

Packaging

Industry Code (as per CMIE Prowess): 0101012045100000'

June 2022

Overall Industry Risk Score: **11/20 | Marginally Favourable**

Sample Size: 30 Companies


Median Rating Value of sample size: BBB+

Individual Parameters Contributing to the Score

Demand & Supply Balance  **8/20**

Moderate Over Supply

The demand had seen a negative impact due to the economic slowdown and thereafter the spread of the pandemic. As per CMIE data, the industry reported y-o-y 7.3% growth in sales from Rs.21.6 billion for March 2021 quarter to Rs.23.2 billion for March 2022 quarter. The recovery in demand is likely over the near term based on offtake from user sector.

Extent of Competition  **12/20**

Neutral

The industry is fragmented with usually modest scale of operations and high competitive intensity.

Regulatory Risk  **12/20**

Stable Regulatory environment

The regulations governing use of plastic and plastic packaging will continue to influence the operating metrics of the players.

Input Related Risk



12/20

Largely predictable supply of inputs from diversified sources or Raw Materials with rare, occasional disruptions / fairly predictable price band

Input costs are susceptible to crude oil and polymer price volatility.