

APTMA for uninterrupted gas supply at reduced rates

KARACHI: All Pakistan Textile Mills Association (APTMA) has urged the government for uninterrupted supply of gas at reduced rates to the textile industry.

Zahid Mazhar, Chairman APTMA Sindh-Balochistan Region has demanded the government for continuous and uninterrupted supply of natural gas to the industries of Sindh and Balochistan and that they should not be deprived of their constitutional right in supply of natural gas under Article 158 of the Constitution of Pakistan as Sindh-Balochistan was producing about 85 percent of the indigenous gas produced in the country.

He informed that out of the total 3,600 MMCFD of indigenous gas produced in the country, Sindh-Balochistan was producing 2,800 to 3,000 MMCFD. As against this, presently it is receiving only 1,050 MMCFD gas (i.e. presently getting only 33% of its production) out of the allocated quantity and previously supplied 1,200-1300 MMCFD. Out of this quantity, the entire industry and its power plants are being supplied only around 400 MMCFD.

While the gas being currently supplied is already less than the allocated quantity and the previously supplied quantity, the allocation for Sindh-Balochistan needs to be further increased to 1,450 MMCFD which is the current requirement. Recently, there has been a severe problem of low pressure and loadshedding of gas.

He said the industries specially export oriented industries like textiles had already suffered huge production losses on account of lockdowns and adverse effects of Coronavirus (COVID-19) on businesses.

He further said that production losses due to low gas pressure and the recent three days suspension of supply of gas had aggravated the problem of the textile industry and they were facing difficulties in meeting the export commitments in time.

"This is resulting in not only loss of foreign exchange earnings but also loss of the export market and unemployment. The industrialists are worried that if the situation is so bad in summer, it will only get a lot worse in the coming winters," Mazhar added.

He also demanded that the price of natural gas for zero rated industry should be brought down to the old level of Rs 488/MMBTU since the prices of oil and gas had fallen drastically in the international market and the gas prices in the regionally competing countries had also been reduced to make their export oriented industries more competitive.

OGRA in its decision dated 14 July 2020 in the matter of determination of estimated revenue requirement for 2020-21 for SSGC has also prescribed reduction in the gas prices.

He further said that presently the provision of gas to zero rated industries came under second priority of supply of gas after domestic consumers, and urged the government that supply of gas to zero rated industries should be treated at priority number one as it was the sector which earned about 70 to 80 percent of total exports.

Mazhar said that in a recent meeting at Governor House all issues were discussed in detail, adding Asad Umer assured that all efforts would be made for continuous and uninterrupted gas supply to the industries. However the problem of low pressure and disturbance in supply of gas was still continuing to that date.

Regional Chairman APTMA urged the Prime Minister and the government to look into those issues on an urgent basis and issue directives to the relevant ministries and SSGCL to ensure continuous and uninterrupted gas supply to the industry of Sindh and Balochistan.