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SSGC rejects allegations by NKATI president

KARACHI: This is with reference to a news item that appeared in today's issue of Business Recorder in which President North Karachi Association of Trade and Industry (NKATI) has urged Prime Minister Imran Khan to 'stop SSGC from "harassing" industrialists and withdraw notices issued to registered manufacturers and exporters of five zero-rated sectors so that the production activities of lockdown affected export-oriented industries can be restored.' "Based on the above news, SSGC sees it fit to set its record straight on the assertion made by President NKATI.

"Reference to Press Clipping 'SSGC accused of 'harassing' industrialists'.

"Oil & Gas Regulatory Authority (OGRA) vide Notification dated 29 June 2019 notified Reduced Gas Tariff of Rs. 786/ MMBTU to 'Registered Manufacturers or exporters of five zero-rated sectors and their captive power namely: Textile (including Jute), carpets, leather, sports and surgical goods' while for general industry, rate of Rs. 1,021/ MMBTU was notified, effective from July 2019.

"In order to clarify which specific entities fall under above category, the Federal Board of Revenue (FBR) vide Clarification dated 22 November 2019 directed the Chief Commissioners to facilitate the exporters by issuing necessary Confirmation to Utility Providers for according reduced rate tariff to genuine exporters. Subsequently, the Commissioner Inland Revenue, Corporate Regional Tax Office (CRTO) vide Notice dated 15 January 2020 intimated that Validation is required through a letter by the Commissioner before availing reduced rate tariff.

"Accordingly, in compliance of FBR / CRTO directives, SSGC issued Letters to customers to obtain requisite Certificate from Commissioner and submit the same to SSGC so that reduced Tariff facility is continued / granted. For those customers who are unable to provide the requisite Commissioner Certificate, SSGC would be legally liable to charge OGRA Notified General Industry rate of Rs. 1,021/MMTBU. "Thus, SSGC is only complying with Government/FBR directives and any harassment allegation is denied.