



Towel Manufacturers' Association of Pakistan

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Respected Members

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Senior Vice Chairman of the Association, Mr. Syed Usman Ali Press Statement Published today (16-08-2023) in the

Business Recorder

“Textile units hit hard by two days per week gas suspension: TMA”

EXPRESS NEWSPAPER

گیس کی بندش آرڈرز کو پورا کرنے میں تاخیر کا سبب ،
ٹاولز مینو فیکچررز

Regards
Yahqub Lodhi
Secretary



Affiliated with the Federation of Pakistan Chamber of Commerce and Industry



Sindh & Balochistan **Textile units hit hard by two days per** **week gas suspension: TMA**

KARACHI: Syed Usman Ali, Chairman South Circle of the Towel Manufacturers Association of Pakistan, has raised significant concern about the planned gas supply closure for the export oriented units of Sindh & Balochistan for two days weekly.

The SSGCL weekly basis announces two-day gas closure to all industrial units and captive power plants in Karachi & this gas closure has further deepened the problems of exporters in the economic hub of Pakistan. The gas closure specifically badly affects the manufacturing process of textile export- oriented units.

The textile export-oriented units heavily rely on natural gas as a source of energy for their operations. Natural gas is a crucial input for the textile manufacturing process.

Syed Usman Ali's expression of "severe concern" that the planned two-day closure of gas supply for the export-oriented textile units is a matter of great significance and has negatively impacted the country's Textile Exports growth. Such closures could disrupt production schedules, lead to delays in fulfilling orders of international buyers as well negative impact on the collection of taxes, decline in the economic activities and loss of foreign exchange for the national exchequer.

He further urged the government to address the issue of gas supply to the export-oriented textile sector, in Sindh and Balochistan on top priority basis, and save them from disruption in its operations, especially due to a lack of essential resources like natural gas.

Syed Usman Ali further highlighted that Sindh and Balochistan are producing around 85 percent of the total natural gas produced in the country. However, they are denied their rights guaranteed under Article 158 of the Constitution.

He demanded that the gas being produced in Sindh and Balochistan should first be supplied to these provinces and after fulfilling the requirement of Sindh and Balochistan the surplus should be supplied to other provinces.

He said that the textile industry is not only facing the problem of two days weekly closure of gas but also facing the problem of low gas pressure throughout the week. The Export industry is facing this issue despite the fact that the government increased the gas tariff in February 2023 by around 30 percent and the exporters are already unable to compete in the international market due to the high cost of gas prices being paid by the exporters as compared to the regional competitive countries. This is resulting in heavy production losses, deindustrialization, and unemployment. A loss in production will lead to a further loss of exports and the need for billions of dollars in additional loans, which are already hard to come by. The two days weekly gas closure is an alarming situation for the textile industry which has made major contributions to Pakistan's economy.

The SSGCL also issued a notice on 15-8-2023 of Gas curtailment wherein SSGCL advised for the reduction of 50% consumption of all power generation units (Export & non-export) of General industries from 16th August to 24 August 2023 which will also badly disrupts the manufacturing activities of the export units.

In light of these facts, **Syed Usman Ali** further urged the governments of Sindh and Balochistan to take immediate action and address the problem of two days weekly closure of gas. He requested the Ministry of Petroleum to instruct the Sui Southern Gas Company Limited (SSGCL) to ensure continuous and uninterrupted gas supply to the Exports industries.

He warned that Export Oriented Industries closure will lead to Pakistan defaulting on its foreign payments and the currency rate will deteriorate even further, reaching a point of no return. The government must take appropriate measures to ensure gas supply to export-oriented industries 24/7 at required industrial pressure otherwise it will lead to a huge decline in exports and revenue, including the closure of industries and layoffs.—PR

گیس کی بندش آرڈرز کو پورا کرنے میں تاخیر کا سبب، ٹالوز مینو فیکچرز

کراچی (رپورٹ: احتشام مفتی) ٹیکسٹائل سیکٹر برآمد کنندگان نے برآمدی صنعتوں اور کیٹیو پاور پلانٹس کو ہفتہ وار دو دن گیس کی بندش کو پیداواری نظام الاوقات میں خلل اور غیر ملکی برآمدی آرڈرز کو پورا کرنے میں تاخیر کا باعث قرار دیا ہے۔ ٹالوز مینو فیکچرز اینڈ ایکسپورٹرز ایسوسی ایشن نے کہا ہے کہ ٹیکسٹائل کی برآمد پر مبنی یونٹس اپنی سرگرمیوں کے لیے توانائی کے ذریعے قدرتی گیس پر بہت زیادہ انحصار کرتے ہیں۔ قدرتی گیس ٹیکسٹائل مینو فیکچرنگ کے عمل کے لیے ایک اہم ان پٹ ہے جسکی ترسیل میں رکاوٹ نا صرف بین الاقوامی خریداروں کے آرڈرز کو پورا کرنے میں تاخیر بلکہ ٹیکسٹائل کی وصولی پر منفی اثرات، معاشی سرگرمیوں میں کمی اور قومی خزانے کے لیے زرمبادلہ کا نقصان کا سبب بن سکتا ہے۔