

Bread, butter prices increased ahead of Ramazan

KARACHI: As Ramazan is approaching fast, the prices of bread and butter have been increased, it emerged on Sunday.

According to the price list issued by bread makers on Sunday, mini-bread (plain and milky) now costs Rs30 and Rs31 compared to previous process of Rs27 and Rs28, respectively.

The price of small, plain and milky, bread has been increased to Rs50 and Rs51 as against Rs45 and Rs46, respectively. The price of large plain bread is increased by Rs10 and it is now available at Rs90 compared to Rs80 a day before.

A pack of burger bun (four pieces) is now available at Rs45 compared to Rs40.

Karachi Bread Association General Secretary Haroon Iqbal said: “We have increased prices of bread and other items by 8.1 per cent after a gap of five years and four months.”

A bread association official confirms raising prices of bread and other items by over 8pc

The last price was raised in December 2013, he claimed.

He said that the industry used to increase prices of bread and other items due to hike in wheat prices.

However, this time rising electricity and gas bills, increasing price of raw material, labour wages, transportation charges and high cost of imported inputs owing to rupee devaluation against the dollar compelled the manufacturers to revise their rates upward, he added.

The bread industry uses hard wheat of the last season due to its low moisture content of 10-11pc as compared to the current wheat crop whose moisture level hovers between 13-14pc.

The hard wheat is usually costlier by Rs2 to Rs2.5 per kg than the wheat of current season, Mr Iqbal said.

A leading butter maker, without citing any reason in its price list, increased the prices from what it were last month.

According to the new rates, butter packs weighing 25grams, 50grams, 100grams and 200grams are now available at Rs20, Rs40, Rs80 and Rs160 as compared to Rs15, Rs30, Rs60 and Rs120.

MNCs reducing products' weight

Many manufacturers had been increasing the prices without enhancing the quantity of their products.

The general secretary of the Karachi Retailers Grocers Group (KRGG), Farid Qureishi, noted that multinational companies (MNCs) had been reducing commodities' weight for the last two years in items like milk products, tea, biscuits, chocolates, confectionery items, shampoos, washing powder, detergents and chocolates but continued increasing rates on different pretexts.

“The government should check weight reduction practice adopted by the MNCs. If these companies are reducing weight then they should avoid giving regular price shocks to consumers on the basis of rupee-dollar parity and other rising expenditures,” he said.

Ahead of Ramazan, dairy farmers have already increased milk price by Rs 23 per litre, which means the white liquid product would be sold at Rs120 per litre instead of the current rate of Rs94 a litre.

Consumers believe that the government is uninterested in dealing with the powerful lobby of dairy farmers with an iron hand. Instead, it chooses to fine retailers in the name of drive against profiteering.

Past experiences suggest that although the Karachi commissioner holds several meetings with stakeholders but he always succumb to the pressure of dairy farmers and allow the hike in milk prices.

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