

Kossan joins in call for more gas

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Petronas would make more profit by selling natural gas to the rubber glove industry and small- and medium-scale enterprises, says Kossan Rubber CEO
Glovemaker Kossan Rubber Industries Bhd (7153) wants Petroliam Nasional Bhd (Petronas) to **supply more natural gas to the industry as its shortage is a constraint on capacity expansion.**

Kossan Rubber chief executive officer and managing director Lim Kuang Sia said that Petronas supplied more than half of the country's natural gas to independent power producers (IPPs) alone at subsidised prices.

He said Petronas would make more profit by selling it to other sectors, such as the rubber glove industry and small- and medium-scale enterprises (SMEs).

"The rubber glove sector gets 15 per cent of the natural gas supplied in the country, which is not enough. We are appealing to the government and Petronas to supply more," Lim told Business Times.

While Petronas also supplies gas to Tenaga Nasional Bhd and Gas Malaysia, which then distribute it to all other industries, such as ceramic makers and other SMEs, that is not enough, he said

"The shortage is acute at 50 to 60 per cent and we have no other alternative energy such as coal, which is not allowed by the Department of Environment."

Foreign investments will not come in and industries cannot expand due to this energy shortage, he said.

Malaysian Rubber Glove Manufacturers' Association president Lee Kim Meow had said earlier this month that the industry was willing to pay the market price for natural gas over a period of time, but the government would have to guarantee that the glovemakers would have enough supply.

Sourced from: <http://www.imcurtain.com/business/kossan-joins-in-call-for-more-gas/>