market will maintain its larger share in future due to increasing disposable income and increasing awareness and premiumization led by comfort.

Whereas, even with higher menstruating population in rural areas, the rural feminine hygiene market accounted for 17.6% of the market by value. Penetration of feminine hygiene products remains relatively low in rural areas as compared to urban areas. Lower awareness for menstrual hygiene, feminine hygiene products being considered as a stigmatized non-essential, and affordability constraints are the key factors for lower penetration in rural areas. However, awareness and adoption levels in rural markets are gradually improving, supported by government-led initiatives to promote menstrual hygiene, brand marketing initiatives, expanding distribution networks, online education and distribution programs.

Sanitary napkin remains the most penetrated product category in both urban and rural markets, with overall sanitary napkin penetration accounting for 40-42% in FY 2025. While products such as menstrual cups, tampons, and period panties are expected to have relatively higher adoption in urban areas compared to rural markets. The adoption of these categories in urban markets is supported by higher awareness levels and willingness to pay higher upfront costs for differentiated products.

4.6 Channel Play

General trade is the largest sales channel, while modern trade, chained pharmacy and e-commerce platforms are gaining importance, reflecting a gradual shift towards modern retail

In FY 2025, general trade accounted for the largest share of ~35.3% of the feminine hygiene market. Followed by modern trade brick-and-mortar with ~27.6% share and pharmacy with ~25.0% share. Whereas e-commerce platforms including marketplaces, own website and quick commerce accounted for ~11.2% of the market. Institutional sales accounted for less than 1% of the market share, contributed by government schemes, school-based distribution programs, and institutional procurement of sanitary napkin, primarily in rural and low-income segments.

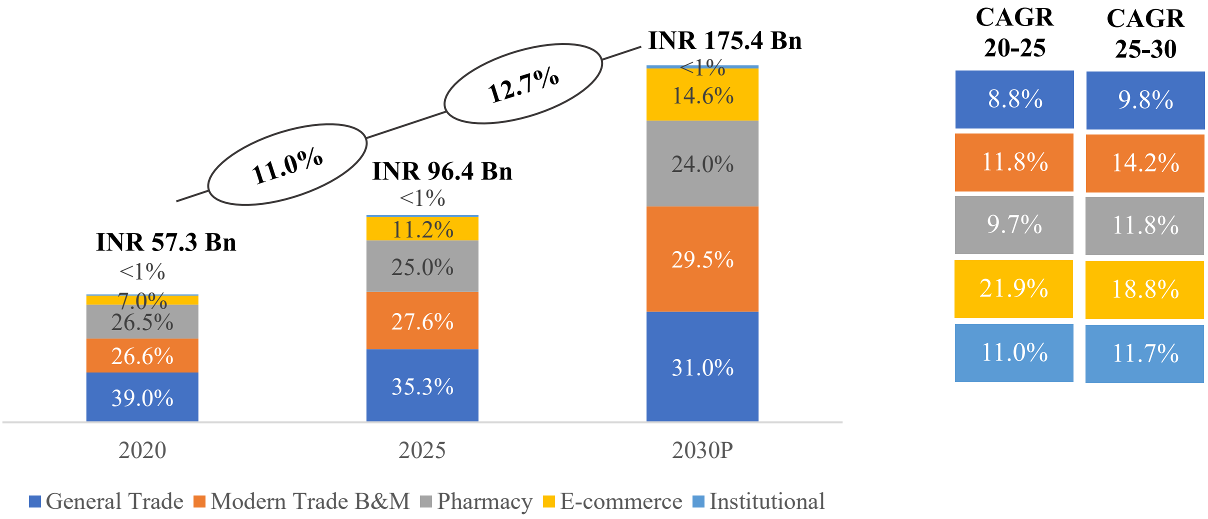
In future, modern trade, brick-and-mortar and e-commerce channels are expected to grow at a faster rate, owing to the increasing organised retail distribution network including supermarket, hypermarket, online marketplaces and quick commerce, especially in urban centres. In terms of share, modern trade B&M is expected to reach 29.5% and e-commerce is expected to reach 14.6% by FY 2030, whereas general trade is expected to maintain its leading share of 31.0%, with pharmacy accounting for 24.0% by FY 2030. Growth in chained pharmacies in urban areas

Ankur Bisen
Senior Partner

The Knowledge Company LLP

and increasing penetration of feminine hygiene products through pharmacy channel, in semi-urban and rural areas as well, is driving the pharmacy channel growth.

Exhibit 4.4: Feminine Hygiene Market Sales Channel Type Segmentation by Value (FY)



Source: Primary Research, The Knowledge Company Analysis

4.7 Price Segmentation

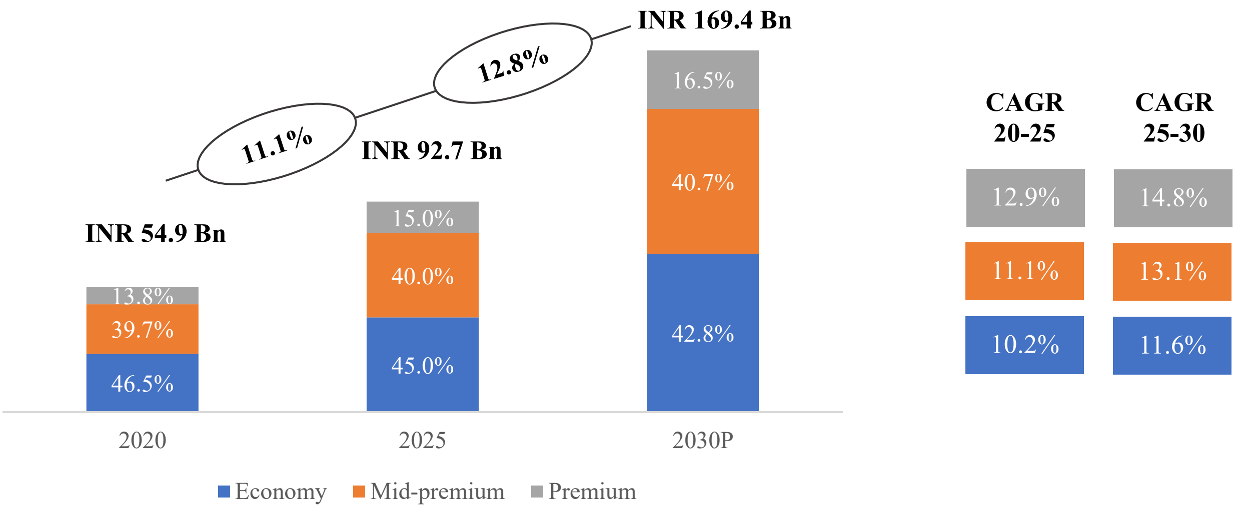
The sanitary napkin market is showing a premiumization trend, with economy products serving as the entry segment and mid premium products driving gradual upgrading. Premium variants are expected to grow fastest, primarily concentrated in urban markets and driven by differentiated features

In FY 2025, the economy segment accounted for ~45.0% share of the sanitary napkin market, driven by high-volume consumption and strong adoption in rural and semi-urban markets. This segment is supported by affordability, availability through government programs and offline retail channels, and preference for large pack sizes, including growing sales through online platforms like Blinkit, Zepto, etc, especially in urban areas.
The mid-premium segment accounted for ~40.0% share of the market in FY 2025. Urban and semi-urban consumers or working women who seek more comfort, absorption and better features like extra-long pads, or extra protection for night, 100% leak protection pads etc. are gradually upgrading or opting for mid-premium products and thus driving the growth of the mid-premium segment.
The premium segment accounted for ~15.0% share of the market in FY 2025 and is primarily concentrated in urban markets. Premium sanitary napkin products typically include differentiated offerings such as biodegradable materials, organic cotton, US cotton, ultra-thin designs, rash-free technology, fragrance-free variants, and specialized designs for higher comfort and performance.
Majority brands in this category, especially established brands like Whisper, Stayfree, Sofy are majorly present across all price segments or cater to more than one segment. Product price per piece varies basis product features such as leakage protection type, rash free promises, napkin size and pack sizes. For instance, Whisper retails Whisper Choice, and Whisper No Gap, No Leak variants in the economy segment; Whisper Ultra Soft sanitary napkins in mid-premium segment and Whisper Bindazzz Nights in premium segment. Similarly, Stayfree also has variants across segments. Brands like Nua, Pee Safe are present across mid-premium and premium segments and brands like Sirona, Pinq Polka majorly operate in premium segments.

The economy segment is expected to grow at a CAGR of 11.6% from FY 2025 to FY 2030, it continues to be the preferred choice for new/ first time consumers, value-conscious buyers, and rural users due to its affordability and accessibility. At the same time, rising disposable incomes and changing consumer preferences, particularly among urban consumers and working women, are expected to drive gradual upgrading towards mid-premium and premium sanitary napkin variants offering superior features and comfort, with mid-premium segment growing at a CAGR of 13.1% and premium segment growing at a fastest CAGR of 14.8% from FY 2025 to FY 2030.

Ankur Bisen
Senior Partner

Exhibit 4.5: Sanitary Napkin Market Segmentation basis Price Segment by Value (FY)



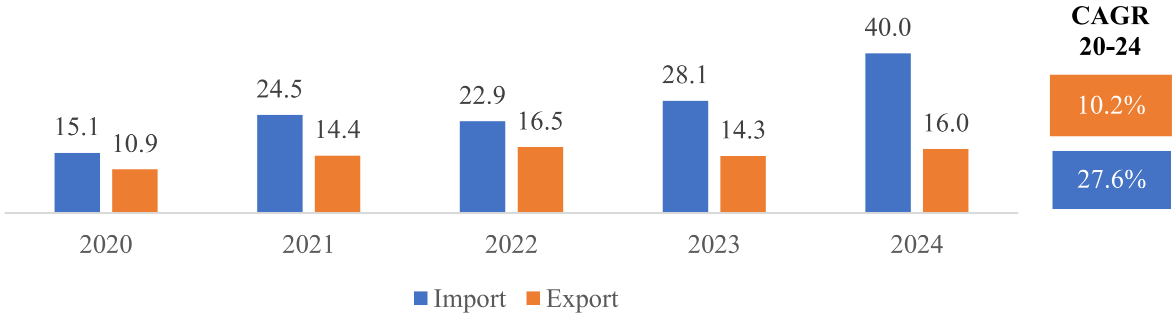
Source: Primary Research, The Knowledge Company Analysis
Economy: INR 4 to 7 per piece
Mid-premium: INR 8 to 12 per piece
Premium: INR 13+ per piece

4.8 Import and Export

India's feminine hygiene exports are primarily concentrated in emerging markets across Asia, Africa, and the Middle East, driven by demand for cost-efficient sanitary napkin products, while imports are largely focused on premium and specialized products sourced from Asian and European manufacturing hubs

India's feminine hygiene market imports accounted for USD 40.0 Mn in CY 2024 whereas exports accounted for USD 16.0 Mn across product categories such as sanitary napkin, tampons, menstrual cups, and period panties.
Growth of imports in India from USD 15.1 Mn in CY 2020 to USD 40.0 Mn in CY 2024 is being driven by demand for specialized and premium products such as tampons, menstrual cups, organic cotton-based sanitary napkins, and biodegradable variants. These products are largely imported by multinational brands and premium D2C players such as Sirona and select global brands.
Exports of feminine hygiene products from India are supported by competitive manufacturing costs and growing production capacity. Indian manufacturers like Swara Baby Products Ltd. and others, export sanitary napkin and related products to markets in Asia, Africa, and the Middle East, driven by demand for cost-efficient products and private label manufacturing.

Exhibit 4.6: Feminine Hygiene Product Import v/s Export (in USD Mn) (CY)



Source: Trade map
HSN: 96190010

India's exports of feminine hygiene products are directed towards emerging markets in Asia, Africa, and the Middle East. Key export destinations in Asia include Nepal, Sri Lanka, and Bangladesh. In Africa, major importing countries include Sudan, Kenya, Mozambique, and South Africa. The United Arab Emirates (UAE)

Ankur Bisen
Senior Partner

serves as a key export market in the Middle East and as a regional trade hub for re-exports to other Gulf countries. Nepal, Bangladesh, Bhutan and Sri Lanka together accounted for more than 60% of the exports from India in CY 2024. This was followed by other major countries in the top 10 list exporting from India including Sudan, and Kenya in Africa, USA, UAE, and others.

Imports of feminine hygiene products into India are largely sourced from manufacturing hubs such as China, Thailand and select European countries like Belgium, Poland, Germany, Hungary. India imported ~61% of feminine hygiene products from China, followed by ~10% from Thailand and other importing countries include Italy, Belgium, Germany, Bangladesh in CY 2024.

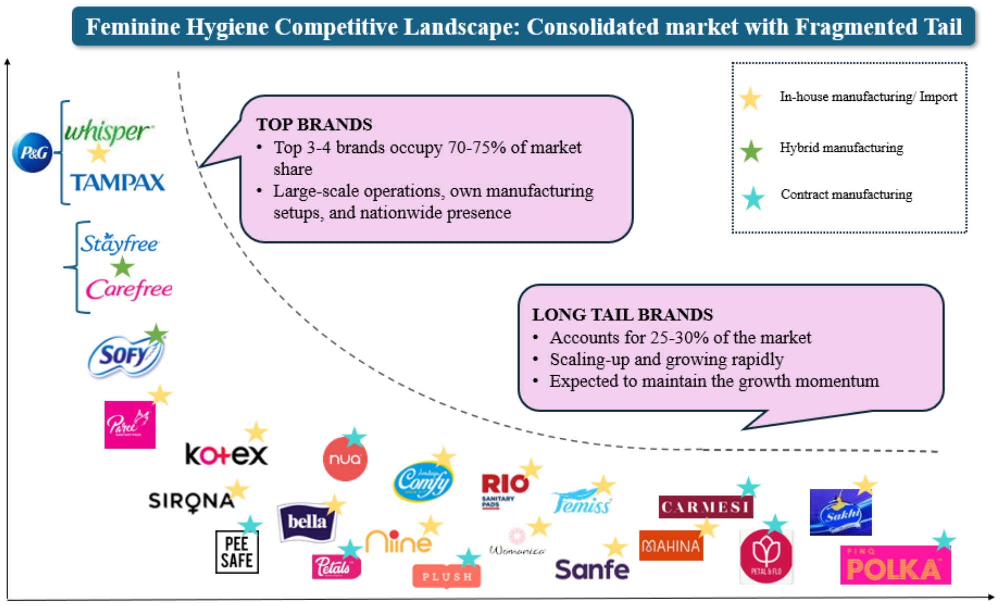
4.9 Competitive Landscape in Feminine Hygiene Market in India

The feminine hygiene market in India is highly consolidated, with a few large brands accounting for the majority share, while a fragmented long tail of players catering to diverse price segments and consumer groups

The feminine hygiene market in India is consolidated, with a significant share contributed by a few large players and a fragmented long tail of smaller brands. Approximately 65-70% of the market share is occupied by the top 5 to 7 players, indicating strong presence of established brands in the category.
Among the leading players, P&G (whisper and other brands) and Kenvue (stayfree and other brands) together account for ~60-65% of the total market share, supported by strong brand recall, extensive distribution networks, and wide product portfolios across price segments.

The remaining 25-30% of the market is fragmented across a long tail of players, including manufacturer-led brands, private label brands, D2C brands, trade labels, and unbranded or government-led distribution. This segment includes regional brands, emerging digital-first brands, and economy-focused products catering to price-sensitive consumers and rural markets. Increasing participation of private label and D2C brands has contributed to higher competition within the fragmented segment, while government-led sales continue to support penetration of sanitary napkin in low-income and rural segments.

Exhibit 4.7: Competitive Landscape in Feminine Hygiene Market in India



Source: Secondary Research, Brand Websites, Company Annual Reports, The Knowledge Company Analysis

4.10 Key Emerging Trends and Growth Drivers of Feminine Hygiene Market

Apart from growth drivers impacting the hygiene market in India like premiumization and product innovation, expansion of distribution and digital channels, rising awareness and hygiene consciousness, private label and contract manufacturing expansion and emerging sustainability focus, below are a few specific growth drivers for the feminine hygiene market in India:

Ankur Bisen
Senior Partner

- **Manufacturing Advancement and Product Innovation:** Manufacturing advancements and product innovation are increasingly influencing the growth trajectory of the feminine hygiene market in India. Over the past few years, brands have expanded their product portfolios beyond conventional sanitary napkins to include differentiated variants such as ultra-thin pads, organic cotton-based pads, biodegradable pads, menstrual cups, and period panties. Brands are constantly focusing on innovation and introducing differentiated products.

  Niine: Launched PLA-based biodegradable sanitary napkins certified by CIPET, expanding sustainable product offerings

  Paree: Introduced sanitary napkins with rapid 3-second absorption capability, enhancing performance-driven product positioning

  Nua: Expanded into disposable period panties with 360-degree leak protection, diversifying beyond traditional sanitary napkin products

  HealthFab: Introduced reusable period panties with long-duration protection upto 12 hours and reusable upto 2 years

  Saathi: Developed banana and bamboo fibre-based sanitary napkins with zero plastic content, targeting eco-friendly product demand

- **Rising Penetration of Sanitary Napkin:** The penetration of sanitary napkin in India is gradually increasing across urban and rural markets, supported by government schemes, NGO initiatives, and brand-led awareness campaigns. As per the NFHS survey, the usage of sanitary napkin by women between age 15-19 increased from 48% in FY 2016 to 65% in FY 2021. Institutional distribution through schools, Anganwadi centres, and public health programs is expanding access among first-time users in rural areas and educational marketing initiatives by brands is contributing to a gradual increase in the overall consumer base through education and financial aid.

Ankur Bisen
Senior Partner

5. Manufacturing Ecosystem of Diaper and Feminine Hygiene (Sanitary Napkin) Segment in India

The diaper and sanitary napkin manufacturing ecosystem in India is being supported by the growing role of contract manufacturing, which provides brands with scalable capacity, operational flexibility and capital efficiency. OEM manufacturing model is the most prevalent, enabling established brands, D2C players and retailers to expand product portfolios and enter new segments without investing in dedicated infrastructure. Sanitary napkin manufacturing continues to have a relatively higher share of in-house manufacturing, whereas the diaper segment shows relatively higher dependence on contract manufacturers due to higher technical complexity and capital requirements. The industry remains partially import-dependent for critical raw materials such as super absorbent polymer and specialty nonwovens, making logistics planning and cluster-based manufacturing locations important for cost optimization. Regulatory and certification requirements, particularly BIS standards and government schemes, play a central role in shaping organised manufacturing practices and strengthening credibility within the supply chain.

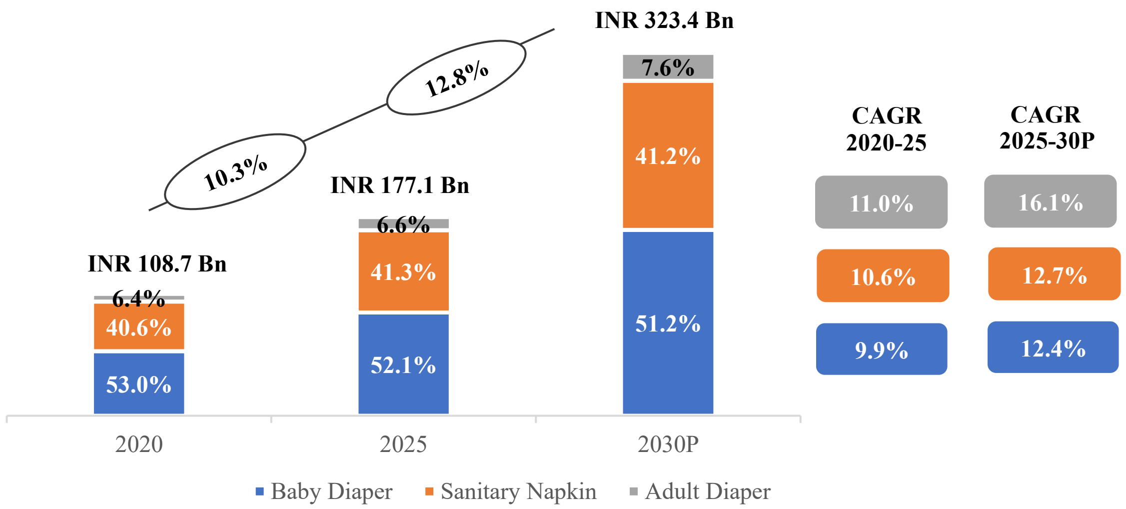
5.1 Overview of Manufacturing in Diaper and Sanitary Napkin Market in India

Indian diaper and sanitary napkin manufacturing market is expanding steadily in line with the retail growth, supported by mix of in-house and contract manufacturing models

India's diaper and sanitary napkin manufacturing market, comprising of baby diaper, adult diaper and sanitary napkin segments, was valued at INR 177.1 Bn in FY 2025 and is projected to reach INR 323.4 Bn by FY 2030, reflecting a CAGR of 12.8% during FY 2025-30. This growth is underpinned by sustained category expansion, product diversification, and increasing domestic production intensity across formats and price points.

The expansion of diaper and sanitary napkin manufacturing in India is being driven by multiple structural and category-specific factors. These include increased capacity investments by established manufacturers, growing participation from private label brands & digitally native D2C brands that rely on agile, outsourced production models to scale quickly. Additionally, expansion of third-party manufacturing ecosystems, particularly in central and western India, is enabling faster speed to market and lower fixed capital outlays for emerging players.

Exhibit 5.1: Indian Diaper and Sanitary Napkin Manufacturing Market (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

Manufacturing in the Indian diaper and sanitary napkin market is carried out through a mix of in-house production by brand owners and contract manufacturing by specialized third-party manufacturers. While large established brands rely primarily on captive facilities, contract manufacturing supports capacity expansion, private-label supply and flexible production for emerging and value-focused brands.

Ankur Bisen
Senior Partner

Exhibit 5.2: Comparative Analysis on In-House vs Contract Manufacturing in India

Dimension	In-House Manufacturing	Contract (Third-party) Manufacturing
Manufacturing Model Structure	Owned and operated by brand owners, typically supporting core, high-volume SKUs with stable demand visibility. Product architecture and line configuration are optimised for fewer, large-scale formats.	Operated by specialised manufacturers serving multiple brands, formats, and price tiers. Lines are designed for frequent changeovers and parallel customer requirements.
Capital Intensity vs Asset-Light Economics	Requires high upfront capex for diaper converting lines, utilities, QA labs, and automation. A single modern diaper line can require capex running into INR 16-20 crores, with long gestation before breakeven.	Capex is borne by the manufacturer. Brands access capacity without balance-sheet deployment. Manufacturers amortise large capex by running multiple SKUs and customers on the same line, improving asset turns.
Speed to Market & Product Launch Timelines	New product launches typically require 6-12 months, factoring in internal approvals, line modification, tooling, validation, and regulatory sign-off. Speed is constrained by fixed line design and internal prioritisation.	New SKUs can be commercialised in 8-16 weeks depending on complexity, leveraging existing tooling, pre-approved materials, and modular line setups. This materially shortens time-to-market for pilots and regional launches.
OEM, Private Label & Trade Label Enablement	Manufacturing is largely restricted to own brands; limited flexibility to support OEM or private-label requirements without disrupting internal production plans.	Core operating model revolves around OEM and private-label manufacturing. Enables brands, retailers, and institutions to launch products without in-house capability. Trade-label production supports incremental volume absorption.
Risk Mitigation & Supply Continuity	Higher concentration risk when capacity is limited to one or two owned plants. Any disruption directly impacts downstream brand availability.	Enables dual-sourcing and parallel capacity for brands. For manufacturers, customer diversification across baby, adult, and institutional segments reduces dependency risk.
Core Competency Orientation	Focus remains on brand building, consumer insight, and distribution execution, with manufacturing positioned as a support function for flagship products.	Core competence lies in process engineering, yield optimisation, line efficiency, and quality consistency, rather than consumer-facing activities.
Import Dependence & Procurement Capability	Benefits from global procurement leverage for SAP and specialty inputs but remains exposed to FX and shipping volatility at the plant level.	Aggregates raw material procurement across customers, allowing better negotiation, buffer stocking, and flexibility in managing imported inputs such as SAP and specialty nonwovens.
Regulatory & Quality Compliance	Compliance embedded within enterprise governance, with dedicated internal teams and global quality benchmarks.	Compliance acts as a qualification filter. Only organised OEMs with BIS readiness, in-house testing, and audit capability are able to service national brands and institutions.
Strategic Implication	Preferred by large brands with predictable volumes, long product cycles, and strong balance sheets, where control and IP protection outweigh flexibility.	Preferred for rapid market entry, SKU experimentation, adult incontinence expansion, private labels, and D2C models, as well as for brands seeking lower capital risk and faster scalability.

Source: Primary and Secondary Research, The Knowledge Company Analysis

5.2 Role of Contract Manufacturing in Diaper and Sanitary Napkin Market in India

Contract manufacturing plays an important role in the Indian diaper and sanitary napkin market by enabling scale, capacity flexibility and capital efficiency, with OEM partnerships and private-label manufacturing being the most widely used operating model

The Knowledge Company LLP

Ankur Bisen
Senior Partner

Many private-label and direct-to-consumer brands in the diaper and sanitary napkin category opt for contract manufacturing, as it allows them to market and sell products under their brand name without investing in manufacturing infrastructure, while enabling them to focus on distribution. Private-label products from platforms like BigBasket, Reliance Retail, Amazon and others boost contract manufacturing demand with steady order volumes and moderate customization needs. Additionally, trade-label manufacturing allows manufacturers to combine volumes from various clients and improve their production efficiencies, while the trade-label owners benefit by getting access to established units, consistent quality, product portfolio of the manufacturer without any dedicated capacity investments or in-house product development.

Co-packaging, where manufacturers provide final assembly for finished or semi-finished products, labelling, and packaging products while the actual product is manufactured elsewhere or provided by the brand. This aids scalability at the SKU and distribution level and helps contract manufacturers leverage their existing capacity more efficiently without altering core manufacturing lines while servicing multiple brands.

Established FMCG companies like Procter & Gamble (Whisper, Pampers) and Unicharm (Mamy Poko, Sofy) usually follow a mixed manufacturing model. They produce a large portion of their diapers & feminine hygiene products in their own facilities. To meet extra capacity needs, regional differences, and test launches, they selectively rely on OEM partners. In contrast, direct-to-consumer and budget-focused brands, such as Carmesi, Nua and diaper brands like Supples, Himalaya, CIR by Piramal and Chicco, mainly rely on contract manufacturers for complete production. This setup allows brands for customization and scaling up without needing to invest in new manufacturing infrastructure.

The increasing penetration of diapers and feminine hygiene products and increased innovation and new styles like pull up diaper formats, or sustainable sanitary pads options are expected to drive the overall demand and demand for contract manufacturing. The contract manufacturing market for diaper and feminine hygiene product is a mix of individual contract manufacturers offering diapers or sanitary napkins products, and it also includes established organised manufacturers like Swara Baby Products Ltd., Pan Health, offering contract manufacturing services across all segments including diapers (baby and adults) and sanitary napkins. These contract manufacturers work with a mix of manufacturing models, offering services as per customer requirement ranging from OEM partnership to private-label and trade-label manufacturing. Amongst the various model's contract manufacturers are involved in, the greatest scalability benefits come from OEM, and private-label models, as repeat orders and standardized production processes help use capacity efficiently across product categories.

Swara Baby Products Ltd. was India's largest contract manufacturer by value in FY 2025 of hygiene products including Baby Diapers, Adult Diapers, and Sanitary Napkins, a segment characterized by inelastic consumer demand, supported by rising disposable income, increased awareness, urbanization, and a shift from unorganised to organised retail.

A leading player in this industry, Swara Baby Products Ltd. also recorded a y-o-y growth of 23.4% in terms of value from FY 2025 to FY 2026 at an overall level (own brands and contract manufacturing combined).

Exhibit 5.3: Role of Contract Manufacturing in Diaper and Sanitary Napkin Market in India

Manufacturing Model	Definition	Key Characteristics	Sanitary Napkin - Examples	Diaper - Examples	Scalability Advantage
OEM (Original Equipment Manufacturing)	Manufacturer produces finished goods as per brand owner's specifications; sourcing, production and QC handled by the manufacturer	• Custom product specs • Manufacturer-managed raw materials • Brand-owned IP and marketing • Medium-high MOQs	SOFY kotex CARMESI PINQ POLKA	Pampers HUGGIES chicco angel Adult Diapers Morisons babydreams	●●●● Very high scalability through large capacities and long-term contracts, supports multi-SKU launches and Pan-India demand

Private-label Manufacturing	Manufacturer produces products sold under a retailer's or distributor's brand	• Standardized formulations • Retailer-led branding and pricing • Volume-driven economics • Limited customization	Petals SOLIMO amazonbasics	Supples MISS CHIEF SOLIMO	●●●● High scalability through assured volumes and repeat orders, predictable demand enables capacity optimization
Trade Label Manufacturing	Manufacturer supplies generic products that multiple marketers may brand and sell	• Minimal product differentiation • Low development cost • Fast onboarding of clients • Lower margins per SKU	Sakhi Sparkle Dryvel Day night	Velguard Littles Extra Care	●●○○ Scales through multi-client volumes and high asset utilization
Co-packaging	Manufacturer provides packaging, labelling, bundling or final assembly for finished or semi-finished goods	• Focus on packaging operations • Short lead times • SKU and pack-size flexibility • Often seasonal or promotional	ABENA Ammy	BAMBO Nature	●○○○ Enables scaling through pack variants, localization, and promotional variants without altering core manufacturing

Source: Secondary Research, The Knowledge Company Analysis

Scalability Rating:

●●●● = Very High

●●●○ = High

●●○○ = Medium

●○○○ = Low

The prevalence of contract manufacturing is increasing with increasing share of D2C and private label brands in India

Retail brands including D2C, private-labels and some established brands constitute the primary customer base for organised contract manufacturers across sanitary napkins, baby diapers and adult diapers, contributing an estimated 70–90% of contract manufacturers' production on an illustrative basis. This includes direct-to-consumer brands such as Nua, Plush, private-label offerings from platforms such as Amazon, Flipkart and established retail-led brands such as MamyPoko that rely on contract manufacturing for part or full production. The share of these D2C, private-label segments is expected to increase further in the market over the next five years, supported by the expansion of e-commerce, private-label strategies and value-focused offerings. This is expected to strengthen the role of organised contract manufacturers such as Swara Baby Products Ltd., PAN Health and Millennium Baby, positioning them to capture a larger share of production as outsourcing intensity rises.

5.3. Overview of Baby Diaper Manufacturing in India

Contract manufacturing is rising with D2C, retail-led, and regional brands leveraging outsourced capacity for agility and cost efficiency

India's baby diaper manufacturing market reached an estimated INR 92.2 Bn in FY 2025, up from INR 57.6 Bn in FY 2020 and is projected to grow to INR 165.6 Bn by FY 2030, at a CAGR of 9.9% during FY 2020-25 and 12.4% during FY 2025-30. The market is composed of two key segments: in-house production by brand owners, which held a dominant 82.2% share in FY 2025, and third-party manufacturing, which accounted for the remaining 17.8%. Imports accounted for less than 3% of the market, while over 97% of diapers were manufactured locally and nearly 99% were consumed domestically, highlighting India's self-reliant production base.

The manufacturing base remains consolidated, with top three players i.e. Procter & Gamble, Kimberly Clark, Unicharm India, (with a major share of in-house manufacturing) occupying a majority share of the total domestic production, reflecting high entry barriers in terms of capital, compliance, and quality requirements. While in-house production continues to anchor volumes for large brands such as Pampers, Huggies, and MamyPoko, the share of third-party manufacturing has increased steadily over the past few years, driven by the rapid scale-up of private label and D2C brands and growing demand for flexible, capital-efficient production models.

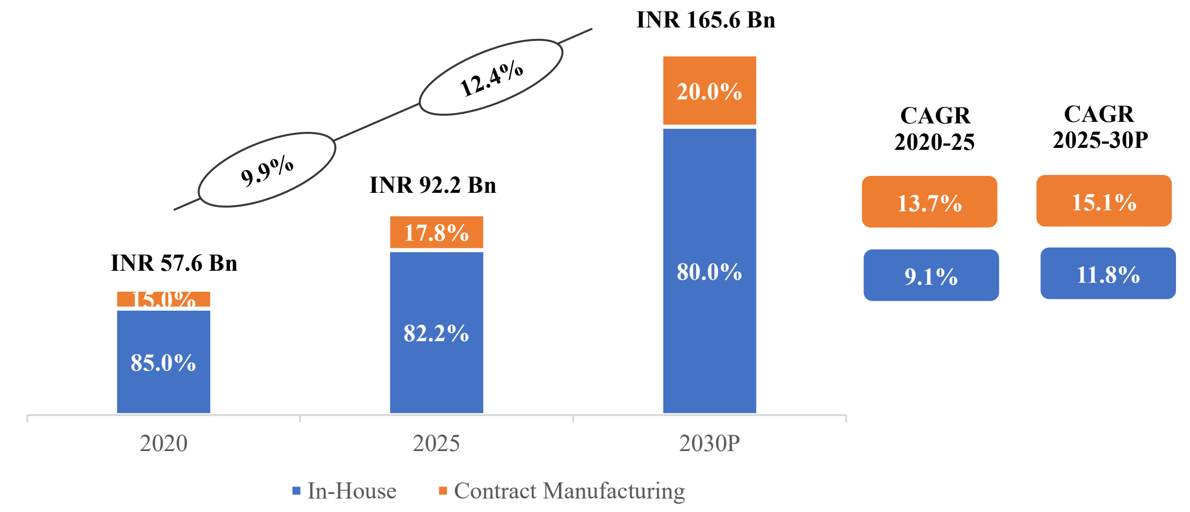
The Knowledge Company LLP

Ankur Bisen
Senior Partner

The contract manufacturing segment, which accounted for 17.8% of the manufacturing market, offers a distinct advantage in rapid prototyping, customised SKUs, and low minimum order quantities, supporting D2C brands and e-commerce-led formats. Marketplace retailers such as Amazon, Flipkart, and FirstCry have increasingly expanded their private label presence in baby diapers, relying on contract manufacturers for supply and leveraging their control over distribution, customer data, and platform visibility to capture better margins without investing in asset-heavy infrastructure. Established manufacturers are also scaling up third-party supply for brands launching curated offerings for niche consumer cohorts or value-segment plays. Swara Baby Products Ltd., the largest contract manufacturer of baby diapers in India, in terms of revenue in FY 2025, held a market share of 37% by value in FY 2025. and recorded a y-o-y growth of 21.9% from FY 2025 to FY 2026 in the segment.

Between FY 2025 and FY 2030, contract manufacturing market is projected to grow at a CAGR of 15.1%, significantly faster than the in-house segment (11.8%), reflecting evolving brand strategies that prioritise speed to market, SKU diversification, and demand-responsive production, especially in digitally influenced channels. While in-house facilities continue to anchor production for large brands, the growing complexity and fragmentation of consumer demand is expanding the relevance of contract manufacturing.

Exhibit 5.4: Indian Baby Diaper Manufacturing Market (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

5.4. Overview of Adult Diaper Manufacturing in India

Contract manufacturing is gaining strategic relevance as brands seek flexible, capital-light models to serve a fragmented and fast-evolving adult diaper market

India's adult diaper manufacturing market was estimated at INR 11.7 Bn in FY 2025, up from INR 6.9 Bn in FY 2020, and is projected to grow to INR 24.7 Bn by FY 2030, at a CAGR of 16.1%. This growth is in line with the expected expansion of the retail adult diaper market, which is projected to grow at a 16.0% CAGR during FY 2025-30, supported by a rising elderly population, increasing incidence of chronic ailments, and improved product availability across both offline and digital retail channels.

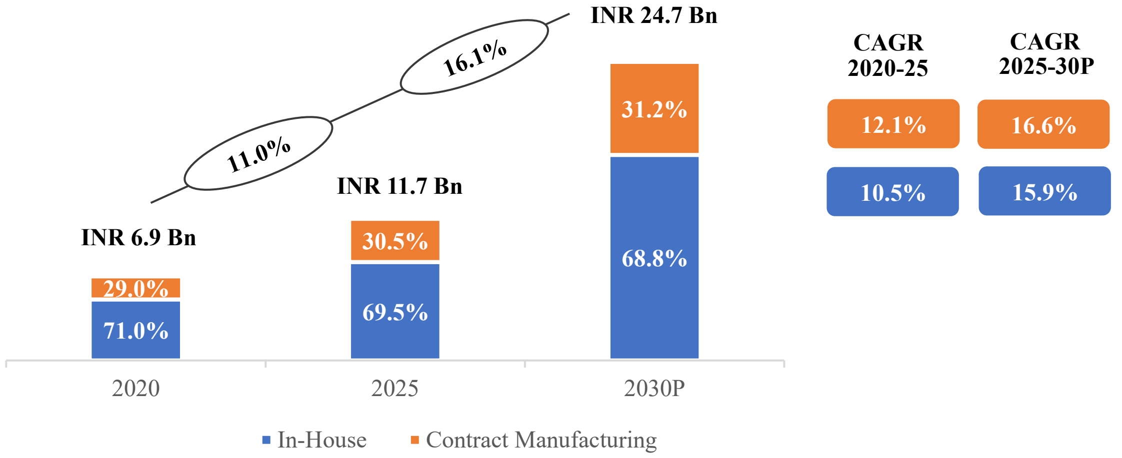
The market operates through two production models: in-house manufacturing, which contributed 69.5% of output in FY 2025, and contract manufacturing, which accounted for the remaining 30.5%. The share of contract manufacturing has grown steadily and is projected to reach ~31.2% by FY 2030, driven by the rise of private labels, elder-care brands, and digital-first players like CIR, Comfrey etc seeking speed and agility without the fixed cost of captive capacity. This shift reflects evolving brand strategies that prioritise production flexibility, faster SKU innovation, and lower working capital intensity. Within the adult diaper contract manufacturing market, Swara Baby Products Ltd., the largest adult diaper manufacturer in India in terms of revenue in FY 2025, held an estimated 36% market share by value in FY 2025, and recorded a 24.9% y-o-y growth from FY 2025 to FY 2026. The company offers distinct advantages in this segment, including customised production, low minimum order quantities, and faster turnaround times across both pant and tape formats.

The continued expansion of the adult diaper category, driven by long-term elder care, post-surgery recovery, and chronic ailment management, is reinforcing the importance of contract manufacturing, which is projected to grow at a 16.6% CAGR during FY 2025-30, outpacing in-house manufacturing growth of 15.9% over the same period.

Ankur Bisen
Senior Partner

While in-house facilities continue to anchor production for large, established brands like Shield, Jr.Sr., Friends, Lifree, Dignity etc, the growing fragmentation of demand and the emergence of new brand formats are expanding the relevance of third-party manufacturing. Over time, this dual-track growth is expected to result in a hybrid production ecosystem, where brand-owned and outsourced capacities coexist to serve differentiated channel strategies and price segments.

Exhibit 5.5: Indian Adult Diaper Manufacturing Market (by Value) (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

5.5 Overview of Sanitary Napkin Manufacturing in India

Contract manufacturing is gaining prevalence in the sanitary napkin manufacturing market in India, driven by the expansion of D2C and private-label brands, increasing market penetration, and growing demand for differentiated product variants. The asset-light manufacturing model, faster speed-to-market, and rising overall market demand are expected to support the continued growth of the contract manufacturing segment

India's sanitary napkin manufacturing market was valued at INR 73.2 Bn in FY 2025 and is expected to grow at a CAGR of 12.7% to reach INR 133.2 Bn by FY 2030. This growth is in-line with the retail market which is expected to grow at a CAGR of 12.7% within the same period. The manufacturing market is split amongst two operating model in-house and contract manufacturing. With in-house manufacturing being dominant with a share of 79.3% in FY 2025.

Whereas contract manufacturing is gaining prevalence in the sanitary napkin manufacturing market in India with is share expected to grow from 20.7% in FY 2025 to 22.8% in FY 2030. The contract manufacturing market for sanitary napkins was valued at INR 8.6 Bn in FY 2020 and increased to INR 15.2 Bn in FY 2025, growing at a CAGR of 12.0% from FY 2020 to FY 2025. This growth of contract manufacturing was driven by the rapid expansion of D2C brands such as Nua, Plush, Carmesi etc., and private-labels & trade-labels during FY 2020 to FY 2025. These brands adopt an asset-light manufacturing model, relying on third-party manufacturers like Swara Baby Products Ltd., Pan Health and other contract manufacturers to scale production and launch differentiated products while focusing on customer acquisition through marketing initiatives by educating consumers. At the consumer level, penetration of sanitary napkins is expected to increase from FY 2025 to FY 2030 led by various government and NGO led schemes, brand educational marketing, and growing social media influence indicating a gradual expansion of the user base.

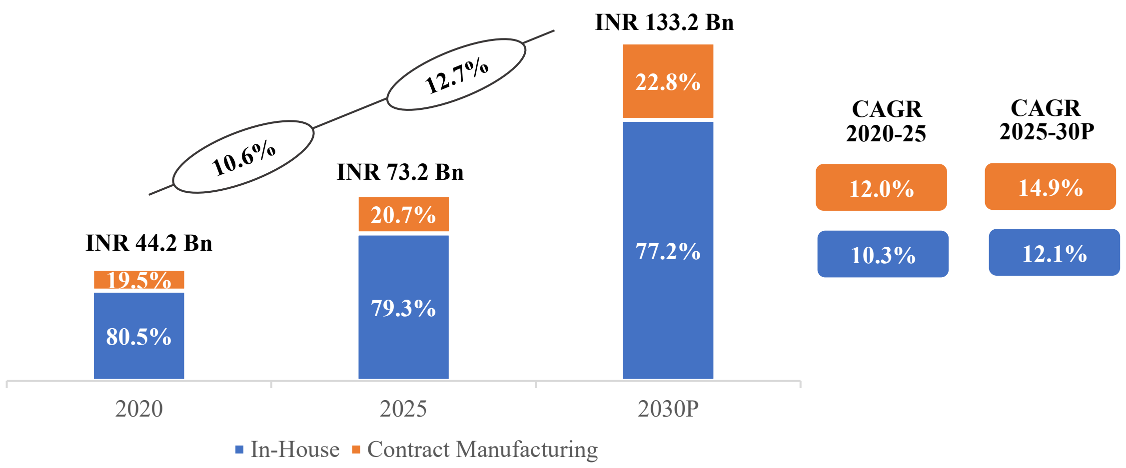
For new entrants, contract manufacturing offers a lower-capital route to market entry, enabling faster scaling without significant investment in production infrastructure. In addition, evolving consumer preferences and increasing demand for new variants such as ultra-thin, biodegradable, and organic products, or changing product trends can be addressed more efficiently through contract manufacturing without any capital investments for established manufacturer led brands.

This flexibility in product development and speed-to-market is expected to drive the growth of the contract manufacturing segment in the sanitary napkin market, and the contract manufacturing market is expected to reach INR 30.4 Bn by FY 2030 growing at CAGR of 14.9% from FY 2025 to FY 2030. Some of the organized contract manufacturers within the sanitary napkin segment are MD Hygiene, Hygiene Plus, PAN Health, Swara baby, catering to the growing consumer demand and brand needs. Swara Baby Products Ltd. had a market share of 5.5% by value in the Indian sanitary napkin contract manufacturing industry for FY 2025 (for the purpose of

Ankur Bisen
Senior Partner

determination of market share in this category, Swara Baby Products Ltd.'s sanitary napkin revenue for FY 2025 includes the revenue of KA Enterprises for FY 2025, which was acquired by Swara Baby Products Ltd in December 2025).

Exhibit 5.6: Sanitary Napkin Contract Manufacturing Market in India (in INR Bn) (FY)



Source: Primary Research, The Knowledge Company Analysis

5.6 Manufacturing Process for Diapers and Sanitary Napkins

Diapers and sanitary napkins manufacturing process follows a similar layered assembly process with differences arising in the process due to product designs and scale of automation, with diaper production involving higher automation and complexity while sanitary napkins allowing more flexible manufacturing lines

Sanitary Napkins

The sanitary napkin manufacturing process involves production lines that can be semi-automatic or fully automated. These lines include units for forming absorbent cores, layers of nonwoven fabric, systems for applying adhesive, and stations for embossing and cutting. The process allows for the use of cellulose-based cores, SAP blends, special nonwovens, breathable back sheet, and optional modules for forming wings, depending on the product design. Based on the scale and needs of the market, certain steps like wrapping individual napkins or assembling packs may involve manual or semi-automatic work, in addition to automated core manufacturing.

Exhibit 5.7: Manufacturing Process for Sanitary Napkins

Ankur Bisen
Senior Partner

Cellulose-based absorbent material is processed and combined with superabsorbent polymer (SAP), where applicable, to form the absorbent core, which determines fluid absorption, distribution and comfort characteristics of the sanitary napkin	The absorbent core is placed between a soft nonwoven top sheet and a leak-resistant polyethylene or breathable back sheet, with additional distribution layers incorporated in select variants to enhance fluid spread and surface dryness	Pressure-sensitive adhesives are applied to secure the layers and to enable fixation of the napkin to undergarments, while wings, where applicable, are formed and sealed to improve fit and stability	Multiple layers are bonded using hot-melt adhesives and sealed through thermal or ultrasonic methods, following which the continuous web is embossed, cut and shaped into individual sanitary napkins	Finished sanitary napkins undergo in-process and batch-level quality checks before being individually wrapped, grouped into consumer packs, and prepared for storage and dispatch

Source: Secondary Research, The Knowledge Company Analysis

Diapers

The diaper manufacturing process involves integrated diaper converting lines that are mostly automated. These lines include pulp defibration units, SAP dosing systems, absorbent core forming modules, and nonwoven unwinding and layering stations. The machinery has elastic application units and modules for forming fastenings or waistbands, as well as ultrasonic or thermal sealing and cutting systems. While core manufacturing is automated, some downstream tasks like inspection or secondary packing may use semi-automatic processes. This depends on the product format and packaging requirements. The equipment setups allow for different combinations of raw materials, including various SAP concentrations, breathable or polyethylene back sheet, and optional acquisition layers.
The manufacturing process for adult diapers and baby diapers are broadly similar, with variations in material composition, absorbency design and equipment configuration to address differences in size and usage requirements for adult diaper.

Exhibit 5.8: Manufacturing Process for Diapers

Pulp Preparation and Core Formation	Layer Assembly	Elastic and Fastener Application	Bonding, Sealing and Cutting	Quality Inspection and Packaging
Fluff pulp is mechanically defibrated and uniformly blended with superabsorbent polymer (SAP) to create the absorbent core, which determines liquid absorption, retention, and overall diaper performance	The absorbent core is positioned between a soft nonwoven top sheet and a protective polyethylene back sheet, with additional acquisition layers added where required to improve fluid distribution and surface dryness	Elastic materials are applied at the leg cuffs and waist areas to ensure fit and leakage protection, while fastening systems or pant-style waistbands are integrated depending on product format	Multiple layers are bonded using hot-melt adhesives and sealed through ultrasonic or thermal methods, after which the continuous web is cut and folded into individual diaper shapes	Finished diapers undergo in-process and batch-level quality checks before being automatically counted, packed into retail or bulk formats, and prepared for storage and dispatch

Source: Secondary Research, The Knowledge Company Analysis
Note: Manufacturing process covers both baby and adult diaper

Ankur Bisen
Senior Partner

5.7 Raw Materials required for Manufacturing Diaper and Sanitary Napkin

Raw materials for manufacturing of diapers and sanitary napkins are partially import dependent, with critical raw materials like 'Super Absorbent Polymer', 'Breathable Backsheets', and 'Non-woven fabrics' being imported while the remaining raw materials like 'Adhesives', 'Packaging' and others, majorly being sourced locally

Diapers and sanitary napkins are made from a mix of hygiene-grade non-wovens, polymer materials, and cellulose-based inputs. The choice of raw materials differs based on product design and performance needs. Nevertheless, the basic material structure stays mostly the same across the category. These materials are designed to offer absorbency, prevent leaks, ensure comfort, and maintain product quality while also meeting hygiene and safety standards for disposable personal care products.

While manufacturing operations are largely carried out domestically, certain critical raw materials, including super absorbent polymer (SAP), specialty non-woven fabrics and advanced breathable backsheet films, remain partially import-dependent. Other raw materials such as pulp, adhesives, packaging and standard non-wovens are sourced locally.

Overview of Key Raw Materials Used in Diaper and Sanitary Napkin Manufacturing:

Exhibit 5.9: Raw Materials Required for manufacturing of Diapers and Sanitary Napkins

Raw Material	Description	Sanitary Napkins	Diapers
 **Non-woven fabric**	A synthetic textile made mainly from polypropylene. It is used for top sheet, acquisition layers, and internal structures. Diapers need a higher basis weight and greater softness.	✓	✓
 **Breathable back sheet film**	A microporous film usually made from polyethylene. It provides a barrier against liquids while allowing air to pass through. Diapers often require higher strength and stretch properties.	✓	✓
 **Fluff pulp**	It is a cellulose fibre from wood that gets processed for use in absorbent hygiene products like sanitary napkins and diapers, however, the usage volume is generally higher in diapers.	✓	✓
 **Super Absorbent Polymer (SAP)**	A synthetic polymer, often sodium polyacrylate, is used for absorbing and retaining liquids. Both categories use it, but diapers typically have higher amounts per unit.	✓	✓
 **Adhesives**	These are either hot-melt or pressure-sensitive polymer adhesives that bond different layers together, used in both categories. They vary in grade based on strength & flexibility needed as per use case.	✓	✓
 **Acquisition / distribution layer**	A specialized non-woven or air-laid material that helps quickly transfer and distribute liquid within the absorbent core. Both categories use it, but it is more consistently found in diapers and premium sanitary napkins.	✓	✓
 **Elastic materials (leg cuffs / waist)**	These are elastomeric polymer materials that provide stretch, fit, and leakage protection. They are used only in diapers.	NA	✓

Ankur Bisen
Senior Partner

Fastening tapes / hook and loop	These are mechanical fastening components made from polymers that keep products secured. They are found only in tape-style diapers.	NA	✓
 **Waistband materials**	These are elastic laminates integrated into the waist area and are used only in pant-style diapers.	NA	✓
 **Release paper / wrapper material**	This is coated paper or film that protects pressure-sensitive adhesives before use. It is used only in sanitary napkins.	✓	NA
 **Individual wrapping film / paper**	This is a thin film or paper used to hygienically wrap individual units. Both categories use it, but it is more common in sanitary napkins.	✓	✓
 **Packaging Material**	These are printed films, bags, or cartons used for storage, transport, and retail. Both categories use these materials.	✓	✓

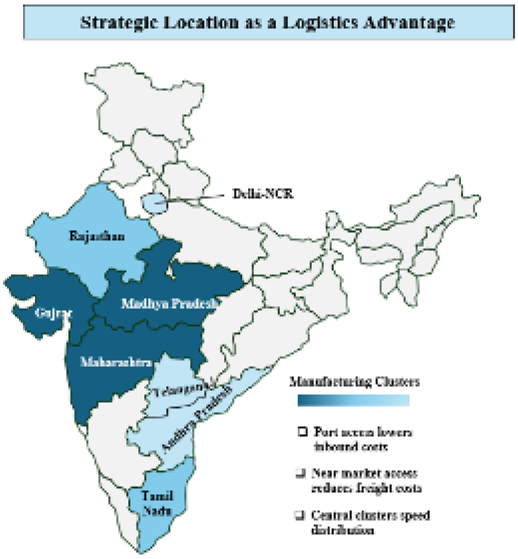
Source: Secondary Research, The Knowledge Company Analysis
Note: ✓- Used in the process, NA- Not applicable for the process

5.8 Logistics Management

Logistics efficiency is strongly influenced by the location of manufacturing facilities and warehouses, given global sourcing patterns and the geographic spread of end markets. Strategically located manufacturers benefit from efficient logistic costing, pan-India distribution capabilities and improved overall logistics management

Logistics for diaper and sanitary napkin encompasses inbound movement of raw materials, storage at manufacturing locations, and outbound distribution of finished goods across multiple channels. Inbound logistics typically involve a mix of domestically procured and imported raw materials. Cellulose-based materials, packaging materials and certain non-wovens are largely sourced domestically, while super absorbent polymer (SAP), specialty non-wovens and breathable back sheet films are partially import-dependent and transported to manufacturing facilities through port-based or inland logistics networks. These materials are stored and handled under controlled conditions to maintain hygiene and material integrity.
Outbound logistics for finished products are managed through a combination of direct dispatches and shipments to fulfilment centres in India. Finished goods are transported from manufacturing facilities to central or regional warehouses, distributor locations or third-party fulfilment centres. In the case of e-commerce and direct-to-consumer channels, products are dispatched either to platform-owned fulfilment centres or directly to end consumers across India. Logistics planning accounts for product characteristics such as bulkiness and SKU variation in diaper, and higher pack density and simpler SKU structures in sanitary napkin, while ensuring consistent product availability across general trade, modern trade, pharmacy and institutional channels.

Ankur Bisen
Senior Partner



The location of manufacturing facilities and warehouses is a critical determinant of logistics efficiency in the diaper and sanitary napkin segment, particularly for contract manufacturers serving multiple clients and pan-India demand. Manufacturing clusters in regions such as Gujarat, Maharashtra, Tamil Nadu and Haryana offer advantages due to proximity to ports, established industrial ecosystems and access to major consumption corridors. Given the partial dependence on imported raw materials such as super absorbent polymer (SAP) and specialty films, port connectivity plays an important role in managing inbound logistic costs and lead times. On the outbound side, the bulky nature of finished products, especially diapers, makes warehouse placement near large consumption centres and transport networks essential to control freight costs and ensure timely replenishment across channels.

For contract manufacturers, strategically positioned facilities enable efficient aggregation of volumes, optimized logistic costs, faster turnaround for OEM and private-label clients, and improved capacity utilization, reinforcing logistics management as a key operational lever in the hygiene manufacturing ecosystem. Several organised contract manufacturers, and retail brands own manufacturing facilities including players such as Swara Baby Products Ltd., PAN Health, P&G and others operate from such established clusters to support efficient inbound sourcing and pan-India distribution.

Exhibit 5.10: Key Manufacturing Clusters and their Strategic Advantages

Region/Cluster	Key Players	Strategic Advantages
Madhya Pradesh (Pithampur, Mandideep)	Swara Baby Products Ltd., Millennium Baby Care, Procter & Gamble	• Centrally located for efficient pan-India distribution • Supported by strong state-level industrial incentives (capital subsidy, land, power etc) • Preferred for large-scale contract manufacturing due to logistics neutrality and infrastructure
Gujarat (Halol, Bilyala, Rajkot, Vapi, Ahmedabad)	PAN Healthcare HR Hygiene Nobel Hygiene Unicharm Multiple SME players	• High machine density and concentration of small-to-mid scale players • Favourable industrial environment with strong entrepreneurial base • Proximity to ports and polymer hubs aids import-driven raw material sourcing • Attractive for export-oriented production and low-to-mid scale setups

The Knowledge Company LLP
Ankur Bisen
Senior Partner

Maharashtra (Pune, Nashik, Aurangabad)	Nobel Hygiene, Kimberly-Clark India Procter & Gamble	• Home to early movers like Nobel Hygiene and Kimberly-Clark India • Access to large consumption markets and skilled industrial workforce • Suited for high-quality, compliance-led manufacturing despite higher cost base • Institutional focus with proximity to urban healthcare networks.

China+1 and India's Emergence as a Hygiene Market Manufacturing Hub

India is increasingly positioned as a strategic manufacturing alternative under global China+1 realignment, particularly for high-volume, regulation-driven categories such as baby diapers, adult incontinence products, and sanitary napkins. While the domestic ecosystem is not fully backward-integrated, India's role as a cost-efficient, quality-compliant conversion hub is strengthening, driven by large domestic demand, organised manufacturing capabilities, and policy support.

Government incentives including the inclusion of hygiene products under the PLI scheme for technical textiles have improved the investment case for diaper and sanitary napkin manufacturing. Simultaneously, tighter quality norms, such as BIS certification for baby diapers, have elevated the operating bar, favouring players with robust quality systems and testing infrastructure.

Key Enablers of India's Hub Potential

- A large and growing domestic market that provides scale visibility and supports asset utilisation.
- An emerging network of organised manufacturers catering to both national brands and private labels across multiple hygiene verticals.
- State and central government support via industrial incentives, textile schemes, and regulatory formalisation.

Trends driving China+1 include:

- Global supply chain diversification away from China due to geopolitical and tariff-related uncertainty.
- Demand for faster lead times and regional supply resilience, particularly in bulky, high-consumption categories like diapers.
- Rising compliance expectations globally, which favour high-quality, standards-aligned production ecosystems.

China+1 is no longer limited to export diversification it is accelerating the formalisation and scale-up of India's hygiene manufacturing, enabling the country to serve both domestic and select international markets with quality-assured, high-throughput capacity.

5.9 Diaper and Feminine Hygiene Market Value Chain and Trade Terms

The hygiene products value chain is structurally shaped by raw material volatility, scale-driven manufacturing economics, diversified channel architecture, and evolving consumption patterns across income and demographic segments

	Raw Material Sourcing	Product Development and Manufacturing	Distribution & Channel Network	Retail & End Consumption
Value Chain	Key inputs across diaper and sanitary napkins include SAP, fluff pulp, non-woven fabrics, polyethylene films, adhesives, elastic materials, silicone and medical-grade polymers (for menstrual cups), textile fabrics (for period	Manufacturers operate through either one or mix of in-house production and contract Diaper manufacturing is generally characterised by high-speed automated lines and capital-intensive processes involving	Products are distributed through distributor-led general trade, pharmacies, modern trade, e-commerce platforms, D2C channels, and institutional channels such as government programs and schools. Channel relevance varies	End consumption patterns across hygiene products are influenced by demographic profiles, literacy level, income levels, and regional preferences. Baby diapers benefit from repeat, high-frequency usage linked to child age

The Knowledge Company LLP
Ankur Bisen
Senior Partner

	panties), and packaging materials. The absorbent core, comprising SAP and fluff pulp, forms the functional foundation of both product categories and directly determines absorption capacity, dryness, leakage control, and skin comfort. Specialized inputs such as SAP, silicone, and high-grade non-woven fabrics are largely imported, while pulp, textiles, and packaging are primarily sourced domestically. Premium variants increasingly use organic cotton and biodegradable materials.	pulp defibration, SAP dosing, core formation, elastic application, bonding, sealing, cutting, and packaging in a continuous production flow. Manufacturing covers production of sanitary napkin, tampons, menstrual cups, and period panties through automated and semi-automated processes. Product development across categories focuses on absorbency, comfort, material composition, and cost positioning across economy, mid premium, and premium segments, and helps create brand differentiation.	by category: general trade and modern trade remain central for baby diapers and sanitary napkins, pharmacies are particularly significant for adult incontinence products due to medical trust and discretion, and institutional channels play an important role in expanding sanitary napkin penetration in rural markets. Digital platforms have further strengthened subscription-based purchasing, discreet buying, and wider geographic reach across urban and semi-urban consumers.	(0-3 years) cohorts and increasing penetration beyond metro markets, while adult diapers are driven by ageing demographics, healthcare awareness, and reduced stigma in urban centres. Sanitary napkin remains the most widely used product category across both urban and rural markets, with high penetration compared to other feminine hygiene products. Economy and mid-premium segments accounts for the majority sales while premium segment caters to niche consumer segment.
Implications and Trade Terms	Dependence on imported inputs exposes manufacturers to foreign exchange and global price fluctuations, impacting cost structures and pricing. To reduce import dependence, manufacturers are exploring domestic sourcing and alternative materials such as banana fibre, agro-based fibres, and reduced wood pulp options. Procurement is managed through long-term sourcing, bulk purchases, and inventory planning, while higher input costs in premium and sustainable products influence pricing and positioning.	Manufacturing model, scale and automation levels influence cost efficiency, quality consistency, and pricing flexibility. BIS compliance for diaper and sanitary napkin affects product design and certification requirements. In-house manufacturing enables better quality control and faster product launches, while contract manufacturing supports lower capital investment and quicker capacity expansion, influencing speed-to-market and supply flexibility. Margin structures vary across product segments basis volume sale and product positioning.	Channel mix influences pricing, pack sizes, and product positioning across regions and consumer segments. General trade is skewed towards small and medium pack sizes, while modern trade and e-commerce channels focus on larger packs and bundled offerings. Trade terms include trade discounts, volume-based schemes, credit periods, promotional support, and logistics arrangements. Modern trade and e-commerce involve platform commissions and higher marketing spends. Institutional channels operate through tender-based procurement and fixed pricing structures, impacting overall pricing flexibility and channel margins.	Consumer preferences influence product mix, pack sizes, and pricing strategies across channels. Higher urban demand for mid premium and premium variants supports higher-value product portfolios, while rural demand remains largely volume-driven. Purchase frequency, affordability considerations, and awareness levels impact retail stocking decisions and promotional strategies. Growth in online and modern trade channels is gradually influencing retail dynamics by increasing availability of premium and niche products and accelerating adoption across urban consumers.

5.10 Key emerging trends in manufacturing of Diaper and Sanitary napkin

1. **Increasing Adoption of Contract Manufacturing in Diaper:** The diaper segment adoption of contract manufacturing is rising, especially among direct-to-consumer brands, budget-friendly brands, and private-label products. While large, well-known companies like Procter & Gamble (Pampers) and

Ankur Bisen
Senior Partner

Unicharm (MamyPoko) mainly opt for in-house production for their core volumes, they do use selective outsourcing to meet extra demand, for regional differences, and new product launches. Meanwhile, newer and smaller diaper brands are turning more to third-party manufacturers for complete production. This shift reflects the tougher technical needs and scale factors tied to diaper manufacturing. This shift is leading to an increase in contract manufacturing for such specialized OEM players.

2. **Sustainability-led Product Innovation:** Manufacturers are using more alternative raw materials and changing their processes to reduce environmental impact and improve product hygiene. In sanitary napkin, some manufacturers provide biodegradable or plant-based options made from materials like banana fibre, bamboo fibre, or starch-based substrates. In diaper, manufacturers have introduced reduced wood pulp usage in diaper production and are continuously developing other eco-friendly absorbent designs. For instance, Swara Baby Products Ltd.'s R&D team is engaged in the development of hygiene solution products, including the creation of "Tree Free" diapers.

3. **Multi-Functional and User-Specific Product Design:** Manufacturing is increasingly focused on specific use cases rather than standard formats for diapers and sanitary napkins. For sanitary napkin, this includes options like overnight pads with wider backs, ultra-thin designs, winged styles, and products for adolescents, adults, and postpartum use. In the diaper category, manufacturers offer various products for different ages and uses, including newborn, infant, toddler, and adult incontinence options. They also produce tape-style and pant-style formats. These differences require manufacturers to run production lines that can manage various sizes, absorbency levels, and fit options by using adjusted machine settings, modular tools, and efficient changeovers.

4. **Shift Towards Pant-style and Pull-up Diapers:** In the diaper segment, pant-style diapers are witnessing strong adoption in India due to their ease of use, especially for active toddlers. Leading brands such as MamyPoko and Pampers have added pant-style diaper formats in their product portfolio, encouraging manufacturers to adopt production lines for pull-up style designs.

5. **Advanced Core Engineering and Ultra-Thin Performance:** Manufacturers are shifting from bulky designs to engineered multi-layer cores that enhance absorbency, fluid distribution, and comfort. For example, Swara Baby Products Ltd. offers ultra-thin diaper with U-core technology and Nobel Hygiene's Friends and Teddyy diaper ranges emphasize layered core structures (top sheet, ADL, core, back sheet), while PAN Healthcare Pvt. Ltd.'s Everteen sanitary pads focus on ultra-thin, long-wear variants such as "Skin Thin" and "Relax Nights." These developments highlight the industry's focus on high-performance, lightweight designs rather than thickness-based absorption.

6. **Automation and Flexible Manufacturing Lines:** Across India, diaper and sanitary napkin manufacturing lines are increasingly transitioning towards high-speed, servo-driven, fully automatic converting machines, integrating processes such as core forming, SAP dosing, sealing, cutting, and stacking. This shift supports higher throughput, improved quality consistency, and the ability to rapidly switch between SKUs. Rising premiumization and consumer adoption of multiple variants (day, night, ultra-thin, and adjacent intimate-care products) are encouraging manufacturers to invest in flexible manufacturing setups that can efficiently handle diversified product portfolios.

7. **Increasing Focus on Manufacturing Scalability and Multi-Plant Sourcing:** Brands are gradually adopting multi-manufacturer and multi-location sourcing strategies to support business continuity, regional distribution and demand variability. This has led to a greater role for contract manufacturers as secondary or parallel production partners, particularly in diaper, where setting up new in-house capacity involves longer lead times. From a manufacturing standpoint, this trend encourages standardization of specifications, harmonization of quality protocols and replication of production processes across multiple facilities, thereby strengthening the role of organised contract manufacturers within the supply chain.

5.11 Key Challenges and Barriers faced in manufacturing of Diaper and Sanitary napkin

1. **Fluctuating Prices of Raw Materials:** Manufacturers face price changes and supply shifts in important materials like fluff pulp, SAP, nonwoven fabrics, plastics, and packaging materials. Changes in material availability and costs influence production planning, inventory management, and cost forecasting. Smaller manufacturers are more vulnerable because they have limited buying power.

Ankur Bisen
Senior Partner

2. **Dependence on Imported Raw Materials:** Some critical raw materials, especially super absorbent polymer (SAP), specialty nonwoven fabrics, and back sheet films, still rely heavily on imports. This puts manufacturers at risk due to changes in foreign exchange rates, global supply issues, shipping delays, and shifts in international trade rules. These dependencies can affect input costs, working capital cycles, and, in some cases, operating margins, particularly when they cannot quickly pass on price increases.

3. **Quality, safety and regulatory compliance:** Manufacturing operations must meet strict quality and safety standards. This includes BIS specifications like IS 5405:2019 for sanitary napkins, IS 17509:2021 for baby diapers IS 17508:2020 for adult diapers, which cover chemical composition, microbiological safety, and product performance. To achieve and maintain compliance, companies need strong quality control systems, along with regular testing, audits, and documentation, which adds to the complexity of operations.

4. **Regular Adaptation to Innovations:** Manufacturers face ongoing pressure to change their production processes to meet new product requirements, such as biodegradable materials and alternative fibres. These changes need process validation, controlled trials, and careful equipment or parameter adjustments to ensure performance matches that of traditional products while keeping production efficient.

5. **Maintaining Consistent Product Performance at Higher Operating Speeds:** As production volumes rise, achieving consistent absorbency, leakage protection, softness, and skin safety at higher machine speeds is a technical challenge, especially on semi-automatic or mid-speed lines. This demands careful control of processes, consistent materials, and effective quality monitoring during production.

6. **Managing SKU Proliferation and Production Complexity:** An increasing number of SKUs across different sizes, formats, and specific variants makes manufacturing more complicated. Regular changeovers and varied production schedules can result in more downtime, material waste, and quality issues, especially for manufacturers serving multiple clients and channels

5.12 Marketing Strategy for Brand Building and Awareness

Marketing strategies in the manufacturing segment differ by operating model, with contract manufacturers focusing on B2B visibility, compliance credentials and capability-led positioning for their manufacturing setup, and simultaneously adopting a measured, distribution-led approach to create own retail brand awareness

Contract manufacturers focus on building brand awareness as reliable manufacturing partners. They invest in creating an online presence through websites, and displaying quality certifications, regulatory approvals, and compliance credentials on their websites. These include BIS, ISO, and hygiene-related certifications. They also highlight their manufacturing capabilities, product portfolios, capacity information, and OEM/private-label offerings. This helps potential clients assess their technical capabilities and product ranges. Additionally, manufacturers actively use business-to-business discovery channels to expand their reach and generate leads. This includes listing their capabilities and products on platforms like IndiaMart and TradeIndia, participating in domestic and international trade exhibitions, and engaging with institutional buyers, distributors, and export agents. These channels help build credibility, acquire customers, and develop relationships, especially for OEM and private-label manufacturing. They are further supported by direct sales outreach and participation in industry forums.

Exhibit 5.11: Marketing strategies for Contract Manufacturers

Key Areas	Manufacturer Awareness Activities
Online Presence	Manufacturers use corporate websites and digital materials to present manufacturing capabilities, product formats, capacity, automation levels and sustainability practices, enabling OEM and private-label clients to evaluate technical fit
Certifications, Compliance and Audit Readiness	Brand awareness is built by highlighting regulatory compliance and audit preparedness through disclosures of BIS certification, ISO/GMP standards, inspection records and technical documentation during client evaluation and onboarding
Trade Exhibitions	Participation in B2B trade fairs, sourcing exhibitions and buyer-seller meets is used to enhance visibility, generate leads and build relationships with brand owners, retailers and institutional clients

Source: Secondary Research, The Knowledge Company Analysis

Ankur Bisen
Senior Partner

The Knowledge Company LLP

5.13 Regulatory and Certifications Requirements for Manufacturing of Diaper and Sanitary Napkin

Regulatory and certification requirements in diaper and sanitary napkin manufacturing acts as a key differentiator for organised contract manufacturers by strengthening credibility and enabling compliance-led customer trust

In India, the manufacturing of diapers and sanitary napkins is governed by product-specific BIS standards and conformity assessment requirements, along with packaging, safety, and environmental regulations. Organised manufacturers typically supplement mandatory compliance with quality and GMP certifications to meet customer, private-label, and export requirements, while also securing statutory approvals such as pollution control and fire safety clearances.

Organised manufacturers like Swara Baby Products Ltd., Unicharm, and others with established quality systems, documented processes and compliance infrastructure benefit from these regulatory and certification requirements as adherence to BIS standards, certifications and statutory approvals enhance credibility with institutional buyers, private-label partners, established brands and export customers, while also creating entry barriers for unorganised players. As a result, compliance capability becomes an important differentiator in securing large-volume contracts and participating in organised procurement channels. Amongst the selected peers, Swara Baby Products Ltd. was the first Indian manufacturer to receive the Bureau of Indian Standards (BIS) certification for disposable baby diapers in accordance with Indian Standard (IS) 17509:2021.

Exhibit 5.12: Regulatory Requirements, Certifications for Manufacturing of Diaper and Sanitary Napkin

Product	Certification	BIS certification scheme under which it is implemented
Disposable sanitary napkin	IS 5405:2019	BIS (Conformity Assessment) Regulations, 2018 - Scheme-I (ISI Mark Product Certification)
Disposable baby diaper	IS 17509:2021	
Disposable adult incontinence diaper	IS 17508:2020	
Reusable sanitary pad / sanitary napkin / period panties	IS 17514:2021	

Regulatory Norms	Regulation / Framework	What it Governs / What it Does
Product Labelling and Consumer Information	Legal Metrology (Packaged Commodities) Rules, 2011	Packaging must clearly display: • Name and address of manufacturer / packer / importer • Generic name of product • Net quantity (weight/number of units) • Month and year of manufacture / packing • Maximum Retail Price (MRP) inclusive of all taxes • Consumer care contact details
Packing and marking	BIS: IS 5405:2019	The Standard mark should be printed on each consumer pack of sanitary napkin along with BIS Licence No. and BIS website detail.
	BIS: IS 17509:2021	The Standard mark should be printed on all packages.
Packaging and Plastic Waste	Plastic Waste Management Rules, 2016 and subsequent amendments	Plastic used in primary or secondary packaging must comply with thickness and material norms. Use of prohibited single-use plastic items is restricted.
Extended Producer Responsibility (EPR)	EPR Guidelines for Plastic Packaging (under PWM Rules)	Requires Producers/Importers/Brand Owners (PIBOs) to meet prescribed targets for collection, recycling, or end-of-life disposal of plastic packaging introduced into the market.
Waste Management (Factory-level)	State Pollution Control Board (SPCB) Consents / NOCs	Regulates environmental compliance at the manufacturing unit level, including waste handling, emissions, effluents, and operational permissions (Consent to Establish/Operate).
Factory Operations and Worker Safety	Factories Act, 1948 and State Factory Rules	Governs health, safety, welfare, working conditions, machinery safety, working hours, and welfare measures for workers employed in manufacturing units.
Fire and Life Safety	Fire Department NOC / Fire Safety Regulations	Mandates fire prevention systems, evacuation protocols, and periodic inspections to ensure life and property safety within manufacturing premises.

The Knowledge Company LLP

Ankur Bisen
Senior Partner

Consumer Protection	Consumer Protection Act, 2019	Provides safeguards against unfair trade practices, product liability claims, and mandates grievance redressal mechanisms.

Source: Secondary Research, The Knowledge Company Analysis

Exhibit 5.13: Government Schemes for Manufacturing of Diapers and Sanitary Napkins

Scheme / Framework	Governed By	What it covers	Relevance to diapers and sanitary napkins
PLI Scheme for Textiles (MMF and Technical Textiles)	Ministry of Textiles (GoI)	Incentives linked to incremental sales for eligible technical textile products	Diapers and sanitary napkins are explicitly listed under "Medical/Hygiene Textiles" (HSN 9619 series) as eligible products (baby/adult/incontinence diaper; sanitary napkin).
Jan Aushadhi Suvidha - Sanitary Napkin	National Health Mission (NHM), Ministry of Health and Family Welfare (MoHFW)	Provides low-cost sanitary napkin ("Suvidha") through Jan Aushadhi Kendra across India, with a focus on affordability, hygiene and accessibility for low-income groups	Creates volume-led demand for standardized sanitary napkin and supports manufacturers supplying to government-backed retail channels, subject to prescribed quality and specification norms.
Menstrual Hygiene Scheme (MHS), 2011	National Health Mission (NHM), Ministry of Health and Family Welfare (MoHFW)	Subsidized supply of sanitary napkins to adolescent girls through central and decentralized procurement models	Supports large institutional demand for sanitary napkins and requires adherence to prescribed quality and safety standards

Source: Secondary Research, The Knowledge Company Analysis

5.14 Workforce and Safety in Manufacturing- Operational Challenges

Manufacturing challenges include workforce and safety challenges arising from machine-intensive processes and continuous operating cycles. Common issues include material fatigue and wire breakage in sanitary napkin lines, process instability during adhesive application, and the risk of quality variability and safety incidents on high-speed equipment in the absence of standardized shop-floor practices. Unplanned equipment downtime, the need for skilled intervention to maintain quality at scale, and safe handling of materials such as SAP and non-wovens add to operational complexity. While manufacturers are required to comply with the Factories Act, 1948, and state-level safety norms, gaps in safety awareness, PPE usage and skill levels, particularly among contract workers, remain areas of concern, leading manufacturers to strengthen preventive maintenance, training, hygiene and fire safety protocols to support stable operations.

Key Area	Workforce / Technical Requirement	Operational and Safety Considerations
Skill and Training Requirements	Trained operators and technicians capable of handling automated and semi-automated converting lines, material feeding, changeovers and in-line quality checks.	Regular training is required to minimize operational errors, manage SKU complexity and ensure adherence to hygiene and safety protocols
Machine Operation and Safety	Technical staff trained in safe operation of high-speed machinery, sealing systems and cutting units.	Risks related to moving parts, hot-melt adhesives and sealing equipment necessitate machine guarding, safety interlocks and strict operating procedures
Hygiene and Shop-floor Discipline	Workforce adherence to hygiene protocols, including controlled access, sanitation procedures and material handling practices	Maintaining clean production environments is critical to prevent contamination in products intended for direct skin contact
Manual Intervention and Supervision	Supervisory oversight in semi-automated processes requiring manual handling or inspection.	Manual operations increase exposure to safety risks and require standardized procedures and close supervision to ensure compliance

Ankur Bisen
Senior Partner

6. Operational Benchmarking

The Indian hygiene products market comprises of the key categories of baby care products (such as diapers, specialty diapers (swim, potty training) and wet wipes), feminine hygiene products (such as sanitary napkins, menstrual cups, tampons and period panty) and adult incontinence care products (such as diapers, under pads etc). The market continues to demonstrate growth supported by rising urbanisation, increasing awareness of hygiene and health, ease of availability, improving affordability, rising disposable incomes and deeper penetration across non-metro cities. The market comprises of primarily retail brands having majority of in-house manufactured products such Whisper and Pampers by P&G, Sofy and Huggies by Unicharm, and others. Similarly, there are retail brands owned by primarily contract manufacturers such as Cuddles by Swara, Wowper by Uniclan and other.

Exhibit 6.1: Key Players by Origin- International vs Home Grown

Key Players	International	Home-grown
Primarily Contract Manufacturers		
Swara Baby Products Ltd		
Uniclan Healthcare Pvt. Ltd		
PAN Healthcare Pvt. Ltd		
Millennium BabyCares Pvt. Ltd.		
HR Hygiene Products Ltd.		
Primarily Retail Brands		
The Procter & Gamble Company		
Kimberly-Clark Corporation		
Unicharm Corporation		
Nobel Hygiene Pvt. Ltd		

Source: Company Websites and Secondary Research

Across categories, the market is characterised by a mix of international and home-grown players focused on product innovation and differentiated positioning across price tiers from economy to premium offerings to capture growth opportunities in urban and increasingly in semi-urban and rural markets. Global players such as Unicharm and Kimberly-Clark etc., and domestic players such as Swara Baby Products Ltd., PAN Healthcare, Nobel Hygiene etc. have built a meaningful footprint across multiple segments through well-recognised brands, extensive distribution networks, and sustained product innovation. Further, the acquisition of KA associates has strengthened Swara Baby Products Ltd's operational capabilities across segments, enabling it to offer a diversified product portfolio. Thereby, Swara Baby Products Ltd., was the largest contract manufacturer by value in FY 2025 in the fast-growing hygiene manufacturing industry in India, including Baby Diapers, Adult Diapers and Sanitary Napkins.

Swara Baby Products Ltd.'s Total Addressable Market

Swara Baby Products Ltd.'s Total addressable market in India's hygiene market was valued at INR 230.9 Bn in FY 2025 and is projected to grow to INR 421.0 Bn by FY 2030, reflecting a CAGR of 12.8% over the period. This TAM comprises of the baby diaper, adult diaper, and sanitary napkin segments in India. With its presence across both contract manufacturing and retail operations within the hygiene market, Swara Baby Products Ltd. benefits from diversified revenue streams and operational integration, enabling greater flexibility in responding to evolving consumer demand and channel dynamics.

Ankur Bisen
Senior Partner

The Knowledge Company LLP

Exhibit 6.2: Key players and their Own Retail Brands

Key Players	Year of Establishment	Core Retail Brands Owned by Players		
		Baby care	Feminine Care	Adult care
Primarily Contract Manufacturers				
Swara Baby Products Ltd	2017	Cuddles Diapers (Pant, Ultra-thin, Swim, Tape, Eco-friendly)	-	Shield Pant Diapers, Taped Diapers
Uniclan Healthcare Pvt. Ltd	2015	DOMS Wowper Pant Diapers	Wowpad Sanitary Napkins	-
PAN Healthcare Pvt. Ltd	2016	Little Angel Pant Diapers, Baby Wipes	everteen Sanitary Napkins, Tampons, Panty Liners	Liberty Live Freely Pant Diapers, Underpads
Millennium BabyCares Pvt. Ltd.	2015	Papimo BUMTUM Pant Diapers	Free Me Sanitary Napkins	ELDURO Pant Diapers
HR Hygiene Products Ltd.	2016	Bloom baby Pant Diapers	Femiss Womaniya Sanitary Napkins	ElderFit Pant Diapers
Primarily Retail Brands				
The Procter & Gamble Company	1964	Pampers Pant Diapers, Taped Diapers, Wipes	whisper TAMPAX Sanitary Napkins, Period Panties, Tampons	-
Kimberly-Clark Corporation	1995	HUGGIES Pant Diapers, Taped Diapers	KOTEX Sanitary Napkins, Period Panties	Depend Pull-up Underwear, Briefs with tabs, Underpads, Adult Wash Clothes
Unicharm Corporation	2008	MamyPoko Pant Diapers, Tape Diapers, Wipes	SOFY Pant Diapers, Tape Diapers, Wipes	Lifree Pant Diapers
Nobel Hygiene Pvt. Ltd	2001	Snuggy Diapers • Pants TEDDYY Baby Diapers Pant Diapers, Taped Diapers, Nappy Pads, Changing Mats	RIO Sanitary Pads Sanitary Napkins	FRIENDS B-Fit Adult Diaper Pants Dry Pant Diapers, Underpad, Insert Pads, Maternity Pads

Source: Company Websites, Annual Reports and Secondary Research

The Knowledge Company LLP

Ankur Bisen
Senior Partner

Key players in the Indian hygiene products market have been actively introducing innovations and refreshed offerings to meet evolving consumer needs and preferences.

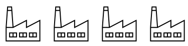
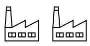
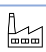
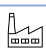
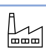
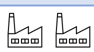
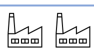
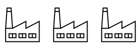
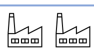
Exhibit 6.3: Key players Innovations (FY 2021-26)

Key Players	Innovations
Primarily Contract Manufacturers	
Swara Baby Products Ltd	Tree-free diapers
Uniclan Healthcare Pvt. Ltd	Anion chip sanitary napkins, Cloud comfort diapers
PAN Healthcare Pvt. Ltd	NA
Millennium BabyCares Pvt. Ltd.	Anion chips
HR Hygiene Products Ltd.	Ultrafluff Sanitary Pad
Primarily Retail Brands	
The Procter & Gamble Company	Curvewear Technology 360- degree cottony softness, anti-rash blanket, 10-million micro pores, 12-hour leak lock, wetness indicator
Kimberly-Clark Corporation	Cloud Touch Belt and 100% Imported natural cotton
Unicharm Corporation	Coconut extract
Nobel Hygiene Pvt. Ltd	Slim for light incontinence, baby diaper with wet indicator

Source: Company Websites, Annual Reports and Secondary Research
NA= Data not available

Primarily retail brands such as The Procter & Gamble Company, Kimberly-Clark Corporation, and Unicharm Corporation operate their own manufacturing facilities while also supplementing production through outsourcing. In parallel, contract manufacturers like Uniclan Healthcare Pvt. Ltd., Swara Baby Products Ltd., PAN Healthcare Pvt. Ltd., and Millennium Baby Cares Pvt. Ltd. run automated in-house facilities to supply third-party brands, with some also building a direct market presence through their own branded product lines. Among the select group of peers in contract manufacturing, Swara Baby Products Ltd. operates four manufacturing facilities, the highest among the peer set, followed by The Procter & Gamble Company and Unicharm Corporation, each with three in-house manufacturing units.

Exhibit 6.4: Manufacturing footprint of contract manufacturing players

Key Players	Number of In-House Manufacturing Units	Locations
Swara Baby Products Ltd.		Madhya Pradesh
Uniclan Healthcare Pvt. Ltd.		Bagru, Jaipur
PAN Healthcare Pvt. Ltd		Bilyala, Gujarat
Millennium BabyCares Pvt Ltd		Pithampur, Madhya Pradesh
HR Hygiene Ltd.		Rajkot, Gujarat
Primarily Retail Brands		
The Procter & Gamble Company		Goa, Telangana
Kimberly-Clark Corporation		Andhra Pradesh, Maharashtra
Unicharm Corporation		Rajasthan Andhra Pradesh, Gujarat
Nobel Hygiene		Maharashtra, Gujarat

Note: The metrics are based on information available on company websites as of December 2025.

Note:  *- Represents one in-house manufacturing facility.*
Source: Secondary Research, The Knowledge Company Analysis

Ankur Bisen
Senior Partner

Exhibit 6.5: Manufacturing Capacity of Key Players

Key Players	Products	Installed Capacity Per Annum
	Primarily Contract Manufacturers	
Swara Baby Products Ltd.	Baby diaper, adult diaper, sanitary napkin	3,669.0 million units
Uniclan Healthcare Pvt. Ltd.	Baby diapers and sanitary napkins	907.5 million units
PAN Healthcare Pvt. Ltd.	Baby diaper, adult diaper, sanitary napkin	1,400.0 million units
Millennium BabyCares Pvt Ltd.	Baby pull up pants and sanitary napkins	1131.5 million units
HR Hygiene Ltd	Sanitary napkins	200.0 million units
	Primarily Retail Brands	
The Procter & Gamble Company	NA	NA
Kimberly-Clark Corporation	NA	NA
Unicharm Corporation	NA	NA
Nobel Hygiene Pvt. Ltd	NA	3,153.6 million units

Note: Capacity for HR Hygiene is for FY 2025.Manufacturing capacity for other players is as of December 2025.
Source: Secondary Research, The Knowledge Company Analysis

Automation and Backward Integration of Manufacturing Process

There has been a sector-wide adoption of automated and semi-automated manufacturing systems. Automation initiatives are primarily aimed at enhancing production efficiency, ensuring consistency in quality, reducing manual intervention, and improving throughput and process control across manufacturing operations.

Backward integration in the diapers and sanitary napkins segment in India is assessed at the process level, encompassing core formation, lamination, full product assembly, and post-assembly activities such as packaging and quality checks, rather than upstream raw-material manufacturing. Given the capital intensity and technical complexity involved in producing inputs such as super absorbent polymer (SAP), non-woven fabrics, and fluff pulp, these materials are largely externally sourced across the industry. As a result, backward integration in this segment primarily refers to the extent to which manufacturers control value-adding production stages beyond final assembly.

Most organised manufacturers in India integrate core preparation, layer bonding, and end-to-end product assembly in-house, enabling greater control over quality, consistency, and customization for OEM and private-label clients. Players such as The Procter & Gamble Company, Kimberly-Clark Corporation, Johnson & Johnson, and Unicharm Corporation operate integrated manufacturing facilities globally and in India, covering these core process stages as part of their owned manufacturing footprint.

Swara Baby Products - Ltd., Nobel Hygiene Pvt. Ltd, HR Hygiene, PAN Healthcare Pvt. Ltd., Uniclan Healthcare Pvt. Ltd., Millennium BabyCares Pvt Ltd. undertake process-level backward integration up to core formation, lamination, assembly, and packaging, while continuing to source key raw materials externally.

Certain large multinational and established domestic players may exhibit deeper process integration through advanced core engineering, higher automation, allowing for tighter performance control and faster product variation.

Exhibit 6.6: Operational efficiency of key players (FY 2026)

Key Players	Automation
Primarily Contract Manufacturers	
Swara Baby Products Ltd.	Proficiency in SAP S/4HANA, automated production lines with digital process monitoring and batch-level quality tracking.
Uniclan Healthcare Pvt. Ltd.	Automated hygiene manufacturing lines with digitally monitored production and quality control systems.
PAN Healthcare Pvt. Ltd.	Automated manufacturing facilities are supported by digital production and quality monitoring systems.

Ankur Bisen
Senior Partner

The Knowledge Company LLP

Millennium BabyCares Pvt Ltd	Automated and semi-automated manufacturing lines with digital process control systems.
HR Hygiene Ltd.	Automated converting lines covering core formation, layer lamination, product forming, and packaging.
Primarily Retail Brands	
The Procter & Gamble Company	Automated manufacturing lines; robotics-enabled processes; real-time digital quality monitoring systems.
Kimberly-Clark Corporation	AI-enabled supply chain orchestration (Maestro platform); automated warehouses with integrated robotics and digital inventory systems.
Unicharm Corporation	Automated production lines with embedded inspection and centralized monitoring systems.
Nobel Hygiene Pvt. Ltd.	Automated hygiene production lines; SAP-based ERP systems; digital field force automation tools.

Source: Secondary Research, The Knowledge Company Analysis

Across the hygiene manufacturing landscape, most organised players comply with baseline certifications such as ISO 9001:2015, WHO-GMP, CE standards and BIS (IS 17509:2021), emphasizing standardized quality management systems, regulatory compliance, and consistent manufacturing and hygiene practices across production facilities. Swara Baby Products Ltd. has adopted an extended certification stack, including FDA, OEKO-TEX®, BRCGS and Sedex compliance and Forest Stewardship Council (FSC) Chain of Custody certification.

Exhibit 6.7: Key Players Certifications, Patents, Awards and Recognitions

Key Players	Key Certifications/ Patents	Awards and Recognitions
Primarily Contract Manufacturers		
Swara Baby Products Ltd	Bureau of Indian Standards; OEKO-TEX® CONFIDENCE IN TEXTILES STANDARD 100; BRCGS Consumer Products CERTIFICATED; FSC; CE; GMP CERTIFIED; ISO CERTIFIED COMPANY; ISO; FOOD AND DRUG ADMINISTRATION; ISO CERTIFIED COMPANY; Sedex Empowering responsible supply chains	• Dainik Bhaskar Industry Excellence Award 2025 • AsiaOne Magazine's Fastest Growing Brands 2014-25 • Recognized on Zee TV MENA and ET Now
Uniclan Healthcare Pvt. Ltd	WHO-GMP; QUALITY CERTIFIED; GMP CERTIFIED; CERTIFIED; CE; ISO 9001:2015 CERTIFIED COMPANY	• Best Upcoming Diaper Brand of India by FTIEA 2020 • BASES Breakthrough Innovation Award by NielsonIQ 2021

Ankur Bisen
Senior Partner

PAN Healthcare Pvt. Ltd	ISO 9001:2015, ISO, WHO-GMP, CE, Bureau of Indian Standards	NA
Millennium BabyCares Pvt. Ltd.	Bureau of Indian Standards, GMP Certified, CE, Sedex, ISO	NA
HR Hygiene Products Ltd.	WHO-GMP, ISO 9001:2015, CE, Food and Drug Administration, Bureau of Indian Standards	• Saurashtra & Kutch Entrepreneur & Excellence Awards 2018 • Nation Award for Excellence in Healthcare 2020, • Innovative Product Feminine Hygiene Ultrafluff Sanitary Pad 2021
Primarily Retail Brands		
The Procter & Gamble Company	WHO-GMP	NA
Kimberly-Clark Corporation	Bureau of Indian Standards, ISO, HACCP, IS 17509:2021	NA
Unicharm Corporation	FSC, PEFC, OSC Open-Source Certified, AEO	NA
Nobel Hygiene Pvt. Ltd	WHO-GMP, CE, ISO 9001:2015	• India SME 100 awards 2017 • The ET Times most promising business leaders of Asia 2018 BIS All India First award, Recognised as Most Trusted Brand, 40 under 40,

Source: Company Websites, Annual Reports and Secondary Research
NA= Data not available

Investments, Mergers & Acquisitions

Exhibit 6.8: Investments, Mergers & Acquisitions (M&A) in Diaper Market

Year	Company / Asset	Investor / Acquirer	Transaction Type	Deal Value	Strategic Rationale
FY 2025	**Unicharm India (Lifree adult diapers)**	Unicharm Corporation (Japan)	Capacity Expansion / Greenfield Investment	~INR 1.11 Bn	Commissioning of a Gujarat facility to increase domestic production of adult diapers, reduce import dependence, and support long-term growth in adult incontinence demand.

Ankur Bisen
Senior Partner

FY 2025	**Uniclan Healthcare**	DOMS Industries	Equity Stake	INR 0.55 Bn (INR 54.88 Cr)	The acquisition makes Uniclan a subsidiary of DOMS. The acquisition enables DOMS to expand its product range and diversify its product portfolio into baby hygiene market
FY 2024	**Pan Healthcare Ltd.**	Motilal Oswal	Private Equity Investments	~INR 4.2 Bn	Expansion of the brand and ramping up the distribution infrastructure of hygiene products
FY 2025	**Nobel Hygiene Pvt. Ltd.** (Friends, B-FIT)	Neo Asset Management	Minority Equity Investment	~INR 1.70 Bn	Capital infusion to strengthen leadership in adult diapers, expand manufacturing capacity, deepen pharmacy and digital distribution, and support brand scaling ahead of a proposed IPO.
FY 2024	**Millennium Babycares Ltd.** (Baby & Adult Diapers)	Bharat Value Fund	Minority Equity Investment	~INR 1.23 Bn	Investment to scale contract manufacturing capacity across baby and adult diapers, supporting OEM supply for domestic brands, private labels, and institutional buyers in adult incontinence.

Source: Secondary Research

Disclaimer

- This information package is distributed by The Knowledge Company LLP on a strictly private and confidential and on 'need to know' basis exclusively to the intended recipient. This information package and the information and projections contained herein may not be disclosed, reproduced or used in whole or in part for any purpose or furnished to any other person(s). The person(s) who is/are in possession of this information package or may come in possession at a later day hereby undertake(s) to observe the restrictions contained herein.
- Only leading players are profiled and benchmarked for the purpose of the report and does not necessarily cover all types of players.
- The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions. No one should act upon such information without taking appropriate additional professional advice and/or thorough examination of the particular situation.
- All recipients of the information package should make their own independent evaluations and should conduct their own investigation and analysis and should check the accuracy, reliability and completeness of the information and obtain independent and specified advice from appropriate professional adviser, as they deem necessary.

The Knowledge Company LLP

Ankur Bisen
Senior Partner

Authors of the Report

Madhulika Tiwari
Partner
madhulika.tiwari@tkc.in

Priyanka Abrol
Principal
priyanka.abrol@tkc.in

Niharika Singh
Senior Associate
niharika.singh@tkc.in

Palak Jain
Associate
palak.jain@tkc.in

Himani Shruti
Associate
himani.shruti@tkc.in

Shaswat Jain
Associate
shaswat.jain@tkc.in

Aarushi Anand
Research Associate
aarushi.anand@tkc.in

Anindita Mahanty
Research Associate
anindita.mahanty@tkc.in

www.tkc.com
The Knowledge Company LLP.
Lemon Tree Hotel (Corporate Park)
5A and 5B, 5th Floor, Block A,
Village Ullhawas, Tehsil Wazirabad,
Sector 60, Gurgaon-122011
Telephone: +91.124.454 1111 |
info@tkc.com

Ankur Bisen
Senior Partner