



Excise to hit corrugated box industry

BHUBANESWAR, March 10: "The corrugated box industry will be adversely hit by the excise duty of 14 per cent proposed in the union budget" said Mr Hemant Saraogi, president of Eastern India corrugated box manufacturers' association.

In a statement issued here, Mr Saraogi said "the industry still attracts the highest rate of excise duty of 14 per cent though excise duty on the basic raw material, excise on craft paper has been reduced to eight per cent. Besides paper mills which were clearing the first 3,500 mt at eight per cent will now be clearing the material without any duty".

"Thus corrugated box being an intermediate product for the end user industry is becoming more expensive", he added.

"Most of the corrugated box user industries like tea, biscuits, edible oil, cigarettes, diary products etc are outside the ambit of excise duty.

The corrugated packaging being eco-friendly, recyclable and a viable replacement to wood should be given a more rational treatment by the finance Minister", he urged. "If the cost of corrugated box increases substantially, the final delivery of the goods to end users will also go up adding to inflation", he said adding "the excise duty should be pegged at eight per cent".