

(001) 19-6-2023 (IPM)

20 Paper mills closed in Gujarat

According to the Gujarat Paper Mills Association (GPMA), 20 of 100 paper mills in the state have shut down in six months. The Association is likely to demand a power subsidy to the Govt. The government reduced the duty drawback from 4.22% to 2.03%. The reason behind the present situation is the overproduction and downfall in the exports. Moreover, more mills have come into the market in the last couple of years and even they are struggling for survival. Around 50% of raw materials used in the mills are imported from USA, UK, and Gulf countries, and they are in the forms of corrugated boxes. The paper price presently is Rs. 22 to Rs. 23 per kg and they are facing a loss of Rs 3 per kg.