

Eastern India Corrugated Box Manufacturers' Association

(Affiliated to: Bharat Chamber of Commerce, Kolkata)

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PRESS RELEASE dated 25^{th.} June 2008, Issued by: Mr. Hemant Saraogi, President, EICMA

All India Strike by Corrugated Box Manufacturing Units from 29th June 08 to 1st July 08

Kolkata, 25th June, 2008: The Corrugated Box industry comprising of micro to small scale entrepreneurs has been suffering immensely <u>as it neither has any control on the unabated increase in input costs nor over escalating Kraft Paper prices</u>. The situation is critical and the very survival of the industry is under threat.

Corrugated Box Manufacturers have been serving its' clients as one of the most crucial supply chain partners and the eco-friendly alternative to wooden packaging. In the last few years, all commodity prices have skyrocketed and it is the case with Corrugated Box industry's inputs too. This has crippled the industry to the extent that regular production has started getting affected.

<u>Paper & Board prices are increasing relentlessly since March this year. There is an increase of 25 to 30% so far.</u>

Other inputs including steel stitching wire, starch, labour, energy, transportation and other costs have witnessed unprecedented rise thereby <u>increasing the conversion cost by 60 – 70%.</u>

Keeping in view the grim situation faced by the industry, the Corrugated Box Manufacturers in India are constrained to go on Strike from 29th June 08 to 1st July 08. Our sincere intention is to seek:

- Awareness among consumers of corrugated box on the situation and better understanding of the ground realities so that the industry is paid what is legitimately due towards the Conversion costs and Paper price hikes
- Price stability and transparency from paper mills and get them to the negotiating table in framing a medium to long term pricing policy
- Corrugated box still continues to attract 14% excise duty whereas its prime input i.e. Kraft Paper is on 8% excise slab. Govt.'s attention is urgently solicited to rectify this anomaly for which all memorandums have been duly submitted and representations made to the concerned authorities

About EICMA

EICMA is an industrial organization set up in 1972, representing the interest of Corrugated Box Manufacturer's in West Bengal, Bihar, Orissa, Jharkhand, Assam, Sikkim, & other North Eastern States. EICMA is also affiliated with Bharat Chamber of Commerce. They have their own R&D centre in Kolkata. EICMA is the member of Federation of Corrugated Box Manufacturers (FCBM) of India at Mumbai, comprises of 11 such regional associations from different states. FCBM has 1600 membership strength of corrugated box manufacturers. For more information, visit www.eicbma.com

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