

Plastic Films & Flexible Packaging

Industry Code (as per CMIE Prowess): 0101012045050000'

June 2022

Overall Industry Risk Score: **13/20 | Marginally Favourable**

Sample Size: 15 Companies

Median Rating Value of sample size: A-

Individual Parameters Contributing to the Score

Demand & Supply Balance  **16/20**

Moderate Demand

The demand was partly impacted in the first half of FY21 but showed improvement in the second half. As per CMIE data, the industry reported y-o-y 34.7% growth in sales from Rs.45.7 billion for March 2021 quarter to Rs.61.5 billion for March 2022 quarter. In FY22, the exports value increased by 31.4% to Rs.137.3 billion as compared to Rs.104.4 billion for FY21. The growth prospects of the flexible packaging sector are strong over the medium term.

Extent of Competition  **12/20**

Neutral

Due to fragmented industry, level of competition is intense. Also risk of imports.

Regulatory Risk



12/20

Predictable Regulatory environment

The demand for packaging across various product categories is high. Government policies on domestic manufacture is expected to be supportive for the sector.

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 remain highly volatile and linked to oil prices but inputs are available easily.