

INDIA CORRUGATED INDUSTRY

125 Years of the Corrugated Packaging Industry

The booming Indian economy and a flourishing organised retail have raised the expectations that consumption of corrugated packaging will begin to expand again as the number and volume of goods packaged in corrugated increases. MNCs are demanding corrugated boxes of international standards and the pattern of buying the packaging is changing.

Prices of corrugated sheet and converted boxes have remained low due to the over-capacity, manual operations and low productivity. Besides, transport constraints and high freight costs have meant that small to medium sized corrugated box plants are located near the customers.

The over 4,000 corrugated board and sheet plants are highly labour-intensive, employing over half a million people – both directly and indirectly. The industry is converting about 2 million tons of Kraft paper into corrugated boxes. Factories are spread out in all parts of India, even in the remote industrially backward areas.

This present scenario is already being challenged by the sweeping changes that are beginning to take shape. More and more in-line automatic plants are being set up, as corrugated box makers gear up to meet the new demands for high precision boxes with attractive graphics and large integrated production capacities.

Future Trends

- Increasing demand and high volumes will trigger consolidation and setting up of large automatic plants.
- Inline Automatic Board and Box making plants will ease out the present semi automatic production processes.
- Deployment of Folder Gluers, Rotary Diecutters will be on the increase.
- Use of corrugated for display/promotional packs, POPs and dispensers.
- Advances in multicolour, flexo printing will facilitate in-house flexo printing and do away with screen printing, contract printing on offset presses.

- The emergence of e-commerce, reverse bidding, concept of First Pak will give large scale units the advantage of competitiveness and the concept of locating corrugated box units nearer to user locations will become obsolete.
- Large Corporates and Bulk users of corrugated boxes looking for single/multiple alternative vendors – capable of meeting stringent specifications, offering alternative designs, test-in-time deliveries at optimum cost.
- Growing interest in machines made in China, Taiwan and other Asian countries.
- Many machinery manufacturers entering into alliances with Chinese, Taiwanese manufacturers for manufacturing / marketing.

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