

## PM's help sought against huge raise by KW&SB in water rate

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ISLAMABAD: The Pakistan Hosiery Manufacturers and Exporters Association (PHMA) has approached Prime Minister Yousuf Raza Gilani to withdraw huge increase in water tariff by Karachi Water and Sewerage Board (KW&SB), and appealed for uniform tariff all over the country.

The KW&SB has increased water tariff by approx 81 percent for industrial consumers resulting in huge gap between water tariff in Karachi and other parts of the country. In a letter written to the Prime Minister, it stated that for many export-oriented industrial units the major raw material is water and such enormous increase in its tariff would further impact the cost of export goods and they would not be able to compete in global market.

The letter stated: "We are sure that you are well aware of the severe economic crisis and great burden on the industries finding it most difficult to survive in the current economic scenario. Moreover, the 100 percent export-oriented value-added sector, which is battling hard for its survival in the face of stiff competition from neighbouring and other countries in the international market, is facing tough time today in retaining the once established markets and buyers who

are rapidly deserting them and going to neighbouring and other competing countries with their orders and also shun visiting our country in view of negative travel advisory from their governments.

"The industry has been shaken and greatly perturbed at the sudden, most exorbitant and unprecedented increase of approx 81 percent in water tariff for industrial consumers allowed to KWSB by the provincial government, which is not at all justified and will definitely shoot up the rising cost of doing business."

According to the letter, up to the end of 2007 the water tariff for industrial consumers was Rs73; from July, 2008 the water tariff was increased to Rs 80; by June, 2009 to Rs.100; by March, 2010 to Rs.109; and by September, 2010 to Rs 119. "From this it is evident that water tariff was increased in four years by 63 percent i.e., four times during the last decade". The PHMA has expressed displeasure over the discrimination by stating: "We do not understand why there is discrimination for the Karachi industries and the water rate per thousand gallons has been increased to Rs 215, when rate for Punjab industries is Rs 53. The previous rate for Karachi industries was Rs.119 as against Rs 53 in Punjab, and now this most exorbitant increase is unjustified and beyond reasons".



# Industry seeks withdrawal of hike in water tariff

By Our Staff Reporter

KARACHI, Oct 1: Industry leaders have appealed to the prime minister to direct the Karachi Water and Sewerage Board (KWSB) to immediately withdraw 81pc increase in water tariff for industrial consumers.

In a letter to the prime minister, the industry leaders who included Irfan Moton, chairmen, SITE Association of Trade and Industry,

Abdul Rasheed Fodderwala, chairman, North Karachi Trade and Industry Association, and Ziad Bashir, chairman, Landhi Association of Trade and Industry, drew the attention of the Premier towards the sudden increase of 81pc in the water tariff to Rs215 per 1000 gallons for the current month billing. Until recently they had been paying Rs119 for 1,000 gallons. They pointed out that water tariff in the Punjab was Rs53 per 1,000 gallons which amounts to discrimination with the city industry.

These leaders stated that tariffs for gas, electricity, petrol and diesel are uniform

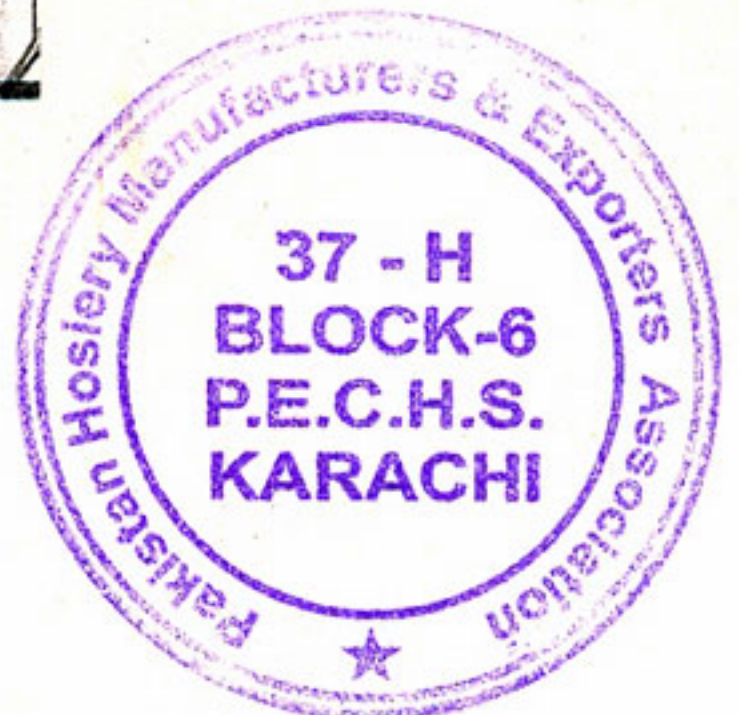
in all the provinces as well as minimum wages of labour; therefore, why such a discrimination in the price of water.

The city of Karachi, they said is housing around 50 per cent of textile industry of the country and also contributes up to 50 per cent in exports. However, exorbitant and discriminatory tariff of water would destroy the processing textile industry for which water is basic raw material.

They pointed out that up to 2007 water tariff for industrial consumers was Rs73 per 1000 gallons, but within a short period of three years water tariff had been enhanced to Rs119 which stands to 63 per cent hike.

The fresh surge in water tariff has shaken the industry and these leaders termed it to be most exorbitant. They even expressed their utter dismay over the move, particularly when the nod to the increase came from the provincial government.

These leaders urged the Prime Minister to intervene.



KCCI demands uninterrupted power supply

## Industries decide not to pay utility bills

**By our correspondent**

KARACHI: Industrial associations have decided not to pay bills until Karachi Electric Supply Company (KESC) assures of uninterrupted power supply, a statement said on Saturday.

The Karachi Chamber of Commerce and Industry (KCCI) said that all the associations are unanimous about blackmailing attitude of the power utility.

"Therefore, all industrial associations have decided not to pay KESC bills and deposit the same as per the due date to respective associations and this would be paid only after immediate withdrawal of power outages and long-term guarantee of KESC for uninterrupted supply to all industrial areas," it said.

"The way industry is being treated by KESC, is sure recipe of bankruptcy and chaos," the statement quoted Mian Abrar Ahmed, President, KCCI, as saying.

The chamber strongly reacted on the recent announcement of KESC about power outage in industrial units.

"It looks like that the utility has taken upon the role of the government and is trying to dictate the government and, at the same time, trying to create breach between industrial consumers and others," said Abrar.

"KESC is also trying to destroy billions of rupees investment of the industry in captive power plants," he added.

Abrar appealed the president, the prime minister, Sindh

governor and the chief minister to take notice of unconstitutional steps of KESC.

The statement also noted that KESC is trying to create law and order situation and it should be noted in light of the PCO.

It said that the power utility is giving misleading statements regarding the quantum of gas utilised by the captive power plants as it is 160MMCFD and not 175MMCFD, it added.

KESC is carrying out eight hours power outage, two spells of four hours each, unnecessarily as in the previous years 160MMCFD gas was supplied, but there was no power outages, now when the gas supply increased to 175MMCFD, the industry faces eight hours power outages, it said.

KESC by shedding industry wants to bankrupt the entire industrial sector, the KCCI said, adding that the power utility is blackmailing the government because in case slowdown in industrial growth it will result in further rise in unemployment and new investment will also shy away in this scenario.

At present, KESC has to pay more than Rs50 billion to gas utilities. The power utility is only pressurising the government for keeping away the demand of payment to Sui Southern Gas Company (SSGC) and Pakistan State Oil (PSO).

"They (KESC) are somehow siphoning the fund in the name of expenditure and oil import at exorbitant rates," the statement added.



# Industrial bodies decide not to pay electricity bill

**N.H.ZUBERI**

**KARACHI:** The industrial associations have decided not to pay Karachi Electric Supply Company (KESC) bills and deposit the same as per the due date to respective associations and this would be paid only after immediate withdrawal of load shedding and long-term guarantee of KESC for uninterrupted supply to all industrial areas.

The Karachi Chamber of Commerce and Industry (KCCI) announced this decision of industrial association on Saturday

The chamber noted with regret that despite assurances by the government and KESC that there would be no load shedding in industrial areas, eight-hour long load shedding is being carried out and it is not sure when the load shedding will be totally stopped.

The Chamber further noted that in present circumstances it has become impossible for industrialists to carry out production activities and fulfill local and exports commitments

It is worth mentioning that emergency general body meeting of the industrial associations held in July this year had authorised their respective executive committees to go ahead and take bold steps to save industries from collapse.

The steps they suggested includes giving strike calls, stop payment of KESC bills, call joint meeting of all the industrial associations of the city and decide

joint action, call a press conference, hold meeting with Prime Minister, Governor, Chief Minister and other authorities and sought their assistance to pressurize KESC to announce ending load shedding in industrial areas.

The business community is of the opinion that in present circumstances it has become impossible for industrialists to carry out production activities and fulfill local and exports commitments

President KCCI, Mian Abrar Ahmad while commenting on the Press Release by KESC over industrial load shedding strongly reacted that the KESC's press release looks like that utility has taken upon the role of the Government and is trying to dictate the Government and at the same time trying to create breach between industrial consumers and others. KESC is also trying to destroy billions of rupees' investment of the industry in captive power plants.

Here it would be worth mentioning that this huge investment was made by industrialists as KESC was unable to meet the requirements of industry and this investment was made as a last resort to keep the wheels of industry running.

President KCCI appealed to President of Pakistan, Prime Minister, Governor Sindh, and Chief Minister Sindh to take notice of unconstitutional steps/statements initiated by

KESC. He went a step further to say that KESC is trying to create law-and-order situation and it should be noted in light of PCO. He gave following points for their consideration.

1) Misleading statement with regards to quantum of gas utilised by Captive Power Plants, it is 160MMCFD not 175MMCFD

2) Industry has been closed for 8 hours. Two spells of 4 hours each are unnecessary and in all the past years in case of supply of 160MMCFD, there was zero load shedding. Why then today, Gas supply is 175MMCFD, industry is being shaded for 8 hours.

3) KESC by shedding industry wants to bankrupt the entire industrial sector

4) Blackmailing Government of Pakistan, as and when industry stops functioning, Government is afraid of unemployment ratio going up, and when industry creates hue and cry, new investment also shy away and the Government knowing population growth want it other way round.

5) To take Government of Pakistan under pressure so that they do not pressurise for payment to SSGC and PSO and they are somehow siphoning the fund in the name of expenditure, O&M import at exorbitant rates, etc. Today KESC has to pay more than 50 billion to these utilities.



# لوڈ شیڈنگ ختم ہونے تک بل ادا نہ کرنے کا فیصلہ؟

کے ایس سی نے صنعتوں کو تباہ کر دیا، تاجر برادری

چند روز میں صورتحال بہتر نہ ہونے پر تمام صنعتی و تجارتی تنظیمیں مکمل ہڑتال کریں گی، سچ کاری معاہدہ سامنے لانے کا مطالبہ

نائب صدر خالد تواب نے میڈیا بریفنگ میں کہا کہ کے ای ایس سی نے بزنس کیسوں کو بلیک میل کرنا شروع کر دیا ہے۔ یہ صورتحال زیادہ دیر تک قابل قبول نہیں ہوگی، تاجر برادری انتہائی قدم اٹھانے پر مجبور ہوگی ہے۔ ان کا موقف تھا کہ آئندہ چند روز میں صورتحال بہتر نہ ہونے پر کراچی کی تمام صنعتی و تجارتی ایسوسی ایشنز مکمل ہڑتال کریں گی۔ ان کا کہنا تھا کہ کے ای ایس سی کے پاس بجلی جزیٹ کرنے کی صلاحیت ہے مگر وہ پیسوں کی بچت کیلئے فرنس آئل کا استعمال نہیں کرتی۔ انہوں نے کے ای ایس سی کی پرائیویٹائزیشن کا معاہدہ بھی منظر عام پر لانے کا مطالبہ کیا۔ ادھر کراچی چیمبر کے نو منتخب صدر میاں ابرار احمد نے کراچی کی تمام صنعتوں کی جانب سے کے ای ایس سی کے بل ادا نہ کرنے کا اعلان کرتے ہوئے کہا کہ لوڈ شیڈنگ ختم ہونے تک بل ادا نہیں کیے جائیں گے۔ ان کا کہنا تھا کہ کے ای ایس سی کی وجہ سے صنعتیں بحران کا شکار ہیں۔ انہوں نے کہا کہ کے ای ایس سی کی جانب سے کمپنیوں پاور پاور پلانٹ کے بارے میں بیان حکومت کو ہدایت دینے کے مترادف ہے۔ کے ای ایس سی اپنے رویے سے امن و امان کا مسئلہ پیدا کرنا چاہتی ہے۔ میاں ابرار نے کہا کہ کے ای ایس سی کاروباری برادری کیساتھ حکومت کو بھی بلیک میل کر رہی ہے، حکومت پر دباؤ ڈال کر کے ای ایس سی سوئی سدرن گیس اور پی ایس او کے واجبات ادا نہیں کر رہی۔

برادری نے نمائندہ اداروں ایف پی سی سی آئی اور کراچی چیمبر نے کے ای ایس سی کی جانب سے مسلسل لوڈ شیڈنگ اور رویے پر احتجاج کرتے ہوئے شدید تحفظات کا اظہار کیا ہے۔ ہفتہ کو ایف پی سی سی آئی کے قائم مقام صدر عثمان شیخ اور

کراچی (اسٹاف رپورٹر) کراچی کی کاروباری برادری نے کے ای ایس سی کو کراچی کی صنعت و سرمایہ کاری کی تباہی کا ذمہ دار قرار دیتے ہوئے فیصلہ کیا ہے کہ صنعتی ایسوسی ایشنز کے اراکین کے ای ایس سی کے بل ادا نہیں کریں گے، کاروباری

