

Call to review recent hike in CNG prices

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RECORDER REPORT

KARACHI: Traders and Consumers Associations on Saturday rejected the recent hike in the prices of CNG and demanded the government to review it.

Speaking at a press conference here the representatives of CNG Dealers Association, Karachi Chamber of Commerce and Industry, All Pakistan CNG Forum, CNG Stations Owners Association, Sindh CNG Association, Karachi Transport Ittehad and Consumer Rights Protection Council of Pakistan severely criticized the increase in CNG prices which according to them would cripple the CNG sector as well as consumers.

They said the CNG industry was continuously and consistently under threat of de-stabilization policy by the government, firstly through intense gas loadshedding and now announcement of increase in the gas prices by 40 percent that would increase the CNG sales prices by around 22 percent per kg.

"In Sindh, there is three days closure in a week and CNG existing tariff of Rs 700 per mmbtu is the highest paid tariff among all the sectors," they said. The proposed increase to Rs 980 per mmbtu will take the CNG sales price in Sindh from Rs 82 per kg to Rs 105 per kg against existing petrol price at Rs 93 per liter.

They were of the view that the proposed increase would reduce the economical essence of that fuel resulting in lower price difference parity between petrol and CNG.

They said the CNG was introduced in Pakistan mainly for reason to provide an economical fuel to the transport sector especially to the lower middle class where the difference between petrol and CNG had always been substantially reasonable.

They said the CNG sector was already contributing billion of rupees in terms of tax collection directly deducted at source in the gas bills to the national exchequer and the proposed increase would not only result in the closure of that industry but would lead to the loss of revenue to the government arising in terms of taxes generated from this industry at present.

They strongly opposed that "unethical and discriminatory action against CNG" and waned the government to revert back to such destabilization policy otherwise all stations by default would be closed down in entire Sindh since such increase would not be absorbed or digested by the common man who was the consumer of CNG.

They suggested to constitute a committee with the stakeholders where an appropriate solution could be mutually arrived that was beneficial for the public and the country. The demanded to immediately withdraw any increase in the CNG prices until the committee constituted between the government and stakeholders mutually arrived at a win-win solution.

Abdul Sami Khan Chairman CNG Dealers Association, Junaid Makda President Karachi Chamber of Commerce and Industry, Shabbir Sulemanjee Chairman All Pakistan CNG Forum, Malik Khuda Baksh Chairman CNG Station Owners Association, Mumtaz Jatoi Chairman Sindh CNG Association, Syed Irshad Hussain Bukhari President Karachi Transport Ittehad and Shakeel Ahmed Baig Chairman Consumer Rights Protection Council of Pakistan were speakers at this press conference.



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