

EXCERPTS FROM FM'S SPEECH IN PARLIAMENT ON 29.04.10

"Central excise duty on corrugated boxes and cartons was reduced from 8% to 4% when they are manufactured starting from kraft paper. I propose to extend the exemption to cover units that manufacture such cartons from corrugated paper or paperboard also.

Paper and paperboard manufactured from non-conventional raw material such as waste paper attract a concessional excise duty of 4% subject to certain conditions. Waste paper is chargeable to an excise duty of CVD of 10%. Domestic industry has represented that this creates an inversion leading to the accumulation of Cenvat credit. I propose to reduce the excise duty on waste paper to 4% to rectify this anomaly."

"As the Hon'ble Members are aware, the excise exemption for small scale units is not available to goods that bear the brand name of another person. A relaxation of this condition is available in respect of specified packing materials which are normally not sold under the brand name that they bear. In order to resolve disputes about the coverage of this relaxation, I propose to extend it to all types of packing material."

With Regards & Best Wishes,

Bharath Kedia