

Our Correspondent

### **'Gas crisis, fuel adjustment charges to cripple Karachi industry'**

KARACHI: Dismayed over the ongoing gas shortages and a government decision to allow K-Electric to collect 4-year fuel adjustment charges, business leaders on Wednesday said such moves would cripple already ailing industrial sector.

"Local consumers have the first right to the gas produced in Sindh thus it must first be supplied to them, and only surplus be forwarded to other provinces as per Article 158 of Pakistan's Constitution," said Agha Shahab Ahmed Khan, President Karachi Chamber of Commerce and Industry (KCCI), in a statement.

Khan said re-gasified liquefied natural gas (RLNG), being imported to overcome shortages, must be provided to provinces with either zero or insufficient gas production, whereas Sindh must get it from its own abundant indigenous reserves.

"Why consumers in Sindh are being compelled to buy RLNG, when it has sufficient gas reserves to meet its local demand," he questioned and added that it was totally contrary to the Constitution.

President KCCI said gas pressure was being reduced on purpose to force industries to take RLNG, which was terribly affecting the overall production, causing billions in losses.

"Gas resources in Sindh are largely being mismanaged which is creating severe crisis not only in Sindh but also in Punjab and the rest of the country." Khan added that none of the provinces were getting the required gas due to the said mismanagement.

"If gas resources are distributed exactly as per Article 158, there will be no gas supply issues in Sindh, especially Karachi, the hub of economic and industrial activities, while the rest of the country must be supplied RLNG, which has to be promptly imported," he said.

"We, the business & industrial community of Karachi, are already suffering badly because of high cost of doing business, therefore suspension of gas in Karachi would not only prove detrimental for the industry but also aggravate the economic crises, on top of adding to poverty and unemployment," the industry official said.

Meanwhile, vowing not to comply with any unjustified government decrees, North Karachi Association of Trade & Industry (NKATI) in a statement strongly opposed the National Electric Power Regulatory Authority's (NEPRA) decision to force industries into paying 4-year fuel adjustment charges.

Capt A Moiz Khan, patron in chief, NKATI, in a letter of President Arif Alvi, Prime Minister Imran Khan, and Chairman NEPRA, said the permitting K-Electric to collect fuel adjustment charges for July 2016 to June 2019 period should be canceled immediately or else industries would be destroyed.

NKATI leader pointed out as per law, the distribution company was not allowed to collect fuel adjustment charges for more than two months, but on the contrary, NEPRA had allowed to K-Electric the same, which was a gross violation of the rules.

"In fact, NEPRA's move is a conspiracy against businesses as how a product, exported four years ago, can cover the cost of fuel adjustment now," Moiz said.