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INDUSTRY OUTLOOK

INDIA'S PACKAGING INDUSTRY: STRUCTURE, TRENDS, AND OUTLOOK

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Overview

The Indian packaging industry is a critical enabler of domestic manufacturing and consumption, supporting sectors ranging from food and beverages to pharmaceuticals to e-commerce, batteries, and industrial goods. In FY 2024, the Indian packaging market was valued at approximately US$ 83.2 billion (approx. ₹6,656.24 billion) and grew at a modest CAGR of about 1.4% between FY 2019 and FY 2024, reflecting a period of input-cost volatility and demand normalisation post-pandemic. Looking ahead, the industry is expected to witness a structural acceleration, with the market projected to expand at a CAGR of 6.68% to reach ₹9,195.36 billion by FY 2029, supported by rising urbanisation, growth in organised retail, increasing penetration of packaged goods, and policy emphasis on food safety and standardisation.[1]

From a material perspective, plastic packaging dominates the Indian packaging market, accounting for roughly 43% of total value in FY 2024, followed by paper and paperboard (about 28%), glass (13%), metal (8%), and other materials such as wood, jute, and cloth.[2]

Plastic packaging has gained prominence due to its superior cost-to-performance ratio, lightweight nature, durability, and versatility across consumer and industrial applications. While paper and paperboard continue to benefit from sustainability trends and strong demand from e-commerce and secondary packaging, glass and metal packaging retain relevance in applications requiring inertness, premium positioning, and extended shelf life. Overall, the Indian packaging industry is increasingly transitioning toward higher value-added, design-led, and regulation-compliant packaging solutions, in line with evolving consumer preferences and global manufacturing standards.

The packaging sector is broadly classified into multiple segments based on material and application, with each category catering to specific end-use industries through specialised, function-driven packaging solutions.

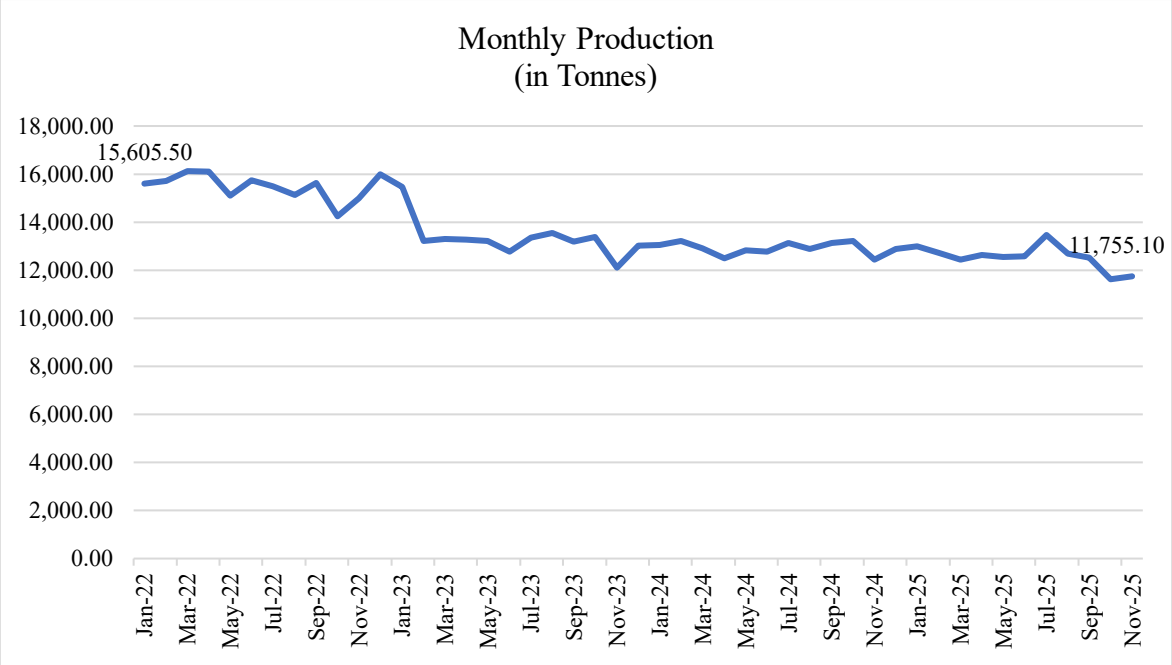
- *Flexible Packaging*: Manufactured using films, foils, and laminates; includes pouches, sachets, and wrappers. Widely used across FMCG, food, beverage, and pharmaceutical sectors due to cost efficiency, lightweight nature, and convenience.
- *Rigid Plastic Packaging*: Produced from materials such as PET, HDPE, and PP; encompasses bottles, jars, and containers catering to food, personal care, pharmaceutical, and chemical industries, offering durability and product protection.
- *Paper & Paperboard Packaging*: Comprises corrugated boxes, folding cartons, and paper bags. Favoured for its recyclability and sustainability, with extensive usage in e-commerce, FMCG, pharmaceuticals, and organized retail.
- *Metal Packaging*: Includes tinplate and aluminium cans, drums, and aerosol containers. Primarily used in food, beverages, and chemicals where strength, barrier properties, and extended shelf life are critical.
- *Glass Packaging*: Provides inert, transparent, and premium packaging solutions. Commonly used in beverages, cosmetics, pharmaceuticals, and specialty food products requiring high purity and aesthetic appeal.
- *Wooden Packaging*: Consists of pallets and crates designed for heavy-duty applications, particularly in industrial logistics and export-oriented shipments.
- *Textile & Jute Packaging*: Covers gunny bags and fabric sacks used mainly in agriculture, retail, and construction, offering sustainable and reusable packaging options.
- *Industrial/Specialty Packaging*: Encompasses bulk bags (FIBCs), valve bags, and intermediate bulk containers (IBCs) used for cement, fertilizers, chemicals, and engineering goods.

- *Biodegradable & Sustainable Packaging*: Developed from compostable, recyclable, or recycled materials; gaining traction across food, retail, cosmetics, and healthcare segments amid rising environmental regulations and sustainability focus.

Demand and Supply

Production of HDPE/LDPE bags and pouches shows a sustained moderation over the period, declining from higher levels in 2022 to a structurally lower range during 2023-25. After remaining elevated through most of 2022, output witnessed a sharp correction in 2023, reflecting weakening demand conditions and increasing regulatory and cost pressures on plastic-based packaging. Production broadly stabilised during 2024 and early 2025, albeit at subdued levels compared to the 2022 peak (see Chart 1).

Chart 1: Production of Bags/ Pouches of HDPE/ LDPE (plastic)



Source: CMIE Industry Outlook

Production of plastic components for packing, closing, bottling articles and electrical fittings remained broadly stable during 2024-25, fluctuating within a range of ₹1,900-2,400 million per month, with a modest uptick visible in late 2024 and again in September 2025. Imports exhibited higher volatility, with notable spikes in March 2024 and March 2025, indicating episodic inventory build-up or dependence on overseas sourcing for specific components. Export performance was relatively steady through most months, though a sharp surge in March 2025 points to one-off large shipments or front-loading of external demand (see Table 1).

Table 1: Production, Imports and Exports of Plastic Components of Packing/ Closing/ Bottling Articles & of Electrical Fittings

Month	*Production*	*Imports*		*Exports*	
		Quantity	Value	Quantity	Value
	₹ million	Tonnes	₹ million	Tonnes	₹ million
Jan-24	1,915	467.6	422	1,637.80	714.8
Feb-24	1,842	486.2	473.4	1,752.90	700.7
Mar-24	1,939	655.5	618.9	2,237.30	896.5
Apr-24	1,998	658.6	571.8	2,036.20	829.2
May-24	2,254	905.4	648.7	1,882.00	772.6
Jun-24	1,999	590	536.5	1,928.60	755
Jul-24	2,055	550.3	602	2,063.70	799.5
Aug-24	2,050	633.5	792.6	1,947.00	818.3
Sep-24	2,379	512.3	527.4	1,741.70	755.1
Oct-24	2,384	727	756.7	2,092.00	845.2
Nov-24	2,188	481.2	508.9	1,630.70	675.2
Dec-24	2,032	519.8	652.3	2,053.70	796.5
Jan-25	1,990	595.4	602.8	1,876.10	815.1
Feb-25	1,967	545	542	1,826.90	796.2
Mar-25	1,991	886.1	828.8	4,225.00	930.4
Apr-25	2,167	699.9	759.4	1,818.50	724.6
May-25	2,168	670	649.7	1,804.30	822.2
Jun-25	2,005	683.4	847	1,720.90	754
Jul-25	1,976	734.8	875.1	2,073.30	860.2
Aug-25	2,109	685.6	684.4	2,209.50	861.4
Sep-25	2,403	635.4	709.2	2,218.20	865.5
Oct-25	2,256	479.2	602.6	2,046.30	800.7
Nov-25	2,099	649.4	727.5	2,266.50	937.3

Source: CMIE Industry Outlook

Production of plastic jars, bottles and containers remained robust during 2024-25, trending upward overall with a notable acceleration in the second half of 2024 and a sharp peak in November 2025, indicating strong underlying domestic demand. Imports showed month-to-month volatility, with occasional spikes suggesting short-term capacity gaps or sourcing of specialised products rather than sustained import dependence. Exports were relatively stable across most months, though a marked surge in March 2025 points to episodic bulk shipments or temporary strengthening of external demand (see Table 2).

Table 2: Production, Imports, Exports and Consumption of Plastic Jars, Bottles and Containers

Month	*Production*	*Imports*	*Imports*	*Exports*	*Exports*
		Quantity	Value	Quantity	Value
	'000 nos.	Tonnes	₹ million	Tonnes	₹ million
Jan-24	194,981.10	703	388.8	980.8	393.4
Feb-24	194,954.80	664.9	360	1,362.60	458
Mar-24	196,720.70	502.8	369.3	1,341.10	526.3
Apr-24	205,210.60	587.9	444.8	1,102.60	479.9
May-24	236,672.10	804.7	368.2	1,206.40	466.2
Jun-24	204,951.10	709.2	429	1,143.40	428.8
Jul-24	215,311.80	713.9	426	1,075.30	408.1
Aug-24	226,467.20	719	442.6	1,130.20	497
Sep-24	244,849.20	569.1	352.8	1,085.70	438.3
Oct-24	237,004.70	663.1	434.2	1,261.10	436.3
Nov-24	216,358.80	501.6	347.2	1,057.10	431.4
Dec-24	228,266.10	563.6	416.4	1,343.00	523.5
Jan-25	242,962.50	963.3	526.6	1,149.00	456.4
Feb-25	240,353.30	617	395.8	1,112.90	452.5
Mar-25	224,758.70	602.7	440.6	2,022.00	531.5
Apr-25	221,936.50	720.4	525.4	1,225.10	485
May-25	234,047.80	748	408.5	1,166.00	447.8
Jun-25	223,370.20	625.4	420	1,314.10	611.1
Jul-25	225,220.90	866	587.8	1,367.50	575.8
Aug-25	223,980.40	696.7	362.8	1,372.10	487
Sep-25	232,218.10	811.1	549.6	1,217.40	445
Oct-25	226,416.80	737.6	462.1	1,266.10	413.8
Nov-25	270,009.10	780.3	496.1	1,223.60	486

Source: CMIE Industry Outlook

Production of woven HDPE plastic sacks showed a declining trend over the period, moderating from an average of about 36-37 million units per month in early 2024 to sub-32 million units through much of mid-2025. After a relatively stable first half of 2024, output contracted sharply during the latter half, reaching a trough in mid-2025, reflecting demand moderation and possible substitution or regulatory pressures. A partial recovery is visible from July 2025 onwards, with production gradually improving into November 2025 (see Table 3).

Table 3: Production of Sacks of Plastic/ Woven HDPE

Month	Production ('000 nos)
Jan-24	37,426.80
Feb-24	37,103.20
Mar-24	36,978.40
Apr-24	34,883.30
May-24	37,406.80
Jun-24	35,619.70
Jul-24	33,213.70
Aug-24	29,071.20
Sep-24	30,024.40
Oct-24	34,881.60
Nov-24	33,533.50
Dec-24	34,989.80
Jan-25	36,277.80
Feb-25	31,668.10
Mar-25	29,342.20
Apr-25	28,966.40
May-25	27,495.60
Jun-25	27,729.00
Jul-25	31,369.30
Aug-25	32,391.00
Sep-25	31,804.50
Oct-25	33,007.40
Nov-25	34,707.10

Source: CMIE Industry Outlook

WPI indices for plastic packaging goods indicate modest but persistent price pressures during 2024-25, with divergent trends across product categories. Plastic bags and boxes/containers recorded a gradual upward bias, reflecting relatively firmer input costs and steady downstream demand, while plastic bottles remained largely range-bound, suggesting competitive pricing and better cost pass-through. Plastic tapes exhibited comparatively higher volatility, peaking in mid-2024 and mid-2025, indicative of sensitivity to polymer price movements (see Table 4).

Table 4: WPI: Plastic Packaging Goods: Base Year 2011-12 (Index Numbers)

Month	Plastic bag	Plastic bottle	Plastic box/container	Plastic tape	Plastic tank
Jan-24	134.1	109.3	146.8	126.9	131.1
Feb-24	134.1	108.7	149	128.1	130.4
Mar-24	134.1	110.2	151.8	132	131.6
Apr-24	135.7	109.8	152.6	132.8	133.4
May-24	135.7	109.4	154.4	129.3	133.4
Jun-24	136.2	111.5	152.7	134.5	132.2
Jul-24	136	111.1	151.7	137.5	132.9
Aug-24	137	111	152.1	136.5	132
Sep-24	136.3	112.9	152.7	134.5	131.6
Oct-24	136.7	111.9	154.4	131.3	132.5
Nov-24	136.2	111.9	152.9	131.2	131.7
Dec-24	135.4	111	154.8	131	132.6
Jan-25	136.5	109	155.2	133.2	132.3
Feb-25	137.9	108.7	156.2	130.8	132.3
Mar-25	137.8	108.9	154.9	133	133.2
Apr-25	137.7	108	156	134.9	133.8
May-25	138.9	108.6	155.2	133.7	133.6
Jun-25	137.8	108.4	155	136.1	134.2
Jul-25	137.7	107.8	154.6	136.5	134
Aug-25	139.4	107.8	154.2	135.2	132.5
Sep-25	138.4	108.8	153.8	134.2	132.6
Oct-25	137.2	108	153.8	133.4	132
Nov-25	135.5	108.4	153.8	134.2	131.8
Dec-25	136.2	108.9	152.5	132.7	132.5

Source: CMIE Industry Outlook

Pharmaceutical Packaging Industry in India

Pharmaceutical packaging constitutes a strategically important segment within the Indian packaging industry, driven by India's position as one of the world's largest producers and exporters of pharmaceuticals. The sector relies heavily on rigid plastic, glass, and paperboard packaging formats to ensure product safety, regulatory compliance, and shelf-life integrity. Rigid plastic packaging manufactured using materials such as HDPE, PET, PP, and PVC is widely used for bottles, containers, closures, and secondary packs owing to its strength, chemical resistance, and ease of handling across the pharmaceutical supply chain. Glass packaging, despite competitive pressure from plastics, continues to play a critical role in primary pharmaceutical applications due to its inert properties and suitability for sensitive formulations.

The report highlights pharmaceuticals as a key end-use industry driving demand within both consumer rigid plastic packaging and paperboard packaging, supported by rising domestic healthcare consumption, export-oriented drug manufacturing, and stricter quality and traceability requirements. Growth in regulated and temperature-sensitive drug categories has also increased demand for standardised, high-precision packaging solutions that meet domestic and international norms. As India's pharmaceutical industry continues to expand in scale and complexity, pharmaceutical packaging is expected to remain a stable, high-value growth segment within the broader packaging ecosystem, benefiting from technological upgrades, organised sector participation, and increasing emphasis on compliance and product integrity.

Pharmaceutical Packaging Industry Outlook

India's pharmaceutical packaging industry represents a fast-growing and strategically critical segment within the broader packaging ecosystem, valued at US$ 4.68 billion in 2024 and projected to reach US$ 7.49 billion by 2030, growing at a robust CAGR of about 8-9% during 2025-30. Growth is anchored in India's position as a global pharmaceutical powerhouse accounting for 13% of global pharma output, 20% of generic drug volumes, and 60% of global vaccine supply with pharmaceutical exports touching US$ 27.8 billion in FY24. Plastics and polymers dominate packaging demand due to their cost efficiency, scalability, and versatility, while West India leads the market, supported by strong pharma manufacturing clusters and export infrastructure. Rising healthcare expenditure, stricter regulatory and serialization norms, expanding biologics and vaccine production, and rapid adoption of smart, sustainable, and anti-counterfeiting packaging solutions are structurally strengthening long-term demand, positioning pharmaceutical packaging as one of the most dynamic segments of India's packaging industry.[3]

From a structural perspective, primary packaging materials in direct contact with medicines dominate the landscape with a 59.60% revenue share, driven by rigid safety mandates and serialization rules. Within this segment, plastics and polymers maintain the largest share at 52.52%, valued for their cost-effectiveness and versatility, while bottles lead as the top product type with a 24.58% share. Emerging segments like pre-fillable syringes are growing rapidly at an 8.29% CAGR due to the rise in biologics and multi-dose injection therapies. Furthermore, contract packaging organizations (CPOs) are becoming major growth engines, expanding at a 9.55% CAGR as pharmaceutical giants increasingly outsource non-core compliance and packaging activities.

Sustainability regulations are a defining force in 2026, as the Extended Producer Responsibility (EPR) framework now mandates at least 30% recycled content in rigid packaging formats. Looking ahead, this requirement is set to double to 60% by 2027-28, compelling a massive shift toward post-consumer recycled (PCR) resins and bio-based polymers, which are seeing a 9.65% CAGR. On the technological front, manufacturers are integrating Industry 4.0 tools, such as AI-driven vision systems capable of detecting particulates as small as 10 microns, to ensure export-grade quality while cutting labour costs. These advancements, combined with the 9.45% CAGR of the e-pharmacy sector, are driving the development of specialized, tamper-evident packaging for a domestic market where over 20% of the population now suffers from at least one chronic disease.

Key Player (Pharma Packaging) Financial Overview (FY 2025)

Company Name	Type	Revenue (FY25)	Net Profit (FY25)
UFlex Limited	Domestic	**₹15,211 Cr**	**₹142 Cr**
Cosmo First	Domestic	**₹2,895 Cr**	**₹133 Cr**
Manjushree Technopack	Domestic	**₹2,580 Cr**	**₹265 Cr**
Bilcare Limited	Domestic	**₹788 Cr**	**₹-56 Cr**
Amcor Plc	International	**$15.01 B**	Not specified
Gerresheimer AG	International	**€2.18 B**	Not specified
West Pharmaceutical Services	International	**$2.96 B**	Not specified

Source: Equity Master

Company Insights

- ✓ **UFlex Limited:** A major domestic flexible packaging multinational that saw revenue increase by **12.4%** in FY25, though net profit margins remain tight.
- ✓ **Cosmo First:** Experienced significant growth in net profit in FY25, rising by **114.5%** year-over-year, indicating strong operational recovery.

- ✓ **Manjushree Technopack:** A leader in rigid plastic packaging, the company reported substantial profit largely due to an exceptional gain from the conversion of financial liabilities into equity shares.
- ✓ **Bilcare Limited:** This company reported a net loss in FY25, though revenues showed a slight increase from the previous fiscal year.
- ✓ **International Players:** Global giants like **Amcor**, **Gerresheimer**, and **West Pharmaceutical Services** have significant Indian operations and dominate high-value segments like pre-fillable syringes and specialized glass vials for biologics. West Pharmaceutical Services recorded a TTM (trailing twelve months) revenue of **$3.02 billion** as of September 2025.

Key Financials of Overall Packaging Industry in India

Packaging Industry – Industry Players FY 2024						
Company	**Category**	**Year Founded**	**Key Professionals**	**Revenue (₹ Crore, FY24)**	**Employees**	**Overview**
Uflex Ltd	Packaging Materials – Containers & Packaging	1985	Ashok Chaturvedi (CMD)	6,651.55	7,384	Specializes in flexible packaging solutions including BOPET films, pouches, and sachets primarily used in the FMCG sector
Huhtamaki India	Packaging Materials – Containers & Packaging	1935	Dhananjay Salunkhe (MD)	NA	2,463	Manufactures laminated and coated paper, metallized films, and polyethylene films; expanded into printed labels and cartons
Cosmo First	Packaging – Films	1981	Ashok Jaipuria (CMD)	2,456.10	1,200	Produces wet laminating, printing, pouching, label, soap wrap, and overwrap films
Garware Hi-Tech Films	Packaging – Plastic Products	1957	S. B. Garware (CMD)	1,620.37	1,775	Manufactures polyester films for packaging, solar control, and reprographics
TCPL Packaging Ltd	Packaging Materials – Containers & Packaging	1987	Saket Kanoria (MD)	1,497.80	2,000	Leading folding carton manufacturer serving cigarettes, liquor, food, and FMCG sectors
Polyplex	Packaging – Plastic Products	1984	Pranay Kothari (ED & CEO)	1,451.31	2,750	Manufacturer and exporter of BOPET films for packaging, electrical, and industrial uses

Essel Propack Ltd	Packaging – Plastic Products	1982	Anand Kripalu (MD & CEO)	1,359.20	5,300	Specializes in packaging for oral care, cosmetics, pharmaceuticals, food, and industrial sectors
Jindal Poly Films	Packaging – Films	1974	Sanjeev Aggarwal (CMD)	1,039.59	581	Leading Indian manufacturer of BOPET and BOPP films

Packaging Industry – Key Financial Ratios (Industry)

S. No.	Ratio	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	₹ 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 % 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 % of Capital Employed	%	8.73	12.7	13.49	10.19	3.77

Regulatory Frameworks

The Indian packaging industry operates within an increasingly comprehensive regulatory framework aimed at balancing sectoral growth with environmental sustainability, product safety, and global compliance. Key regulations include the Plastic Waste Management (Amendment) Rules, 2023, and the forthcoming Extended Producer Responsibility (EPR) for Packaging Rules, effective April 2026, which mandate producers, importers, and brand owners to manage the full life cycle of packaging, including collection, recycling, and disposal. The National Packaging Initiative (2021) provides strategic direction through standardisation of packaging design, promotion of recycling infrastructure, material recovery facilities (MRFs), and skill development.[4]

Sector-specific norms such as food safety regulations, pharmaceutical serialization and traceability requirements, and export compliance aligned with international standards are further strengthening quality and transparency across the value chain. Complementary policy support through simplified GST rates, MSME subsidies, export credit availability, and state-level incentives is facilitating industry modernization while reinforcing sustainability objectives.

Challenges

Despite strong medium-term growth prospects, the Indian packaging industry faces several structural and operational challenges. Volatility in raw material prices particularly polymers, kraft paper, aluminium, and energy inputs continues to exert pressure on margins, especially in price-sensitive segments. Compliance with evolving environmental regulations, including bans on certain single-use plastics and higher recycled content mandates, has increased capital and operating costs, particularly for MSMEs with limited financial flexibility. The supply chain for sustainable packaging materials remains underdeveloped, with eco-friendly alternatives typically 20-30% costlier and exposed to seasonal and climatic risks. Additionally, logistics inefficiencies and high transportation costs constrain competitiveness, while recent global trade disruptions and tariffs on packaging materials have added uncertainty to export-oriented players. Balancing cost efficiency, regulatory compliance, and sustainability transition therefore remains a key challenge for ensuring long-term resilience and global competitiveness of the sector.

Concluding Observations

The Indian packaging industry is transitioning from a phase of post-pandemic moderation to one of structurally stronger, value-led growth, supported by rising consumption, export-oriented manufacturing, and tighter regulatory frameworks. While segments such as commodity plastic packaging (HDPE/LDPE bags and woven sacks) have witnessed volume moderation due to regulatory pressures and substitution, higher value rigid packaging formats particularly jars, bottles, containers, and pharmaceutical applications continue to demonstrate resilience and growth. The pharmaceutical packaging segment stands out as a key growth engine, benefiting from India's global leadership in generic drugs and vaccines, rising healthcare expenditure, stricter compliance norms, and rapid adoption of smart, sustainable, and anti-counterfeiting packaging solutions. Going forward, industry growth will be increasingly driven by technology adoption, sustainability mandates such as EPR, and the shift toward organised, compliance-driven manufacturing, positioning packaging especially pharma packaging as a strategic enabler of India's manufacturing and export ambitions.

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