

LAHORE : The increase in the power tariff worth Rs2.5 per unit would further hurt Pakistani steel manufacturing industry, which is already facing already an unequal competition by local ship-breaking industry, said a spokesman for Pakistan Steel Manufacturers Association on Friday.

He said this may lead to closure of formal steel manufacturing industry in the country.

Formal steel manufacturing was already very dismal because of unfair competition by the local ship-breaking industry, which only paid sales tax on 70.5 per cent of the total weight of the scrap ships, he said.

He said that further rise in power tariff would make the sector more uncompetitive, leaving no option for the domestic industry but to close down its business and making hundreds of thousands of skilled workers jobless.

He said the cost difference between ship plates by shipbreaking industry and steel billets by local manufacturers should not exceed Rs1,200 a tonne which is currently around Rs10,000 a tonne making local steel

Courtesy: Nation