



HINDUSTAN TIN WORKS LTD.



# **Metal Container Manufacturers' Association (MCMA)**

**CanTech The Grand Tour 2020  
18<sup>th</sup> February 2020 – New Delhi**

**An overview of Metal Packaging in India**

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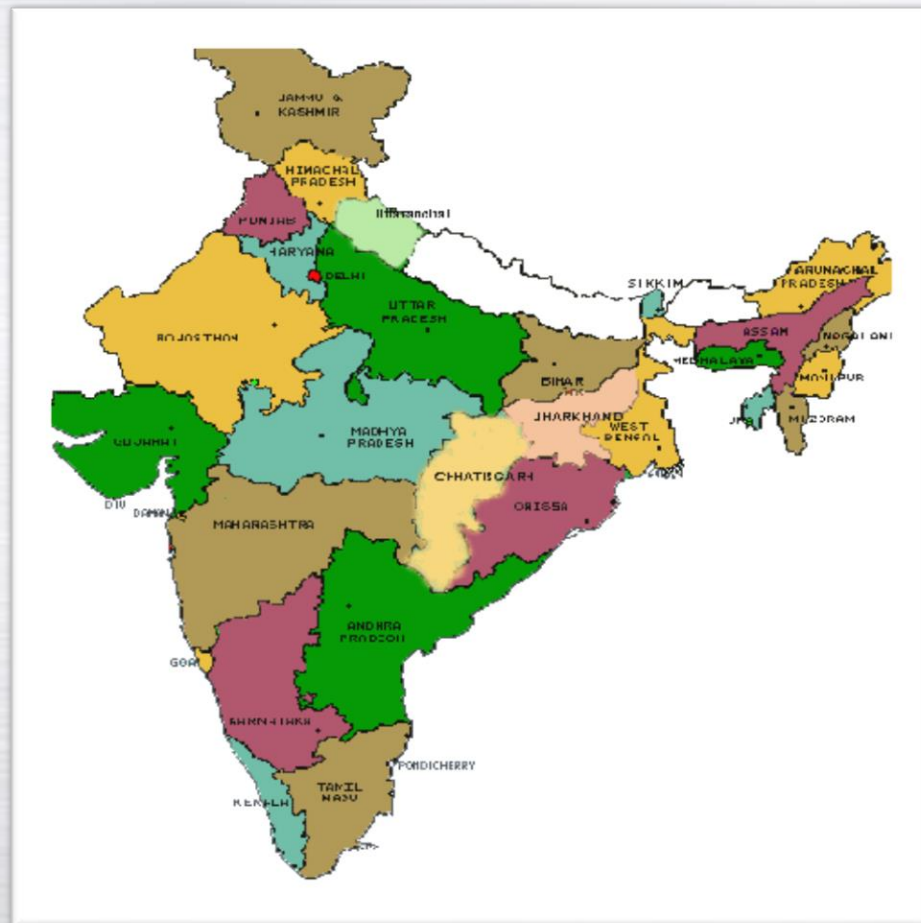
**Managing Director  
Hindustan Tin Works Ltd**



- India**
- Metal Container Manufacturers' Association (MCMA)**
- Hindustan Tin Works Ltd**
- Packaging industry**
- Metal Packaging**



- **7<sup>TH</sup> LARGEST COUNTRY OF THE WORLD.**
- **2<sup>ND</sup> MOST POPULOUS COUNTRY**
- **3<sup>rd</sup> LARGEST CONTRIBUTOR TO GLOBAL GROWTH**





## India – Yesterday, Today and Tomorrow

Year	Population (Million)	Population age 15-64 (%of total population)	Urban population of India in million	India's GDP at current prices (US\$ billion)	India's GDP ranking in the world
1991	891	58	230	275	16
2011	1250	61%	391	1823	10
2019	1352	67	460	2936	5
2024 (Estimate)	1443	68	500	4632	5

Source PHD Research Bureau, compiled from various sources/Data pertains to world bank and IMF, GDP at current prices rankings by IMF Database.



# India

- **Fundamentals of Indian economy are strong and progressing with the goal to achieve USD 5 Trillion economy by 2024-25**
- **India's average GDP growth in the last 5 years stood at 7.5% and the projected GDP growth rate is 7% in 2020-21.**
- **The dynamic reforms undertaken by the Government for enhancing manufacturing competitiveness, exports growth and ease of doing business to boost the sentiments of the businesses**
- **India's rank of Ease of Doing Business among 190 countries has come down from 77 to 63.**
- **Significant cut in corporate tax rate from more than 30% to effective rate of 25.17% and 17.1% for the new manufacturing units.**



## **Metal Container Manufacturers Association (MCMA)**

- **Industry's voice for policy change**
- **Promote Metal Packaging industry in India**
- **Bringing awareness about sustainability and recyclability of Metal packaging to all stake holders**



## Hindustan Tin Works Ltd (HTW)

- **One of the leading 3 pc Metal Can and component manufacturers in India**
- **Completed 60 years of Can making**
- **Listed on Bombay Stock Exchange –**
- **9000 + Shareholders**
- **Export of components to about 30 countries in Middle East, Europe, Africa, USA, Australia etc.**
- **Recognized by Indian Government as Star Export House**
- **Recipient of various National & International Awards for its products – Cantech, Canmaker, International Packaging Association (IPA), Indian Institute of Packaging (IIP), Engineering Export Promotion Council, Government of India.**



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# HTW Plant



**Spreads over 10 acres (40468 sq. mtr)**





HINDUSTAN TIN WORKS LTD.



# HTW Product Range





# HINDUSTAN TIN WORKS LIMITED

[www.hindustantin.biz](http://www.hindustantin.biz)

## BRANDS THAT CAN...



and  
many  
more....



HINDUSTAN TIN WORKS LTD.



# Packaging Industry

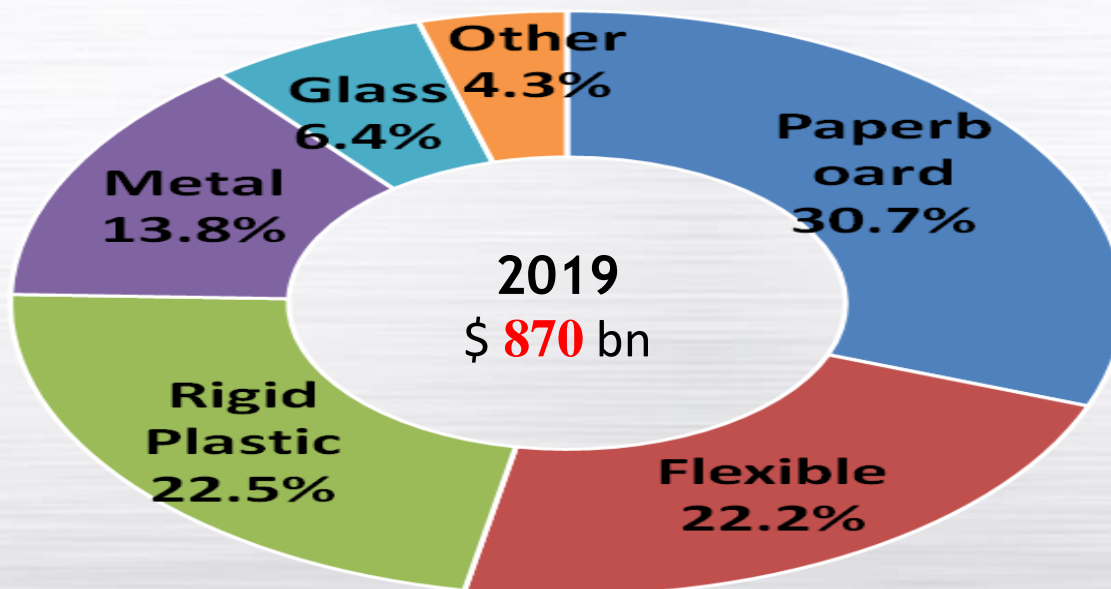


## Packaging Scenario

- **Packaging is One of the world's largest & diverse manufacturing sectors**
- **Value of global packaging market > \$ 870 billion**
- **Growth rate- 3-4% pa**
- **Asia-pacific – world's 3rd largest packaging market & Growing @ over 5-6%**

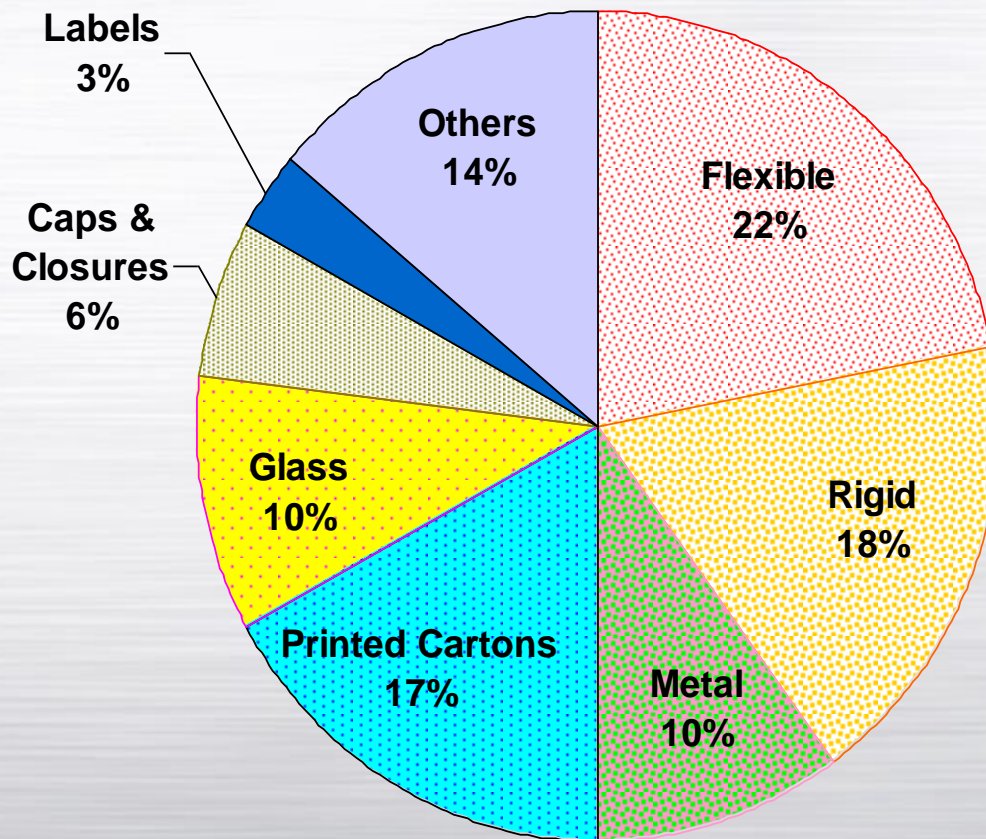


# Global Packaging Market on the basis of material





## Indian Packaging Industry Packaging Material break down



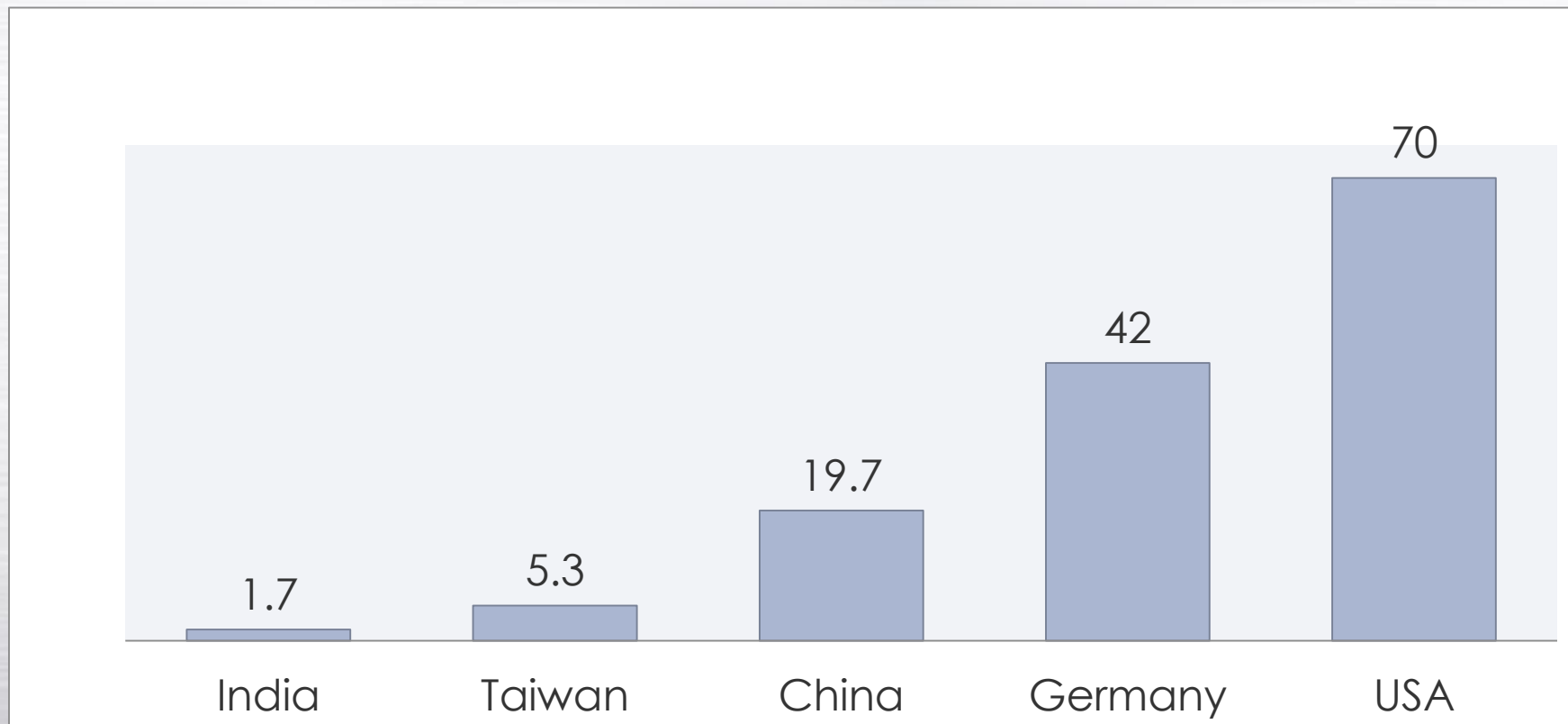


# Indian Packaging

- After several decades of pedestrian growth and total pre-occupation with cost reduction, the Indian packaging market has begun to move out of the shadows.
- Within the industry, consumer packaging, with a 54% market share, is ahead of its bulk packaging counterpart.
- Compared to many developed countries and developing economies like China the per capita consumption of metal packaging in India is extremely low.



## Per capita consumption of packaging (kgs)







- Growth in the packaging sector in India has been ahead of the nation's GDP growth.
- Indian consumer packaging market is estimated at around US\$ 13.2 bn (INR 930 bn) in 2018-19 growing at an annual rate of about 11%
- Several multinational players have entered the sector through setting up direct subsidiaries or through JVs and acquisitions of domestic firms.
- Percentage of branded and well packaged products is still small in some categories such as staples.
- In the case of horticultural products, a significant percentage of the country's production is wasted between the farm and the retail outlet owing to poor distribution systems, lack of cold chains and inadequate logistics.



- Indian packaging industry constitutes 4% of the global packaging industry with 32 billion USD with growth @ 11-12% per annum.
- Fourth-largest packaging market in the world
- Indian plastic packaging industry -growing @ 20-23 % Flexible packaging is expected to grow at 25 % p.a.
- CFB Box Packaging - growing @15-18 % per year.
- Indian Metal Packaging.....
- 50% Polymer consumed in India is for packaging applications



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# Metal Packaging Industry



## **Metal Packaging Industry – A come back story**

- **This is a story about hope and despair.....about success and failure.....This is a story with a happy ending.**
- **It started so well .....1970s**
- **Edible oil & Ghee, Motor Oil, Paints & Food**
- **Major industry players**
  - **Metal Box, Poysha, Zenith Tin**



## Major losses to the industry

- **Edible oil and ghee consumer pack shifted to plastic**
- **Motor oil shifted to plastic**
- **Water based paints moved to plastic**
- **Mango pulp majorly shifting to aseptic**
- **RTE Food moved to Retort pouches**
- **Baby food and nutrition powder moving to Bag in a Box**



- **Despite all these challenges  
Metal packaging industry of India  
has witnessed a major come back**



## Major industry players

- HTW, Kaira Can, Shetron and few others have become dominant players in the market with sustainable businesses
- 3 pc Metal Can market close to US\$ 1 bn
- Ball India (erstwhile Rexam-HTW) and Can Pack India have invested in 2 pc aluminium Can segment and have grown the Beverage Can market from 50 mill. Cans in 2007 to over 2 billion cans in 2019.



## Some of the major Can users in India

- Nestle
- Heinz
- Unilever
- Tata
- Coffee
- Danone-
- Nutricia
- Mondelez-
- Cadbury
- SAB
- UB
- Inbev
- Heineken
- Carlsberg
- Coca-Cola
- Pepsi
- Asian Paints
- Akzo Nobel
- Berger
- Cargill
- Godrej
- Reckitt





# Usage across segment

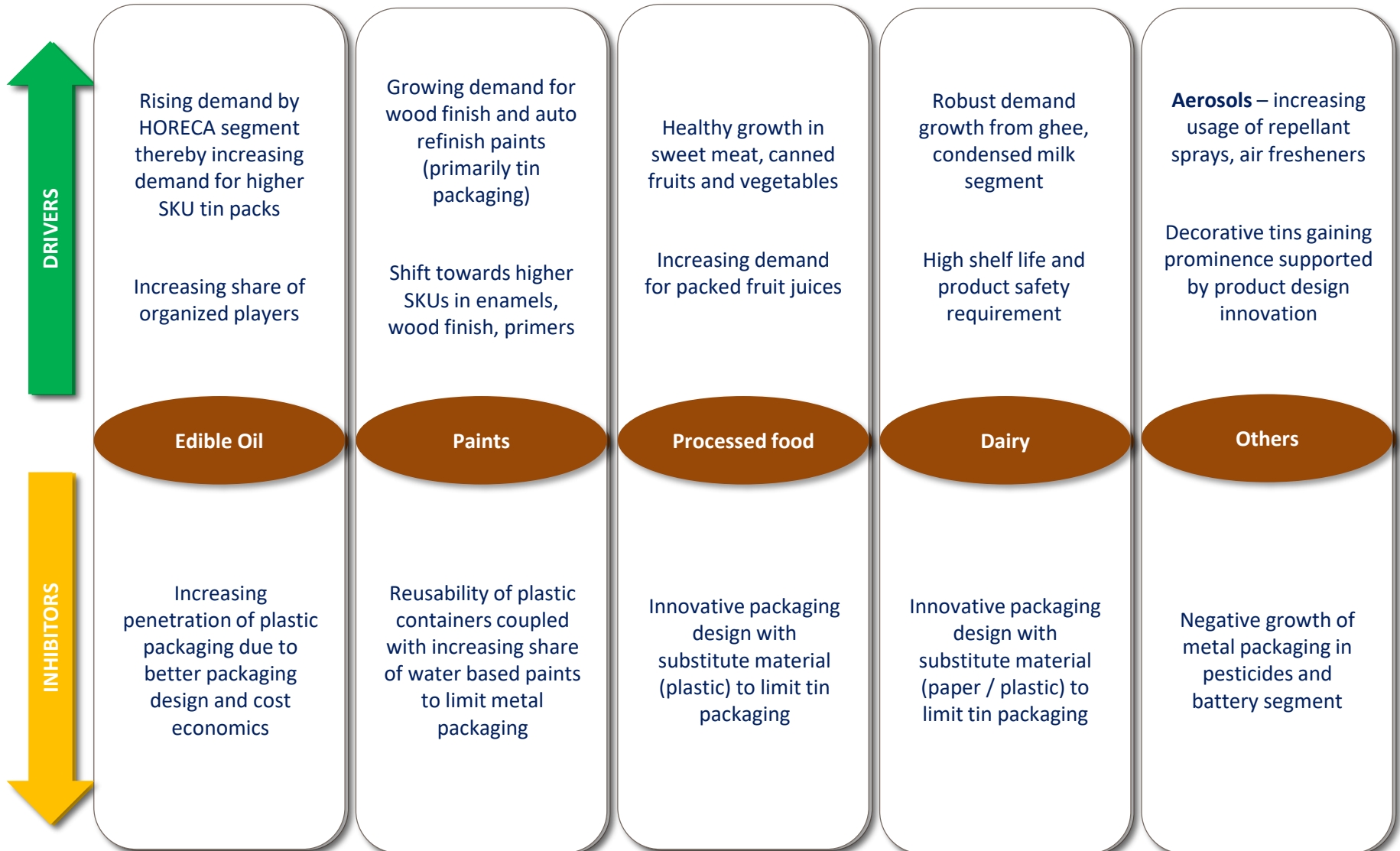
- **Food and beverage are the leading consumer applications of rigid metal packaging**
- **Within the food sector, fish, meat and processed fruits & vegetables are the major end-user segments along with Dairy products.**
- **Beer, carbonated soft drinks, sports drinks and fruit juices constitute the beverage sector**
- **Other end uses include paints, pet food, aerosols for personal and home care, etc.**
- **Caps & closures is yet another major area for metal packaging**



# Supply of tinplate in India:

- **Tinplate Company of India Limited (TCIL) is the leading player in the Domestic tinplate sector with an installed capacity of 379,000 tons per annum.**
- **The other player, JSW Steel has an installed capacity of 100,000 tons per annum**
- **JSW has further invested about US\$ 82 mn in building 200,000 ton tinplate mill in western India**
- **They also propose to enhance this capacity to 600,000 tons pa including 100,000 tons in Punjab.**
- **Total usage of tinplate in India stood at around 650,000 tons and it imports about 250,000 tons tinplate per year.**

# Tinplate demand growth drivers and inhibitors across sectors



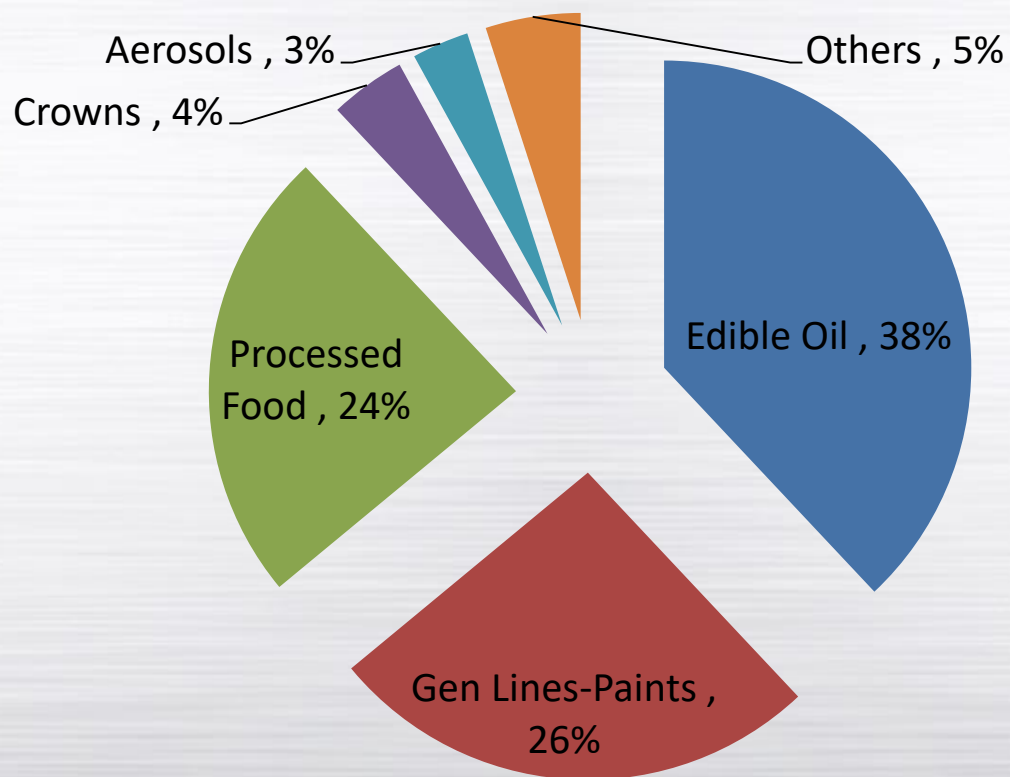


# Tinplate Market Size & Growth

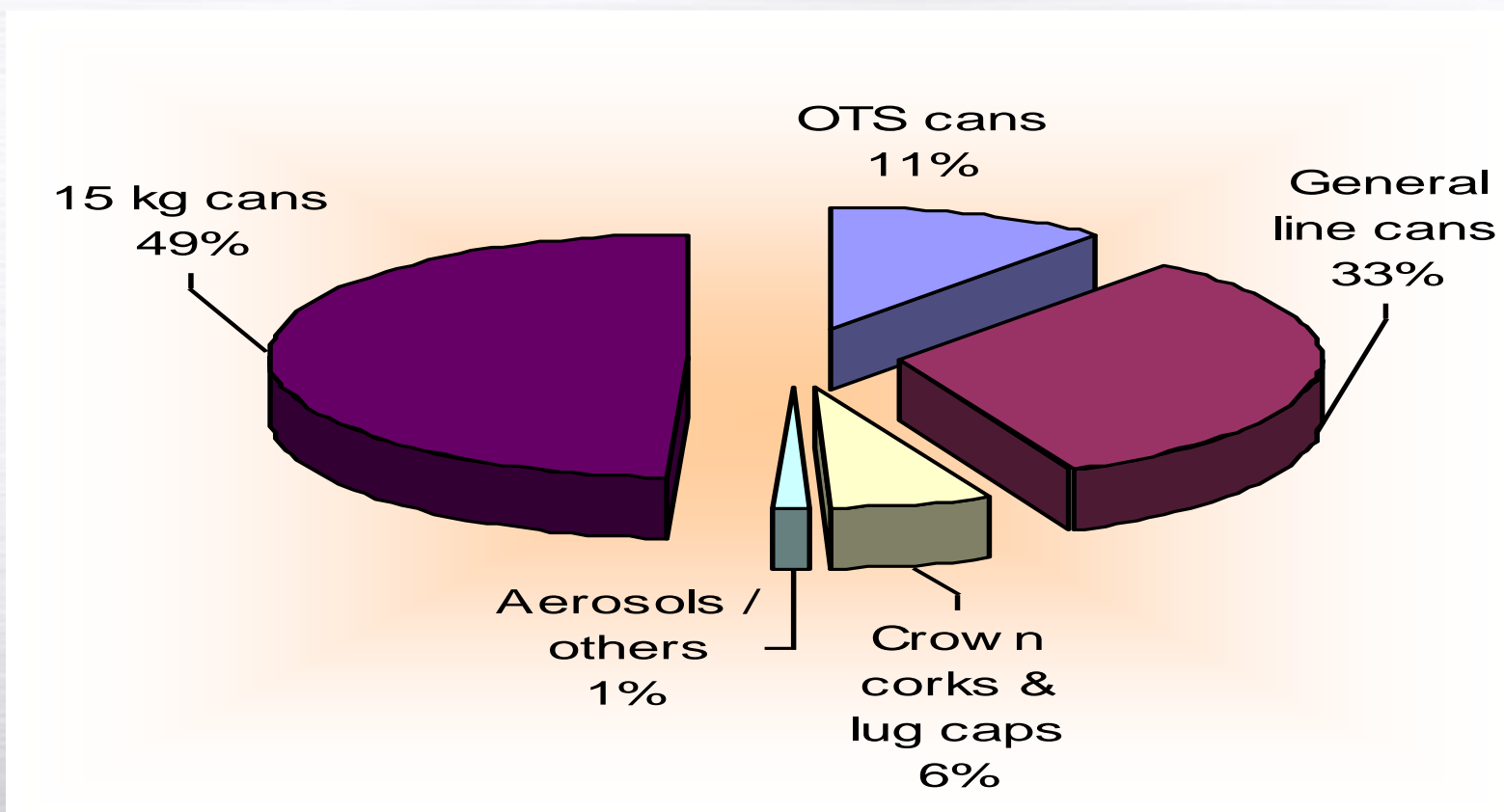
Segment	Market size (Approximately)	% of total market	Growth %
Edible Oil	250,000 MT	38	6
Gen Lines-Paints	170,000 MT	26	9
Processed Food	155,000 MT	24	7
Crowns	25, 000 MT	4	8
Aerosols	20,000 MT	3	15
Others	30,000 MT	5	18
Total	650,000 MT	100%	8%



# Tinplate Market – Product wise



# 3 Pc Can Market





# Conclusion

- **Fundamentals of Indian economy are strong and progressing with the goal to achieve USD 5 Trillion economy by 2024-25**
- **Indian packaging market has begun to move out of the shadows and growing at more than 10% per annum**
- **Like in many other countries food & beverage are the leading consumer applications of metal packaging.**
- **Keeping in mind potential growth the domestic tinsplate producers are also building up their capacities.**
- **The rising awareness against single use plastic, re-cyclability and sustainability of packaging it is expected to give major thrust to metal packaging.**