

# Corrugated box mfg units to stay shut for 3 days

TNN | Mar 11, 2021, 04.41 AM IST

Kolkata: Opposing the spiralling prices of kraft paper and boards, the corrugated box manufacturing units in eastern India are going for voluntary shutdown from March 11 to March 13. The corrugated box makers seek to make the government and consumers aware of the unabated rise in the prices of the raw materials used for making such boxes.

Manufacturing corrugated boxes, which are indispensable for packaging of medicines, sweets and confectioneries, food and other products, came under the essential services category as announced by the government during the lockdown. The daily business of corrugated boxes is worth Rs 5.5 crore in eastern India and Rs 2.5 crore in West Bengal.

“Being a part of the essential services, we kept the supply chain of corrugated boxes alive without any intention to rake in profits. Still, it is a very neglected industrial segment. The problem started in the unlocking phase. Kraft paper and board prices are going through the roof since November last year,” Soumitra Choudhury, managing committee member of Eastern India Corrugated Box Manufacturers’ Association, told TOI.

Kraft paper, an essential ingredient for making corrugated boxes, used to cost around Rs 25,000 per tonne prior to the lockdown. “But now, the price has touched around Rs 43,000 and is sky-rocketing almost every day,” added Choudhury. Apart from kraft paper and boards, other ingredients including steel stitching wire, starch, transportation and labour have also witnessed an unprecedented cost escalation, thereby having increased the conversion cost by 40% to 50%.

The annual revenue earned by the corrugated box industry comprising MSME entrepreneurs is around Rs 2,000 crore last year. “The situation is very tough and unfavourable for our survival. The paper mills should stabilise the price of the raw materials. We want the government to take a call on the issue,” said Choudhury.