

Publishers worried as paper price increases

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A sudden increase in the price of paper has resulted in the price hike of books and other paper-made products causing sufferings to students, teachers and publishers.

Wholesalers at city's Nilkhet market said prices of both locally produced and imported paper have increased. Saiful, a wholesaler, said the price of 1 dista (24 sheets) local paper was Tk 11 two weeks ago and now it is Tk 13. Similarly, the price of a 120-page exercise book is now Tk 20, which was Tk 15 a few days ago.

Most of the sellers who buy papers from Nayabazar said two leading local paper industries, Bashundhara and TK, have increased the prices. Two weeks ago the price of 500 pieces of Bashundhara paper (23x36 inch) was Tk 960, which is now Tk 1,140. The price of 500 pieces of TK paper was Tk 940, which is now Tk 1,130.

Md. Din Islam, a stationeries salesman from New Market, said, a few weeks ago they

bought 500 pieces imported offset paper for Tk500 but now they are buying it for Tk1400. Five hundred pieces of Century Indian offset paper was Tk175 which now its price is Tk215.

"Bashundhara, TK and Karnaphuli paper is not available in the market and the importers are taking advantage of this scarcity," said Sharif, a stationeries shop owner of New Market.

"Importers, wholesalers, retailers and domestic paper mills are incurring profit from this price increase at the expense of the customers. Everybody is increasing price at his own whim. This is happening because the government has no control over the market," said Sharif.

The sellers said another reason for the price hike of paper is shrinking import due to the high value of dollar and high import duty.

"Before the start of Ekushey Book Fair, the price of 20 dista offset paper was Tk 1,100. In the first week of February it rose to Tk 1,300 and now it stands at Tk 1,500," said Osman Gani of

Agamee Prokashoni, a publishing house.

"It is very difficult to keep the price of books low if the price of paper goes up. The domestic paper mills are fixing the price at their whim as paper import is gradually shrinking due to high import tax," he said.

"The government has taken no step to control the price of paper," he added.

"We have to increase the price of a book if paper price increases. In the previous Ekushey book fairs we used to sell at 20 percent commission but this year we are giving 30 percent commission. So we increased the real price of books. Customers are thinking that they are enjoying more commission but in reality they are paying higher," said Nasir Ahmed of Kakoli Prokashoni.

A number of publishers alleged that some local paper mills are bribing the officials of National Board of Revenue (NBR) to maintain high tariff on imported paper. They want abolition of all kinds of duties on the import of paper.

When asked why the price

of paper increased in a short period of time, an official of Bashundhara Paper Mills Ltd said increasing prices of raw materials in the international market and high customs duty are two main reasons for it.

High labour and transport costs, devaluation of local currency are among other reasons for increasing the price of paper, he said.

According to NBR, there are 25 percent customs duty, 15 percent value added tax (VAT), 3 percent advanced income tax (AIT) and 4 percent infrastructure development surcharge (IDSC) imposed on the import of paper.

On the allegation about high import duty, an NBR official said the present tax structure has been in place from 2004 and before that customs duty was 40 to 30 percent. "The customs duty has been reduced to decrease paper price," he said.



Publishers are demanding total withdrawal of taxes on imported paper in the wake of recent price hike of paper.

4x2

3x2

13x3

4x2

10x2

5x2