

Market for packaging machinery in India

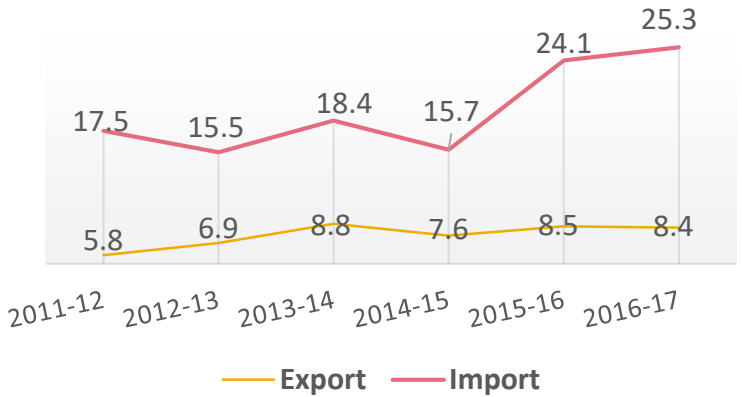
- Market for packaging machinery in India has expanded spurred by the rapid growth in consumer markets
- Processed food, personal care and pharma are the large end use applications for packaging
- Per capita consumption of packaging in India is low at around 4.2 kg reflecting a growing demand for advanced packaging technologies and packaging machinery
- A significant number of manufacturers are located in western India
- Machinery for stand-up pouches, laminated tubes and aseptic packaging of beverages are witnessing growth

Number of manufacturers	> 600
Market size (INR billion)	INR 100 – 125 billion
Growth rate	18-20% p.a
Key machinery	Form Fill Seal machine (FFS), fillers, pillow packing, blister packing, capsule filling, tube filling, bottle filling, capping, sleeving, strapping, cartooning

Source: MCG estimates

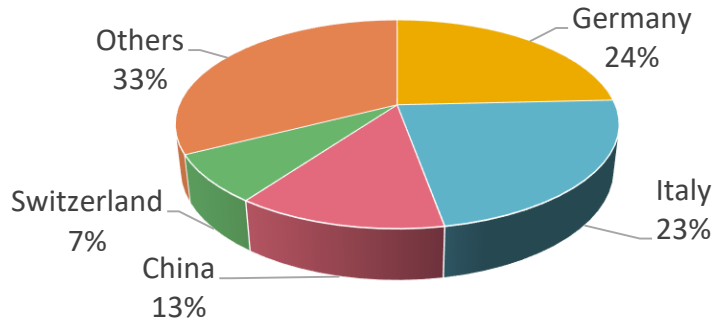
- FFS is the leading category of packaging machinery and has grown with the expansion of flexible packaging markets
- Domestic manufacturers have capability to manufacture FFS machinery for most applications
- The recent advancements in flexible packaging such as stand-up pouches, re-closable pouches and pouches with spouts have opened the market for newer types of flexible packaging machinery
- Import of packaging machinery have expanded at 7.7% since 2011-12; total imports under key categories was valued at around INR 25 billion in 2016-17

Packaging machinery: Trends in trade 2011-12 to 2016-17 (INR Billion)



Source: Ministry of Commerce, Government of India
 HSCodes- 842230 - Machinery for filling, sealing, or labeling bottles, cans, boxes, bags or other containers. 842240- Other packing or wrapping machinery (including heat shrink wrapping machinery)

Import: Break up by key countries, 2016-17
 Total: INR 25.3 billion



Source: Ministry of Commerce, Government of India

- Germany, Italy and Switzerland are leading European sources; imports from China & Taiwan have grown at a fast clip
- Total export of packaging machinery stood at INR 8.4 billion in 2016-17 and has grown moderately over the recent years
- Leading domestic manufacturers of packing machinery include Nichrome, Samarpan, Mamata Machinery, IPN India
- Multinational players such as Bosch, ITW, Hassia and Mespack have set up facilities to target domestic market as well as export potential