

Paper industry voices concern as imports rise 34% in FY24

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Indian Paper Manufacturers Association has voiced concern at consistently high levels of imports of paper and paperboard in the country which is hurting the interests of domestic industry.

As per the data released by DGCI&S, paper imports reached 19.3 lakh tonnes in FY24, a rise of 34 per cent over 14.3 lakh tonnes imported in the previous year. The surge of 34 per cent comes on top of a 25 per cent jump in paper imports in the previous year FY23.

ASEAN has come to account for the largest chunk in the import pie in the country accounting for 27 per cent share. Paper imports from ASEAN, which enter the country at zero import duty under the ASEAN-India free trade agreement, doubled to 5.1 lakh tonnes during the year from 2.7 lakh tonnes in FY23.

In value terms, paper imports have doubled in the last three years. From ₹6,140 crore in FY21, the figure reached ₹13,248 crore in FY24, the highest ever level, with a 3-year CAGR of 29 per cent.

Despite India's sufficient domestic capacity to produce nearly all grades of paper, the influx of indiscriminate imports is undermining the commercial viability of many paper mills across the country. Government data reveals that out of over 900 paper mills in India, only 553 are currently operational, a clear indication of the adverse impact of these imports, said Pawan Agarwal, President, IPMA

Imports of major paper grades, including uncoated writing and printing paper, coated paper, and paperboard, are rising at an alarming rate. This surge comes despite substantial investments by the domestic industry in recent years to upgrade technology,



improve product quality, and enhance agro / farm forestry practices. These investments are now at risk due to the influx of duty-free imports.

IPMA has urged the government to increase the basic customs duty (BCD) on import of paper and paperboard from 10 to 25 per cent (WTO bound rate for India is 40 per cent).

Rohit Pandit, IPMA Secretary General, emphasised the need for issuing Quality Control Orders (QCOs) for various paper grades to guarantee the supply of high-quality products to Indian consumers and to prevent the import of sub-standard paper.

He stressed the importance of imposing suitable safeguard, anti-dumping, and countervailing duties on imported paper grades, following the recommendations of the Directorate General of Trade Remedies (DGTR).