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Title: Need to restrain domestic newsprint makers from raising price of newsprint from the 1st April, 2005. – Laid.

SHRI P. KARUNAKARAN (KASARGOD): I would like to bring the attention of the Government towards the decision taken by the domestic newsprint makers to raise standard newsprint prices by at least Rs.1000/- a tonne onwards from April, 2005.

It is learnt that the move to revise prices has been ratified by the Indian Newsprint Manufacturers Association. The prices may be increased further after examining the impact of VAT on newsprint, to be effectively from the 1st April. Contrary to the expectation that the implementation of VAT on newsprint may bring down prices, it is feared that consumers may not get the desired benefit in the event of prices being revised further. The newsprint manufacturing has become capital-intensive because domestic manufactures depend heavily on imported raw materials. If the price increase comes in force, the small-scale newspaper cannot survive. It will lead to the monopoly of very few big concerns.

Since the increase in newsprint prices will affect the print media adversely especially the small newspaper companies already facing various financial crisis for its survival, I would request the Government to take immediate measures to control the domestic newsprint makers from their move to raise prices of newsprint which is likely to increase with effect from the 1st April, 2005.