

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:3726  
ANSWERED ON:13.12.2002  
PAPER RECYCLING MILLS  
RAMCHANDRA PASWAN

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether the Government are aware that paper recycling mills in the country are facing a crisis;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to bail out the paper recycling mills?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (c) : Paper Industry is delicensed subject to locational policy. Of the total domestic production of paper, about 39.2% is based on wood, 32.4% is bagasse based and 28.4% is based on waste paper. Incentives for paper mills adopting recycling and using non-conventional raw material are already available in the form of concessional excise duty and customs duty. Paper & paperboard produced by using 75% and above non-conventional raw material has been exempted from payment of excise duty upto 1st clearance of 3500 MT per annum. Import of waste paper by paper mills is allowed at a concessional rate of 5% basic customs duty.