

# Distress call from corrugated box industry

## ◆ *Sector reeling under twin blows during pandemic*

| NT BUREAU |  
Chennai, Sept 28:

The Corrugated Box Industry is reeling under the twin blows - four massive Price Increases in a short span of two months on one hand by kraft paper mills and cascading hikes in other conversion input costs on the other hand over the years. The industry is staring at huge losses on account of these hikes during Covid pandemic.

According to kraft paper mills, the important reasons behind these hikes are: Both domestic and imported waste paper prices are up by Rs. 4500-5000 pmt in last couple of months, both China and India import their Waste paper primarily from USA and Europe. As China has proposed ban of waste paper imports from any country with effect from 1st January 2021, Chinese paper mills are lapping up whatever supplies available in overseas markets before ban becomes effective. This extra demand has pushed up the prices of Imported Waste paper.

Kraft Paper mills are indicating that, even post-Chinese ban, waste cuttings prices would remain at elevated levels in the foreseeable future for various



reasons.

Lockdowns all over the globe due to COVID have dented the generation and collection of waste and scarcity in supplies.

Indian paper mills could not import adequate volumes during Covid lockdown periods resulting in lower inventory of required grades and shortage in some lower grades at this point of time.

Sandeep Wadhwa, president, Indian Corrugated Case Manufacturers' Association (ICCMA), has requested all kraft paper mills associations to bring stability in prices and to ensure that supply chains are not hampered during the recovery phase of the Indian economy.