



PACKAGING Industry In India

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Packaging Industry - India Market

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Packaging Industry – Executive Summary

Overview

India's packaging industry is a dynamic and rapidly growing sector, driven by a booming consumer market and industrial advancements. In FY 2024, the market was valued at INR 6656 billion, reflecting a growth of 4.0% from FY 2023, and is projected to reach INR 8,620 billion by FY 2028, growing at a CAGR of 6.7%. Key sectors like food and beverage, pharmaceuticals, and e-commerce heavily depend on packaging.

Segments

Plastic packaging leads the market with a 52% share in FY 2023, driven by its versatility, affordability, and ease of molding. Paper-based packaging is gaining traction, representing 26% of the market. Metal packaging accounts for 8%, while glass packaging holds a 13% market share.

Sector Trends

The Food & Beverage sector dominates the plastic packaging market, followed by pharmaceuticals and personal care. E-commerce is driving the growth of paper packaging, with strong projections for the carton industry.

Growing Sustainable Packaging Market

As the market shifts towards sustainability, India's packaging sector presents significant opportunities for international investors, particularly in sustainable packaging solutions, with expected market growth from USD 3.5 billion in 2020 to USD 11.1 billion by 2025.

Challenges

Challenges such as rising material costs, supply chain complexity, and infrastructure limitations for recycling remain. Despite these hurdles, government initiatives like the Plastic Waste Management Rules and growing awareness are driving the adoption of recyclable materials. Major multinational companies in India are committing to sustainable packaging, reflecting the broader industry trend.

Innovation & Market Expansion

The Indian packaging sector is poised for significant growth, with sustainability at the core of innovation and market expansion. As e-commerce continues to thrive and consumer demand for sustainable options rises, the industry is adapting to meet these needs while navigating ongoing challenges.

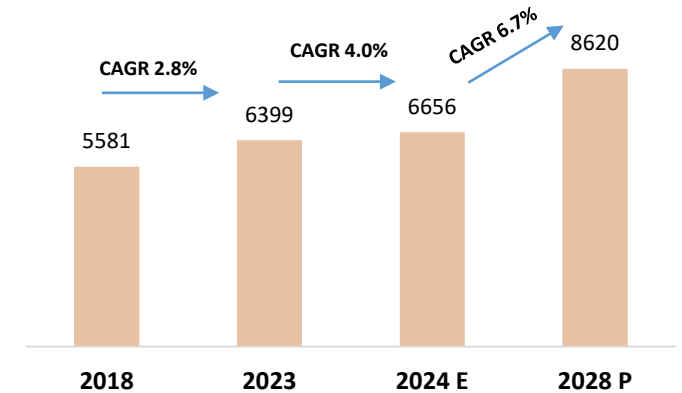
Packaging Industry – Market Overview & Size

Market Size & Overview

- India's packaging industry is a dynamic and rapidly evolving sector, reflecting the country's growing consumer market and industrial advancements. It spans a broad range of materials, formats, and applications across various industries. Key sectors such as food and beverage, pharmaceuticals, and e-commerce rely heavily on packaging solutions for product protection, preservation, branding, and consumer convenience.
- In FY 2024, the Indian packaging market was valued at INR 6656 billion, showing a growth rate of 4.0% from INR 6399 billion in FY 2023. Projections suggest that by FY 2028, the market could expand to INR 8,620 billion, growing at a CAGR of 6.7%.
- This growth is fueled by factors such as rising disposable incomes, urbanization, the increasing demand for packaged and processed goods, and the flourishing e-commerce sector. Additionally, government initiatives aimed at boosting organized retail and ensuring food safety are driving the demand for high-quality and standardized packaging solutions.
- As the 5th largest sector of India's economy, the packaging industry has experienced consistent growth and holds significant potential for further expansion, especially in the export market. With processing and packaging costs up to 40% lower than in certain European regions, and a skilled labor force.
- India has become an attractive destination for investment. India's packaging exports include items such as flattened cans, printed sheets and components, crown corks, lug caps, plastic film laminates, craft paper, paperboard, and packaging machinery. Imports primarily consist of tinplate, coating, and lining compounds.
- Among the fastest-growing segments in India are laminates and flexible packaging, particularly PET and woven sacks. In recent years, the packaging industry has become a key driver of technological innovation, adding value to a variety of sectors, including agriculture and fast-moving consumer goods (FMCG).
- Currently, India's per capita packaging consumption is lower compared to other developing and developed economies, which presents a significant opportunity for growth in the sector in the coming years.

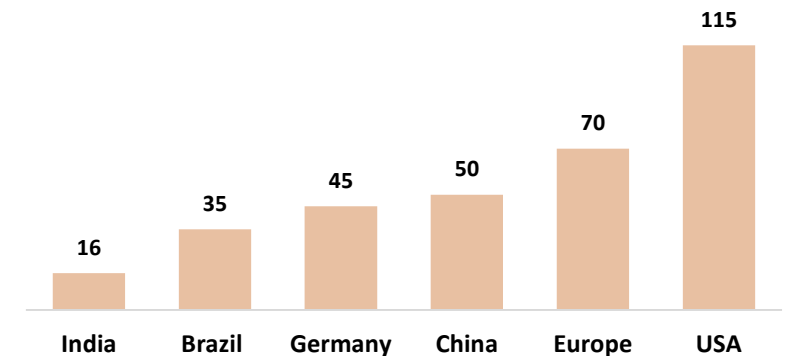
Sources: Packaging Industry Association of India, Upstox Report, Technopak.

Indian Packaging Market Size – INR Billion (FY)



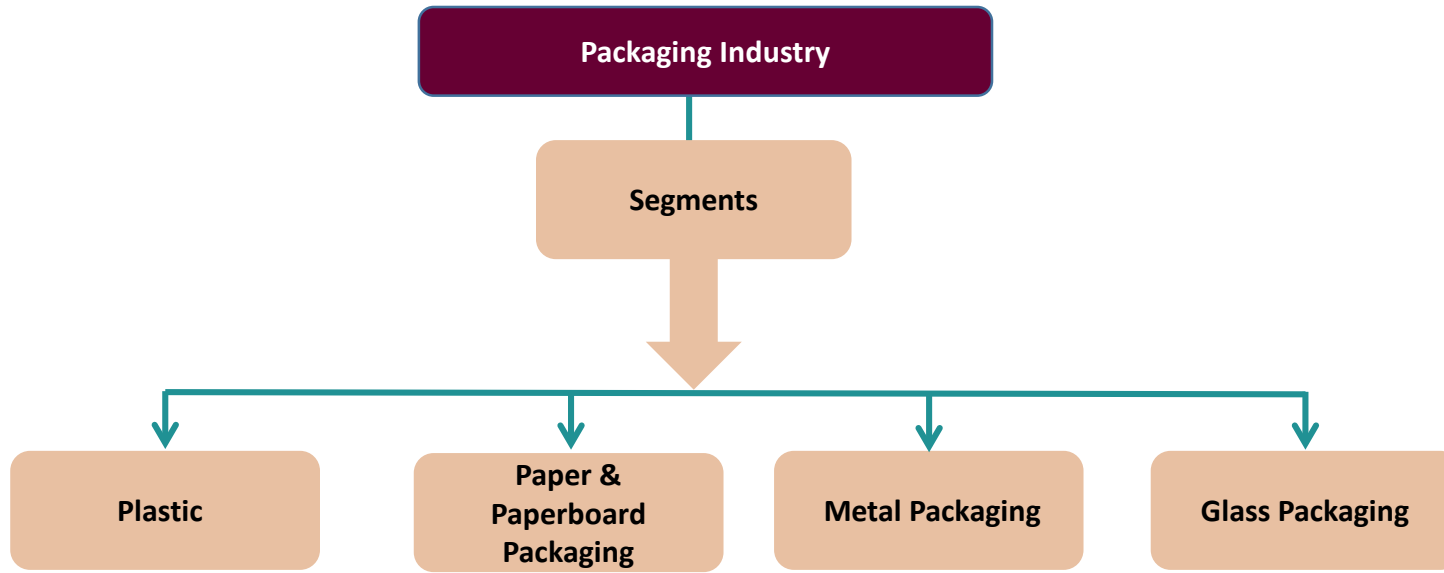
Source: Technopak Analysis

Global & India – Per Capita Packaging Consumption 2024 (In Kilograms)

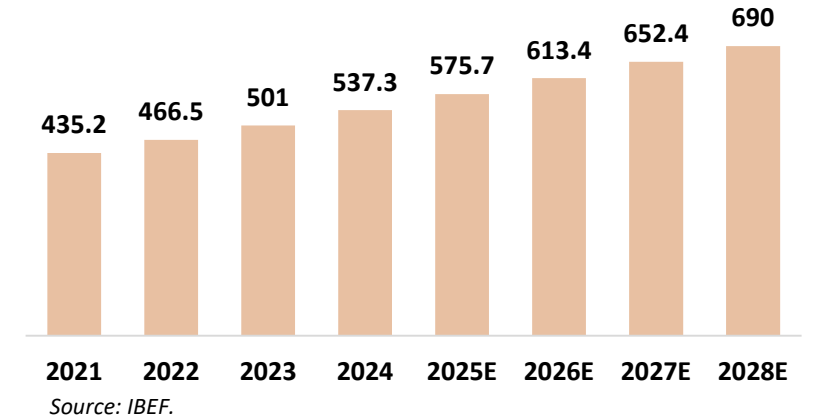


*Note: Estimated consumption considering higher end of range as of 2024.
Source: Upstox Report.

Packaging Industry – Structure, Segments & Key Statistics



Trends & Estimated Production Volume Paper and Plastic Packaging (Million Tons)



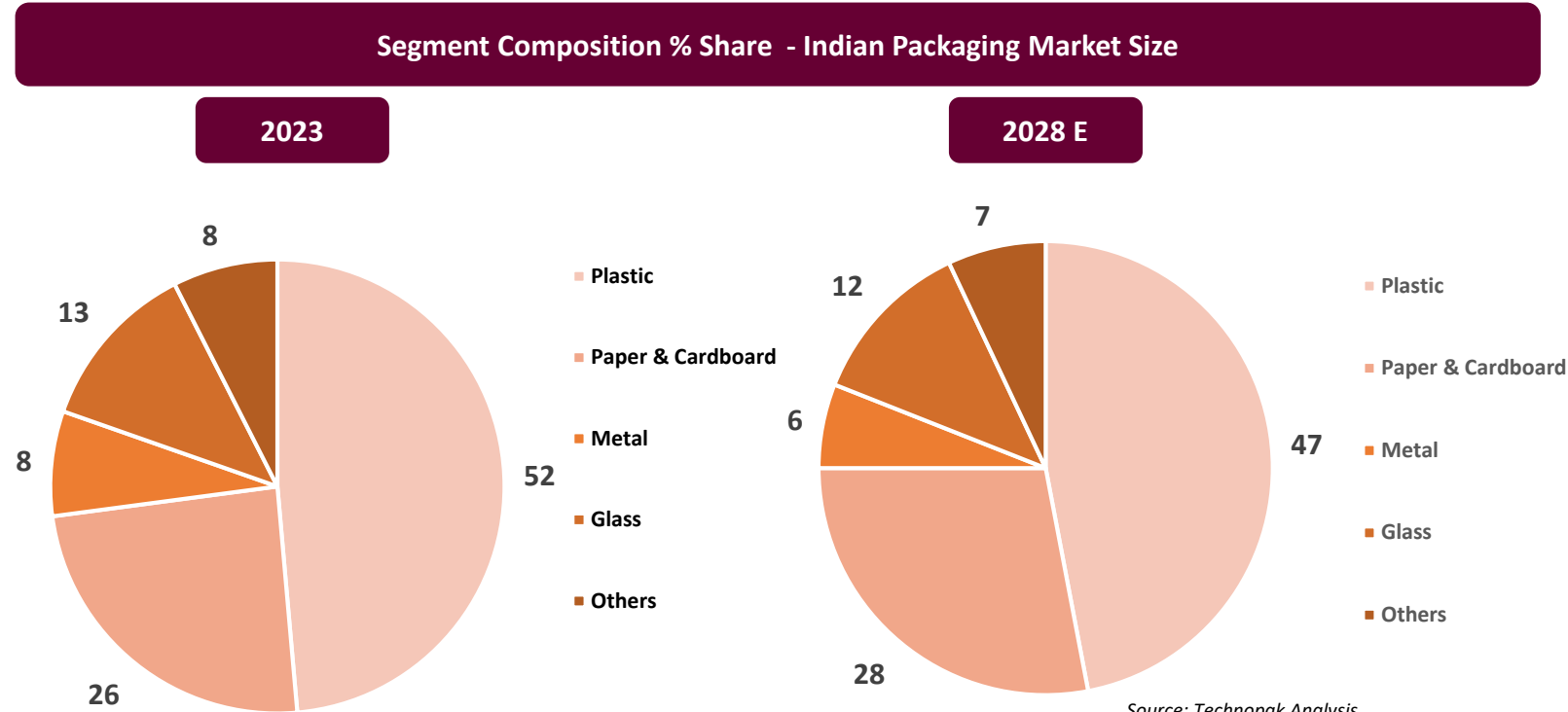
- The industry demands around 11 million tons of pulpable wood annually, though domestic availability is only 9 million tons
- The country's wastepaper recovery rate is about 40%, with most of it controlled by the informal sector. In FY 2024, the capacity utilization rate for paper and paperboard mills stood at approximately 97%.
- India's per capita paper consumption is around 15–16 kilograms, significantly lower than the global average of 57 kilograms
- The sector directly employs about 500,000 people and indirectly supports an additional 1.5 million jobs
- India hosts 22,000 packaging units, with 85% being small and medium enterprises
- Currently, India has 900 paper mills, 553 of which are operational, with a combined capacity of 25.6 million metric tons. Wood contributes 21% of the raw material for paper production, with over 90% of the wood supply sourced from industry-led agro/farm forestry covering 1.2 million hectares

Packaging Industry – Segments (1/2)

Plastic packaging leads the Indian packaging industry, commanding 52% of the total market share in FY 2023. Its dominance is primarily due to the material's versatility, affordability, lightweight properties, and its capacity to be molded into diverse shapes and sizes. Plastic packaging is manufactured through processes like blow molding, injection molding, rotomolding, and extrusion, allowing for both flexible and rigid packaging solutions.

Reasons for Plastic's Dominance:

- **Versatility:** Plastic can be easily molded into a wide variety of shapes, making it perfect for packaging in diverse industries such as food and beverage, pharmaceuticals, personal care, and e-commerce
- **Cost-Effectiveness:** With its low production cost and lightweight characteristics, plastic is an appealing option for packaging in price-sensitive markets like India
- **Moldability:** Plastics can be shaped into different sizes and forms, ranging from flexible films to rigid containers, making them suitable for various products and applications
- **Regulatory Influence and Innovation:** The Indian government has implemented various regulations to reduce plastic waste, including Extended Producer Responsibility (EPR) and the ban on single-use plastics. These regulations have prompted companies to prioritize innovation and improve the recyclability of plastic packaging
- **Sustainability of Rigid Plastics:** Rigid plastics have emerged as a more eco-friendly option compared to flexible plastics due to their higher recyclability and the existing recycling infrastructure. This makes them better equipped to meet India's evolving environmental standards. Rigid plastic packaging is more widely recycled, thanks to a well-established system, aligning it with the country's sustainability goals
- **Cultural Preference for Rigid Plastics:** Indian consumers tend to favor rigid plastic packaging, largely because of its reusability.



Source: Technopak Analysis
*Note -Note: Other includes Cloth, Jute and Wood

Packaging Industry – Segments (2/2)

Paper & Paperboard Packaging

- Paper and paperboard packaging offer an environmentally friendly alternative in the Indian packaging industry, making up 26% of the market share in FY 2023. This segment includes a wide range of solutions, such as cartons, boxes, corrugated packaging, and paper bags, which are commonly used in industries like food and beverage, e-commerce, and industrial sectors
- Sustainability drives innovation in this area, with efforts focused on increasing recycled content in paperboard and developing coated paperboard to enhance moisture and grease resistance. Folding carton boards, typically made from layers of fibrous wood pulp, are often coated with polyethylene or aluminum foil for added durability
- These paper-based packaging solutions are used extensively across various industries, including food packaging (such as for cereals, snacks, and dry goods), e-commerce (primarily for shipping boxes), and industrial and pharmaceutical packaging

Metal Packaging: Metal packaging

- Made primarily from tinplate and aluminum, metal packaging remains a vital solution for products requiring long shelf life, excellent barrier properties, and strong protection. In FY 2023, it accounted for 8% of the packaging market. Metal packaging is commonly used across industries such as beverages, processed foods, paints, chemicals, industrial oils, and lubricants. It is also widely preferred for personal care items like deodorants, shaving creams, insecticides, and spray paints
- Collapsible metal tubes are frequently used to package products like toothpaste, ointments, and certain adhesives. The aesthetic appeal and perceived premium quality of metal packaging make it particularly popular for high-end products, including cosmetics, gourmet foods, and specialty beverages
- Additionally, metal, especially aluminum, is highly recyclable, making it an attractive sustainable packaging option. Its recycling efficiency supports the growing demand for environmentally conscious packaging solutions

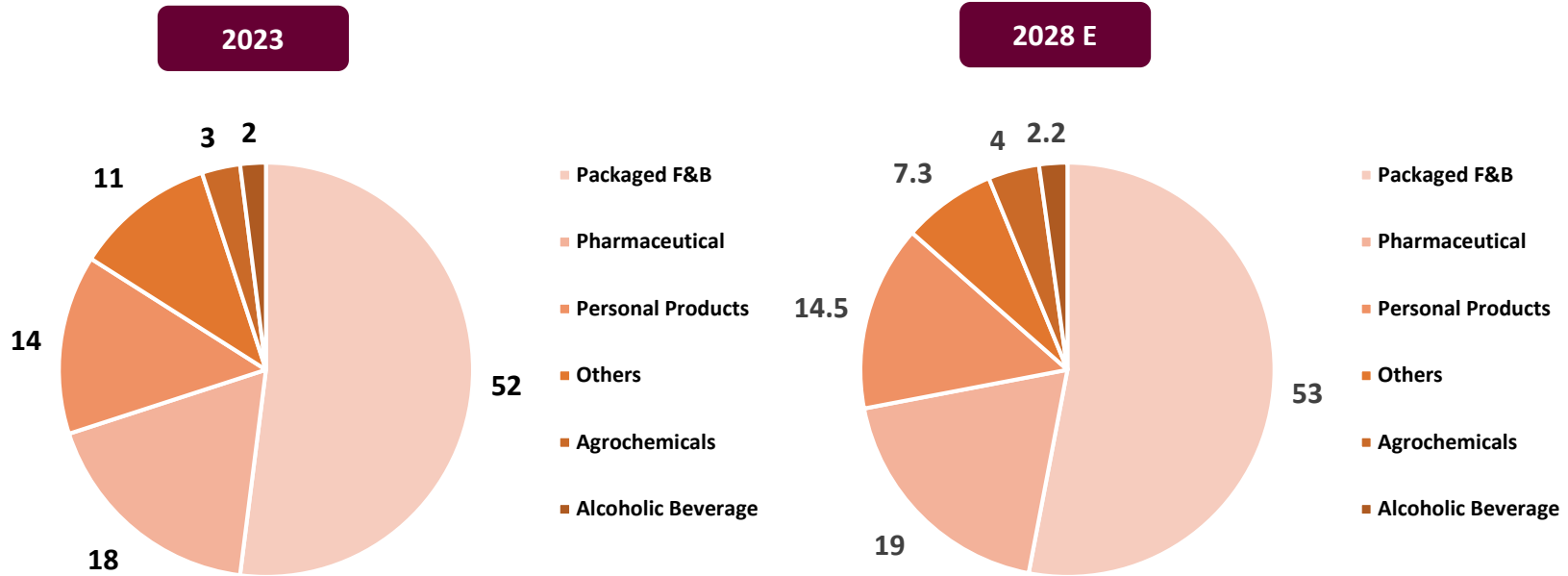
Glass Packaging

- The glass packaging market in India maintains a strong presence, accounting for 13% of the packaging market in FY 2023. Glass is prized for its inert properties, recyclability, and premium image, making it a favored choice in sectors like food and beverage, pharmaceuticals, and cosmetics. However, the glass packaging industry faces increasing challenges
- Rising competition from alternative materials, especially plastic and, in some cases, metal, demands continuous innovation within the glass packaging sector. Additionally, the energy-intensive process of glass production has come under scrutiny as environmental concerns grow

Packaging Industry – Sector Composition % Share

- The Food & Beverages (F&B) segment leads the Indian plastic packaging market, holding a 52.0% share in FY 2023, with expectations to increase to 53.0% by FY 2028. This dominance is driven by the growing demand for packaged and convenience foods, fueled by factors like changing lifestyles, urbanization, and rising disposable incomes in India. The F&B sector encompasses a wide range of products.
- The pharmaceutical segment holds the second-largest share, accounting for 18.0% of the market in FY 2023, with a projected increase to 19.0% by FY 2028. Packaging requirements in this segment are driven by strict regulations and the need for durable packaging that ensures the safety, integrity, and effectiveness of medications and healthcare products. The rising focus on healthcare and the expansion of India's pharmaceutical industry continue to drive demand for packaging solutions in this sector
- The Personal & Home Care segment accounts for 14.0% of the market in FY 2023, with an expected growth to 14.5% by FY 2028. This segment covers packaging for products like cosmetics, skincare, household cleaners, and detergents. The steady market share is driven by sustained demand, bolstered by rising consumer awareness, higher disposable incomes, and a growing preference for branded and premium personal care products in India
- In addition to these key sectors, other categories such as alcoholic beverages, agrochemicals, industrial chemicals, paints and adhesives, automotive products, and electronics together account for the remaining 16% of the market share

Sector Composition % Share - Indian Plastic Packaging Market



Source: Technopak Analysis

Packaging Industry – Growth Drivers (1/2)

E-Commerce Growth and Its Impact on Packaging

The rapid growth of e-commerce in India has greatly increased the demand for packaging materials, such as corrugated boxes, bubble wraps, and parcel tapes. As more consumers turn to online shopping, the e-commerce sector continues to drive the expansion of the paper and packaging industry. Recent forecasts suggest that the Indian carton industry will grow from USD 440 billion in 2024 to over USD 770 billion by 2033, with a CAGR of 5%. This growth is mainly fueled by the e-commerce boom, alongside rising demand from the FMCG and white goods sectors.

Government Initiatives for Sustainability

The Indian government has introduced various initiatives to promote the use of eco-friendly packaging materials and reduce plastic consumption. Policies like the Plastic Waste Management Rules and the "Make in India" initiative have spurred significant investments in sustainable packaging solutions. These efforts have increased the demand for paper-based alternatives, which are considered more environmentally friendly than traditional plastic packaging.

Increasing Awareness of Sustainability

As environmental concerns rise and consumers become more conscious of sustainability, there has been a significant shift towards eco-friendly packaging options. This growing awareness has driven increased demand for paper-based packaging, which offers notable benefits over plastic alternatives, such as biodegradability and recyclability. With consumers prioritizing sustainability in their purchasing choices, the packaging industry is responding by providing more environmentally friendly and sustainable solutions.

Technological Advancements in the Paper and Packaging Industry

Technological advancements have been instrumental in improving the efficiency and quality of products in the paper and packaging industry. Innovations like advanced printing methods, automation in packaging lines, and the creation of new paper grades have enabled manufacturers to better meet the changing demands of consumers and diverse industries. These developments are crucial in supporting the ongoing growth of the sector.

Packaging Industry – Growth Drivers (2/2)

Expansion of FMCG and Retail Sectors

The FMCG and retail sectors are among the biggest consumers of packaging materials. As these industries grow, fueled by factors such as urbanization, changing consumer lifestyles, and rising spending power, the demand for packaging solutions, including paper-based options, is anticipated to increase significantly. Projections suggest robust growth in the sector, with the market expected to expand by USD 15.6 billion over the next five years, reflecting a CAGR of 12.7%. This growth is primarily driven by the rising demand from the FMCG sector.

FDI Investments & Innovations

The government's progressive policies, including allowing 100% FDI through the automatic route, have boosted foreign investments in the packaging sector. From April 2000 to June 2024, FDI inflows into the Paper and Pulp industry reached USD 1.73 billion, reflecting strong investor confidence in India's packaging market. Innovative initiatives like SIG's launch of the first aseptic carton packs in Ahmedabad demonstrate the sector's focus on technological progress and sustainability. With plans to invest USD 106.02 million between 2023 and 2025, SIG highlights the industry's commitment to pioneering solutions.

Packaging Industry – Competition & Strategies Adopted by Industry Players (1/2)

Industry Players

- ITC Limited
- Uflex Limited
- West Coast Paper Mills
- JK Paper Limited
- APPM Limited
- TCPL Packaging Limited
- Ballarpur Industries Limited

Strategies

- Sustainable Practices
- Product Diversification
- Cost Optimization
- Market Expansion
- Customer-Centric Approach
- Digital Transformation
- Quality Assurance and Compliance

Sustainable Practices

Focus on sustainability: Companies are increasingly adopting practices that conserve natural resources while ensuring a steady supply of raw materials. This includes sustainable forestry and environmentally friendly production processes. For example, ITC Limited's Paperboards and Specialty Papers Division has embraced sustainable forestry practices and eco-friendly packaging solutions to reduce its environmental footprint.

Product Diversification

Expanding product portfolios: Companies are expanding their product offerings to meet the diverse needs of various industries and consumers. To stay ahead, they are investing in research and development to create new packaging materials and solutions. For instance, UFlex Limited provides an extensive range of flexible packaging options, such as laminates, tubes, and labels, serving industries like food, pharmaceuticals, and personal care.

Packaging Industry – Competition & Strategies Adopted by Industry Players (2/2)

Cost Optimization

Improving efficiency: Companies are optimizing production processes to reduce costs while enhancing productivity by investing in modern technology and upgrading machinery to improve operational efficiency. West Coast Paper Mills Limited has invested in modernizing its manufacturing facilities to reduce production costs and increase efficiency.

Market Expansion

Exploring new markets: Companies are broadening their reach by entering new domestic and international markets to boost sales and growth. They are also forming strategic partnerships with distributors and retailers to strengthen their distribution networks. For example, JK Paper Limited has successfully expanded its market presence by exporting to more than 40 countries.

Customer-Centric Approach

Customization: Companies are concentrating on understanding and meeting customer needs by providing tailored packaging solutions, along with value-added services like design assistance and technical support to enhance the overall customer experience. For example, International Paper APPM Limited offers customized packaging solutions for a variety of industries, including FMCG, pharmaceuticals, and retail.

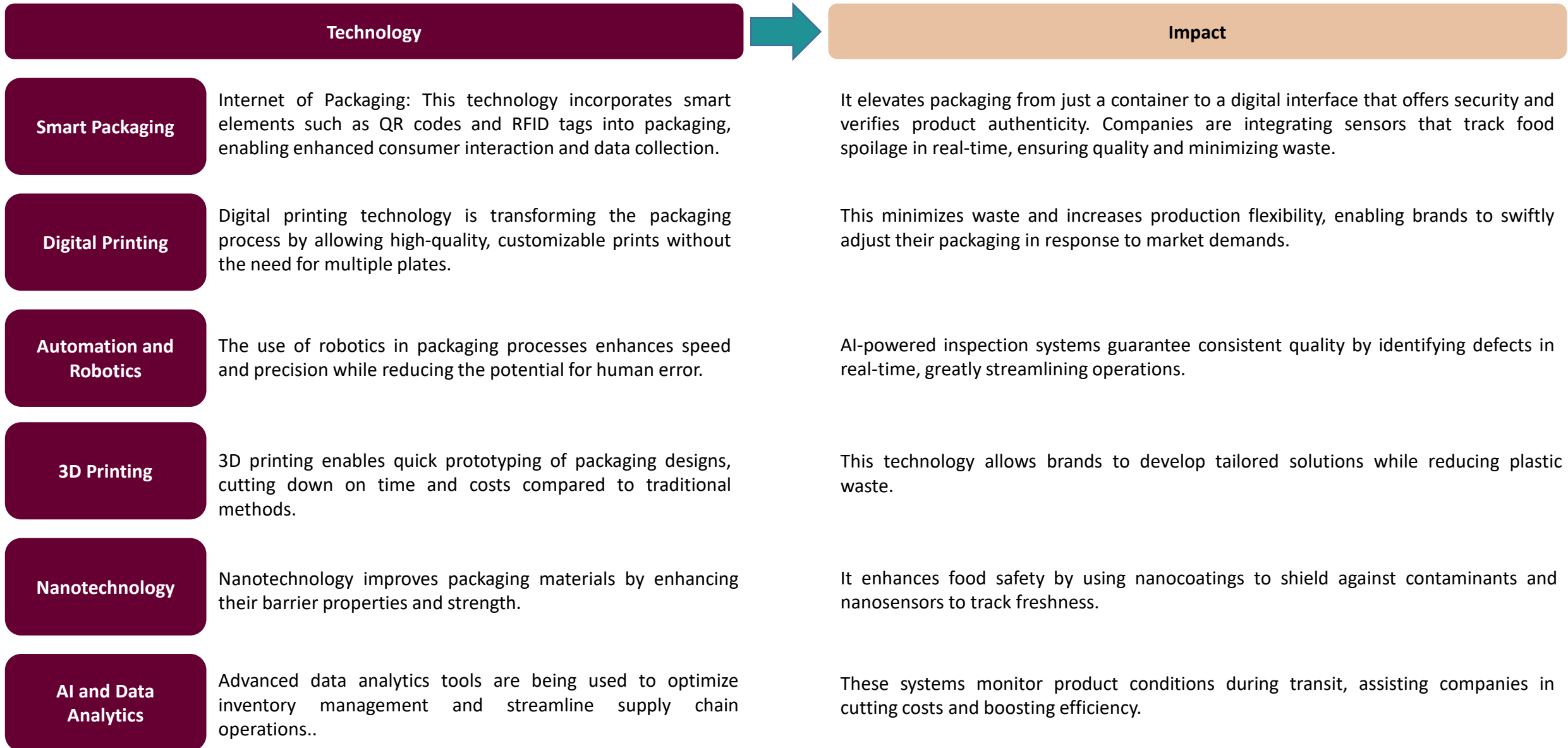
Digital Transformation

Adoption of digital technologies: Companies are adopting technologies to automate processes, manage inventory, and strengthen customer relationships. To enhance customer convenience, digital solutions such as online ordering and tracking are being implemented to improve the overall experience. For instance, TCPL Packaging Limited has integrated digital solutions for order management and inventory tracking, streamlining operations and improving customer service.

Quality Assurance and Compliance

Maintaining product quality: Companies maintain product quality by implementing rigorous quality control measures and adhering to industry standards and regulations. They comply with certifications such as ISO 9001 and FSC to guarantee the reliability and sustainability of their products. Ballarpur Industries Limited upholds strict quality standards and holds certifications like ISO 9001 and FSC for its paper products, ensuring alignment with global best practices.

Packaging Industry – Technology



Packaging Industry – India Opportunity

Growing Market Size

The Indian packaging industry is one of the fastest-growing sectors, driven by increasing consumer demand, urbanization, and e-commerce growth. The sustainable packaging segment within the industry is witnessing significant growth due to rising environmental awareness and regulatory initiatives promoting eco-friendly packaging solutions.

Government Initiatives

The Indian government has introduced several policies and initiatives to encourage sustainable packaging practices. For instance, the Plastic Waste Management Rules 2016 require the use of compostable plastics and promote the adoption of recyclable materials in packaging. Furthermore, initiatives like the Swachh Bharat Abhiyan (Clean India Mission) focus on waste management and environmental sustainability, fostering a supportive regulatory environment for investments in sustainable packaging.

Consumer Awareness and Demand

Indian consumers are becoming increasingly aware of environmental issues and the importance of sustainable products, including packaging. As they become more conscious of their environmental impact, there is a rising demand for eco-friendly and recyclable packaging solutions across industries such as food and beverage, healthcare, and personal care.

Innovative Technologies

Indian companies are investing in the research and development of innovative sustainable packaging technologies. This includes the creation of biodegradable plastics, compostable materials, and alternative packaging solutions made from renewable resources like bamboo, sugarcane bagasse, and bioplastics. These innovations present opportunities for international investors to partner with Indian companies and tap into their expertise in sustainable packaging.

Market Potential

The Indian sustainable packaging market is expected to experience significant growth in the coming years. Market research reports indicate that the market was valued at USD 3.5 billion in 2020 and is projected to reach USD 11.1 billion in 2025, with a CAGR of 26.7%. This strong market potential positions India as an appealing destination for international investment in sustainable packaging solutions.

Supply Chain Opportunities

India presents opportunities for international investors to set up manufacturing facilities and supply chain networks for sustainable packaging materials and products. With a large, skilled labor force and an expanding network of packaging suppliers, India offers a competitive edge for investors seeking to grow their presence in the sustainable packaging market.

Partnership Opportunities

International investors can partner with Indian companies, startups, and research institutions to develop and bring sustainable packaging solutions to market. Joint ventures, technology transfers, and strategic partnerships can foster knowledge sharing and speed up the adoption of innovative sustainable packaging technologies in India.

Packaging Industry – Sustainable Packaging Trends & Innovations

Biodegradable and Compostable Packaging

- Innovations in biodegradable and compostable packaging materials offer alternatives to traditional plastic packaging, reducing environmental impact. According to a report by the Confederation of Indian Industry (CII), the market for biodegradable plastics in India is expected to grow at a CAGR of over 15% between 2020 and 2025

Recyclable Packaging Solutions

- Innovations in recyclable packaging materials and design make it possible to create packaging that is easily recyclable and reusable. The Indian government's focus on Extended Producer Responsibility (EPR) under the Plastic Waste Management Rules (PWM) of 2016 has driven advancements in recyclable packaging solutions

Plant-Based and Renewable Materials

- Using plant-based and renewable materials like bamboo, sugarcane bagasse, and cornstarch for packaging provides sustainable alternatives to traditional materials. A report by Research and Markets indicates that the Indian bioplastics market is expected to grow at a CAGR of over 10% from 2024 to 2026

Smart Packaging Technologies

- Innovations in smart packaging technologies, such as RFID tags, QR codes, and sensors, enhance product traceability, safety, and shelf life. These smart packaging solutions help reduce food waste and boost supply chain efficiency

Water-Based Inks and Coatings

- Adoption of water-based inks and coatings for packaging printing reduces the environmental impact associated with solvent-based alternatives. Water-based inks offer lower VOC

Major Players in Sustainable Packaging

- EcoPack India
- Huhtamaki PPL Limited
- TCPL Packaging Limited
- Essel Propack Limited
- Parksons Packaging Limited
- Paper Boat Packaging

Packaging Industry – Challenges & Risks (1/2)

Economic and Market Conditions

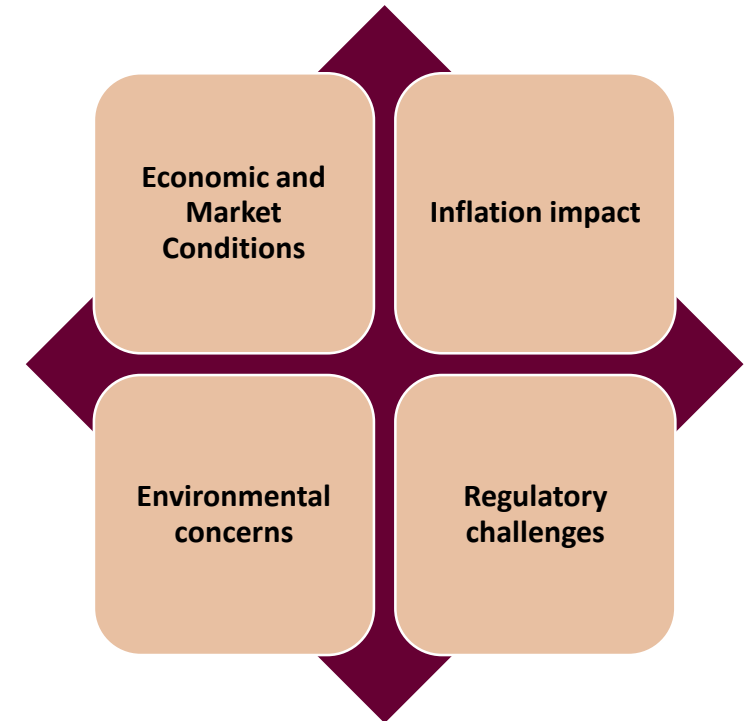
- **Supply shortages and price volatility:** Economic fluctuations and uncertainties have caused occasional shortages and price fluctuations for resins and raw materials. Events such as the Russia-Ukraine conflict have further disrupted global supply chains, intensifying these challenges

Inflation Impact

- **Increased costs:** Inflation, especially in regions like Europe and the U.S., has resulted in increased costs for energy, fuel, and labor. Additionally, interest rate hikes by central banks to combat inflation have raised borrowing costs for companies with variable-rate debts
- **Impact on demand:** Inflationary pressures have impacted consumer demand, resulting in customer destocking during the fiscal year 2024 as both companies and consumers adjust to rising costs

Environmental Concerns

- **Resource usage and pollution:** The packaging industry is under increasing scrutiny regarding the environmental impact of resource consumption, especially with non-biodegradable materials like plastic. The excessive use of paper and plastic has contributed to pollution, habitat destruction, and difficulties in recycling
- **Plastic waste:** Plastic packaging is a major concern due to its long-lasting presence in the environment and its harmful effects on wildlife. While materials like paper, cardboard, and rigid plastics can be recycled, others pose significant challenges for efficient recycling
- **Need for innovation:** These environmental concerns highlight the urgent need for innovation in the packaging industry. Companies must create sustainable, cost-effective packaging solutions that align with the growing demands of environmentally-conscious consumers



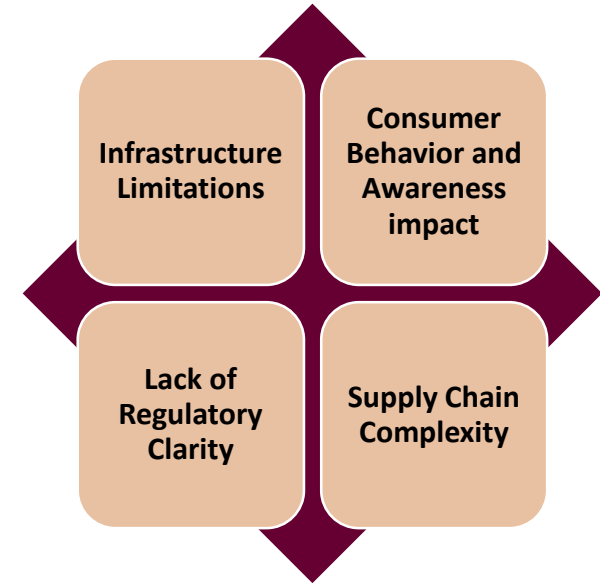
Packaging Industry – Challenges & Risks (2/2)

Regulatory Challenges

- **Adapting to regulations:** As regulatory requirements for packaging materials become stricter, companies must adjust to remain compliant with evolving standards related to safety and environmental impact
- **Cost of compliance:** Complying with these regulatory standards often involves significant investments in research, development, and infrastructure, which adds complexity and increases operational costs
- **Innovation for compliance:** Overcoming these regulatory challenges requires ongoing innovation in packaging solutions to maintain compliance while preserving competitiveness and profitability

Others Challenges & Risks

- **Cost Considerations:** Sustainable packaging materials are typically more expensive than conventional options. Industry reports suggest that the cost of sustainable alternatives can be 20-30% higher than traditional packaging materials, creating a significant barrier for businesses, especially those with narrow profit margins or cost-focused strategies. This added expense can hinder widespread adoption, particularly in industries where price competition is fierce.
- **Infrastructure Limitations:** India faces considerable challenges in the infrastructure needed for waste collection, segregation, and recycling, especially in rural and semi-urban areas where waste management systems are less developed. According to the Central Pollution Control Board (CPCB), around 60% of the plastic waste generated in India is recycled, indicating a significant gap in waste processing capabilities. Enhanced infrastructure is crucial to ensure sustainable packaging is effectively recycled and waste is properly segregated to support this process
- **Consumer Behavior and Awareness:** Although consumer awareness of environmental issues is increasing, behavior remains a significant challenge. Despite a clear concern for sustainability, many consumers continue to prioritize convenience, price, and product functionality over eco-friendliness. Studies indicate that while there is interest in sustainable products, purchasing decisions are often driven by immediate factors like cost and ease of use, rather than long-term environmental considerations
- **Supply Chain Complexity:** The supply chain for sustainable packaging materials is more complex than that of traditional packaging. Many sustainable materials come from renewable, biodegradable, or agricultural sources, which can be affected by seasonal variations, regional availability, and climate-related disruptions. Ensuring a reliable and consistent supply of these materials can be challenging, especially as demand for sustainable packaging increases. Fluctuations in material availability and difficulties in scaling up production could create significant barriers for companies relying on a steady supply of packaging materials



Packaging Industry – Government Policies & Initiatives

Policy/Rule	Description
<ul style="list-style-type: none">• Plastic Waste Management Rules (PWM), 2016	<p>The Plastic Waste Management Rules (PWM), 2016 were introduced by the Ministry of Environment, Forest and Climate Change (MoEFCC) to curb plastic waste and encourage recycling. The rules mandate Extended Producer Responsibility (EPR) for producers, importers, and brand owners, with specific targets for waste collection, segregation, and recycling. States were required to achieve at least 25% plastic waste recycling.</p>
<ul style="list-style-type: none">• Plastic Waste Management (Amendment) Rules, 2018	<p>The Plastic Waste Management (Amendment) Rules, 2018 updated the regulations regarding plastic packaging, including a ban on non-recyclable multi-layered plastic (MLP) packaging within two years. These rules also promote the use of recyclable alternatives.</p>
<ul style="list-style-type: none">• Single-Use Plastics (SUP) Ban	<p>The Single-Use Plastics (SUP) Ban has been enforced by various states and union territories in India, targeting items like plastic bags, cutlery, and straws to combat plastic pollution. Maharashtra implemented this ban starting in June 2018.</p>
<ul style="list-style-type: none">• National Packaging Policy (NPP)	<p>The National Packaging Policy (NPP) is under consideration by the Indian government to address packaging waste. It aims to establish standards for packaging, promote recycling, and encourage the use of eco-friendly materials.</p>
<ul style="list-style-type: none">• EcoMark Certification Scheme	<p>The EcoMark Certification Scheme, introduced by the Bureau of Indian Standards (BIS), certifies environmentally friendly products, including packaging materials, that meet specified environmental and sustainability criteria.</p>

Packaging Industry – Industry Players

Company	Logo	Category	Year Founded	Key Professionals	Revenue (Rs. Crore FY24)	Employees	Overview
Uflex		Packaging Materials- Containers & Packaging	1985	Ashok Chaturvedi (CMD)	6,651.55	7,384	Uflex Ltd. specializes in producing flexible packaging solutions. Its product portfolio includes BOPET films, through which the company manufactures pouches and sachets commonly used in the FMCG sector.
Huhtamaki India		Packaging Materials- Containers & Packaging	1935	Dhananjay Salunkhe (MD)	NA	2,463	The company produces laminated and coated paper, metallized films, and polyethylene films for flexible packaging. In the late 1990s, it expanded into value-added products such as printed labels and cartons.
Cosmo First		Packaging – Films	1981	Ashok Jaipuria (CMD)	2,456.10	1200	Cosmo Films Ltd. specializes in the production of wet laminating, printing and pouching films, label films, soap wrap films, overwrap films, tape and textile films.
Garware Hi Tech Films		Packaging – Plastic Products	1957	S B Garware (CMD)	1,620.37	1,775	Garware Polyester Ltd. specializes in the production of polyester for various industries, such as solar control, packaging, and reprographics.
TCPL Packaging		Packaging Materials- Containers & Packaging	1987	Saket Kanoria (MD)	1,497.80	2,000	TCPL Packaging Ltd. is a leading manufacturer of folding cartons in India, producing packaging for sectors like cigarettes, liquor, food, and FMCG.
PolyPlex		Packaging – Plastic Products	1984	Pranay Kothari (ED & CEO)	1,451.31	2750	Polyplex is one of leading manufacturers and exporters of Biaxially Oriented Polyester film, serving packaging, electrical, and various industrial applications.
Essel Propack Ltd		Packaging – Plastic Products	1982	Anand Kripalu (MD & CEO)	1,359.20	5,300	Essel Propack Ltd. is a specialized packaging company, with products used in oral care, cosmetics, personal care, pharmaceuticals, food, and the industrial sector.
Jindal Poly films		Packaging – Films	1974	Sanjeev Aggarwal (CMD)	1,039.59	581	Jindal Poly Films Ltd is the leading manufacturer of BOPET and BOPP films in India.

Packaging Industry – Key Financial Ratios (Industry)

S. No.	Ratios	Unit	2019 - 20	2020 - 21	2021 - 22	2022 - 23	2023 - 24
1	Debt to equity ratio	Times	0.73	0.59	0.59	0.55	0.58
2	Interest Coverage ratio	Times	3.86	6.63	8	4.23	2.46
3	Debt service coverage ratio (DSCR)	Times	0.74	1.1	1.13	0.7	0.62
4	Net Working Capital	Rs. Million	25,100.20	35,586.30	46,932.50	68,615.70	31,840.90
5	Current Ratio	Times	1.28	1.36	1.41	1.6	1.54
6	PBDITA as % of total income	%	14.94	18.76	16.69	14.4	10.7
7	PAT as a % of total income	%	6.18	9.24	8.68	7.34	3.02
8	Debtors turnover	Times	5.67	5.78	6.69	6.2	5.54
9	Creditors turnover	Times	6.8	6.36	7.2	6.35	6.28
10	PAT as a % of capital employed	%	8.73	12.7	13.49	10.19	3.77

Packaging Industry – Outlook

The food industry is expected to maintain a significant market share in packaging sector

- The Food and Grocery market accounts for nearly 70% of total retail sales. Departmental retail stores in urban areas and unit packaging in rural food markets are expected to be major drivers of flexible packaging in the country over the coming years
- The COVID-19 pandemic led to a significant surge in the online food ordering segment as the country went into lockdown, resulting in a rapid growth of the online food sector and packaged food products. The market for packaged food saw a sharp increase and is projected to reach USD 3.4 billion by 2027. Leading food delivery platforms like Swiggy and Zomato expanded their presence into tier two and tier three cities. Additionally, the demand for containers such as bowls, trays, and other packaging options are likely to grow substantially
- The outlook for India's packaging industry is positive, supported by factors such as the country's expanding population, increasing urbanization, and higher disposable incomes. The rapid growth of e-commerce is driving demand for packaging materials, while a growing emphasis on sustainability is encouraging the industry to develop greener solutions
- Government initiatives and various infrastructure development projects are expected to enhance manufacturing activities and improve supply chain efficiency
- Technological innovations are boosting productivity and quality, while rising export potential presents opportunities for market growth
- Although challenges such as fluctuating raw material prices and competition from alternative materials remain, strategic investments and a focus on sustainability will enable the industry to seize opportunities and strengthen its global market position

Reconnecting with identity and sustainability: The future of packaging in India

- India is a highly diverse country, rich in various cultures, languages, and identities. As consumers increasingly reconnect with their cultural roots, they are seeking products that reflect their identity. In response, local brands and manufacturers are tapping into these preferences through packaging. For example, Aachi Masala Foods, based in Chennai, uses traditional South Indian motifs and vibrant colors in its packaging to appeal to regional sensibilities
- Similar to global trends, there is a growing demand in India for eco-friendly and sustainable packaging materials. Major multinational companies like Coca-Cola, PepsiCo, and Parle Agro have committed to switching to 100% recyclable packaging by 2025 in India, aligning with this shift, Dabur India Ltd announced that it had processed and recycled 35,000 MT of post-consumer plastic waste for reuse in its packaging
- This growing preference for sustainable and recyclable packaging is expected to drive significant growth in the Indian market until 2034. As a result, leading consumer packaging companies in India are likely to focus on integrating more eco-friendly and sustainable materials into their packaging strategies. This shift will help them capitalize on changing consumer preferences and drive profitability

* Views are personal

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