

## Impact of power, gas load shedding

# Skins, hides worth Rs 2.9bn damaged: PTA

**KARACHI:** Severe power breakdowns in major leather units in the country have damaged at least 35 percent hides of sacrificial animals, causing loss of about Rs 2.9 billion to both tanneries as well as hide dealers, as the leather industry is presently facing electricity load shedding of six hours.

Pakistan Tanners Association (PTA) Central Chairman Agha Saiddain on Friday, after the latest figures of hides' collection gathered from all over the country by the PTA, said apart from direct loss of around Rs 2.9 billion due to animals skin damage, the country would have to suffer additional loss of over Rs 4.65 billion foreign exchange, as the industry

could not make value-addition to leather of about 65 percent.

Tanneries are being supplied gas just for one day a week, besides power suspension of six hours, despite asking the government to exempt the tanning industry from gas and power load shedding at least in the next three months. "This is necessary for processing hides before they decay, which entirely damages the raw hides. The skins, being perishable item, cannot be stored without processing which requires uninterrupted supply of electricity and gas," he added. He pointed out hides are basic raw material for leather industry to make leather garments, bags, footwear, ballets

and gloves. All these goods are exported that generates substantial amount of foreign exchange.

He demanded the government to grant special status to the tanning industry and ensure supply of gas and electricity.

He said dealers would also suffer billions of rupees loss, as the rate of hides was constantly decreasing due to climate conditions and power unavailability.

He said hides rate has dropped to Rs 72 per foot from Rs 80, touching the low of Rs 60 per foot if power cuts continued.

Pakistan is one of the biggest markets of raw hides and skins in Asia and about 30 percent of the total produce is generated only on

the occasion of Eidul Azha.

Hides are generally damaged due to hiring of unprofessional butchers and moreover about 12 percent of the hides are wasted because of lack of appropriate knowledge for their preservation.

Eidul Azha has great importance for rural economy, as tanning industry purchases about 30 percent of its raw material during Eid.

He estimated that economic activity of around Rs 130 billion was generated on Eid days, including Rs 120 billion through animal sales and Rs 7 billion through purchases of hides and Rs 3 billion through allied industries. **RAZI SYED**