

NATIONAL NEWS

PAFL plea for post-BMR concession on feed gas

# Industries facing stiff resistance from ministries, PC

ISLAMABAD: The Ministry of Industries is facing stiff resistance from Ministries of Petroleum, Finance, and Water and Power, and the Planning Commission on a proposal regarding unprecedented post-BMR concessions on feed gas to Pak American Fertilizer Limited (PAFL), official sources told Business Recorder.

The issue will be considered by the Economic Co-ordination Committee (ECC) of the Cabinet in its meeting on Tuesday.

"Ten years' period available for concessional pricing of Rs 36.77 per million British thermal unit (mmbtu) expired on September 12, 2008 and any concession in rate would be in direct conflict with the existing Fertilizer Policy," sources said.

The Planning Commission in its observations has stated that the Industries Ministry should also assess the revenue loss to government by freeing up of 9 mmbtu gas from fuel and convert it into feed gas on account of BMR. It is estimated that 9 mmbtu gas per day will result in total Rs 282,500 loss per annum.

The Fertilizer Policy 2001 is the mother document which deals with the fertilizer industry, and gas pricing for this sector is also done under specific provisions of the said policy.

According to Petroleum Ministry, the proposal floated by the Industries Ministry needs to be evaluated in the light of Fertilizer Policy 2001.

Official documents, prepared by the Industries Ministry, suggest that Pak-American Fertilizer is undertaking "Balancing, Modernisation and Rehabilitation" (BMR) of its fertilizer plant with an investment of

\$ 60 million to expand its area production. The BMR will enhance area production by 136,867 tons per year. Currently, area is produced using gas both as "fuel" and "feed". The BMR will introduce shift to using coal as "fuel" and use gas feed up from "fuel" and from the BMR generated efficiency to produce additional area. It has requested to be allowed to avail of 2001 Fertilizer Policy concession for BMR that allows use of feed gas at full concessional rate for a period of seven years for the additional area to be produced post-BMR.

According to Industries Ministry, Pak-American proposal is therefore recommended on the following grounds: (i) the consumption of area is increasing steadily and is around 5.4 million tons as against the production of around 4.9 million tons. The area demand is going to increase agriculture productivity and to be self-reliant for the food needs of Pakistan's rapidly increasing population; (ii) Fatima Fertilizer Company has set up a urea phosphate fertilizer project having a capacity of around one million tons of fertilizer of which 0.5 million tons is urea. Ergo Chemical Pakistan Limited is establishing a new fertilizer plant to produce around one million tons of urea alone that will come into production during October 2010. In spite of these additions, demand for urea will continue to outstrip its supply; (iii) scarce foreign exchange is spent on import of urea. The government is providing subsidy on the import of fertilizer. In 2008-09 the government had provided a sum of Rs 27 billion as subsidy on DAP at 2200 per 50 kg bag as well as for other phosphatic fertilizers.

Approximately Rs 47 billion was spent on import of urea alone from 2004 to 2009 while a conservative estimate Rs 17 billion will be required to import urea in the next five years; (iv) if fertilizer is imported foreign exchange goes out of the country while if the concession is on the feed gas then ultimately the money spent remains in the economy in terms of subsidy passed on to the growers and growth in the economy.

In view of these facts, Industries Ministry has proposed that the 9 mmbtu gas, generated from switch to feed from fuel and from the BMR generated efficiency to produce additional urea subject to actual post-BMR confirmation, be allowed the concessional feed gas rate for seven years as provided for the Fertilizer Policy 2001 and review for Fertilizer Policy June 17, 2004.

The Finance Ministry, sources said, is of the view that PAFL's request for diversion of 9 mmbtu gas from fuel gas is not covered under the Fertilizer Policy 2001 because the plant was established under 1989 Fertilizer Policy.

Finance Ministry is also of the view that the PAFL had filed civil suit in the former Islamabad High Court for extension in period for commercial production for 14 months. There is a need to wait for final verdict from the court before proceeding further. As per Fertilizer Policy 2001, the company is obliged to make a request for additional gas for making urea after BMR completion, and not make diversion of existing fuel gas to feed gas.

In the Fertilizer Policy 2001, it is stipulated that gas would be supplied for new investment and BMR at a price of \$ 70 per mmbtu (million British thermal



KARACHI: Karangi Road inundated with rainwater after shower, here on Monday.—Recorder photo

## Dry, windy weather forecast

RECORDED REPORT KARACHI: The Meteorological Department on Monday forecast dry and windy weather for the city during the next 24 hours.

The weather forecasters said that the city's sky would become clear of the clouds on Tuesday.

They pointed out that the low system, which had entered from Iran to engulf Balochistan and subsequently spread over Sindh and partially Karachi has now begun to disperse towards India.

A shorter spell of rain, which the forecasters said, was a trace fell during the day and strong winds also coupled it to blow. The weather condition rapidly turned chilly, although the maximum temperature was 26 degree centigrade. According to them, they will be minimum temperature between 15 degree centigrade and 17 degree centigrade in the city. Maximum temperature could reach up to 28 degree centigrade.

Ajmal Khattak's death condoled

ISLAMABAD: Ajmal Khattak, as a politician was a man of principle, having a prominent place among the men of letters in the country.

His death is a great loss for not only Pakistan literature but also our politics, said Fakhr Zaman, Chairman, Pakistan Academy of Letters (PAL) in his condolence message.—APP

## IMS holds first reunion of alumni

RECORDED REPORT PESHAWAR: Institute of Management Sciences (IMS), Peshawar, held first ever reunion of its Alumni Association (Session 2001 till 2006) on its newly developed campus with impressive zeal and joy of the graduates.

Addressing to the graduates, Director IMS, Dr Nasser Ali Khan welcomed all the graduates and honoured them by expressing his views to always remember them.

Alumni Association is the leading platform of bringing the institute's graduates and faculty members leading to the future development and growth of IMS.

Currently, the Institute has the highest ratio of scholarships, as last year Rs 55 million were disbursed under 37 scholarship programmes among 1702 students.

After five years, he said, IMS would be having a faculty with more Ph. D's than any other business schools of the country. He said that they are adding 1,800 students to the already enrolled strength of students, which will increase to 6000 in the next few years.

The institute, he said, is going to launch specialised departments of Institute Development/ Advancement, Career Services/Alumni Relations and Financial Aid for facilitating students in their professional careers. The institute would soon build sports gymnasium and a unique library with updated facilities, he added.

Responding to the Director's request the graduates emphasised that the students must be encouraged more for joining Public Service of Pakistan to serve the nation.

They also expressed that academic talent must be supported by a professional guidance and for students grooming and developing them to compete in the dynamic corporate world there must be specialised departments in the IMS such as Career Services, University Advancement, Student Resource Center and Financial Aid Offices.

These suggestions were recommended by Usman Kirmani, Sajid Ali and Abbas Majeed Marwat, who are serving National Accountability Bureau and Police Department. The suggestions were very well taken by the Director and the faculty and further commended with a good of job fair for the graduates in April, May of this year.

The graduates also visited the recent developments, departments and building of the campus along with the Director and faculty members.

He pointed out during the campus visit Alumni in developed countries contribute even by donating a brick to their parent universities.

Graduates were briefed regarding the recent developments and were given the feeling of ownership to their parent institute.

## PTCL's anti-worker policies. Senate body expresses reservations

RECORDED REPORT ISLAMABAD: The Senate Standing Committee on Information Technology (IT) has expressed its reservation over the strategy of Pakistan Telecommunication Authority (PTCL) converting regular employees' jobs into contract.

The committee also asked the Pakistan Telecommunication Authority to improve its standard of service.

The Committee which met at the Parliament House on Monday directed the IT Ministry and its attached departments particularly the PTA to take immediate steps for improving the service quality and to bring greater efficiency and transparency in its operations.

Earlier, PTA has issued a show cause notice to PTCL directing it to improve its standard of service to meet the competition.

One of the participants of the meeting said that the committee expressed serious reservation over anti-worker policies of PTCL and directed it to change these policies keeping in view the worker's interests.

The committee expressed strong reservations on converting employment of regular employees of the PTCL into contracts and wanted to know the rational

behind it, as it is creating unrest among the employees of the Corporation.

The Committee was also critical of receiving fee for converting fix line numbers into wireless and asked the Ministry to explain why it was being done in clear violation of the rules.

The Committee also sought details of the appointments and promotions made in the NTC Headquarters and provincial offices during the last five years.

It observed that the ratio of people from smaller provinces is comparatively very low. The Committee also reiterated its earlier observation that the service quality of mobile companies remained poor and needs urgent improvement.

Earlier, the newly appointed advisor to the PM on IT Sardar Latif Khan Khosa assured the Committee that he would himself look after the matters in the Ministry and its attached departments and would make every effort to bring about further improvements.

The meeting was attended among others by Senators Muhammad Zafar Khan, Saleem Saifullah Khan and Fouzia Fakhrzaman besides Chairmen of the Committee Senator Muhammad Idris Khan Saifi.

## 'Punjab govt to implement Pure Food Rules'

RECORDED REPORT LAHORE: Chairman Taskforce for Essential Commodities, S A Hanood, has said that Punjab government would strictly implement "Pure Food Rules" and "Pure Food Ordinance" for ensuring the sale of goods at fixed rates and elimination of adulteration.

He was talking to a delegation of Hiper Star Chain Store headed by Marketing Manager Daniel Montard here on Monday. S A Hanood said that the provision of conducive atmosphere and facilities to the multinational companies is the top priority of the government so that people could get the goods of international standard at reasonable rates.

On this occasion the members of delegation apprised the Chairman Taskforce that essential commodities were available at 10 per cent less than the market rates at their stores.

They informed that according to the instructions of Punjab government, manufacturing and expiry dates and ingredients of articles were given on the packaging.

## SC to be moved against private medical college management

RECORDED REPORT PESHAWAR: Parents of the students of the private sector Jinnah Medical College, Warsak Road, have announced that they have finalised a suit, against the management of the college, for submission in the Supreme Court of Pakistan within the current week.

Addressing a press conference here at Peshawar Press Club (PPC) on Monday they appealed to Chief Justice Iftikhar Mohammed Chaudhry to take action against non-provision of basic facilities at the college.

The parents accused the chief executive of the college, Dr Ishaq, of playing with the future of the students in terms of not providing adequate and prerequisite facilities as mandatory for medical college.

The college, they said, lacks required faculty members, laboratories, library, computer labs due to which students are facing immense problems for preparation to the examina-

Lack of basic facilities

tions. They said that they had constantly asked the college administration to hire qualified staff and provide other facilities in the institute, but they did not pay attention to their pleading.

They alleged that Dr Ishaq denied hearing of their representations and concerns regarding facilities and other faculty members in the college. They said that due to rude behaviour of the principal just six students passed, out of 51, in first professional exams.

They said that the management of the college had taken from them Rs.0.525 million to repute one million annually in head of fee and other expenses, but no facility has been provided to the students. "The college is lacking qualified and experienced teaching staffs, whereas a dozen fresh graduates who did not complete their house job are teaching the college students," the parents said.

The existing faculty members are getting Rs. 8,000 to 10,000 per month from college administration, they added. They said they had given millions in terms of fees and other college expenses, but it has not been properly spent by the administration.

They expressed concern that due to negative attitude of college administration, a large number of students' future is at stake. They said that there are just eight faculty members hired in the college, but 98 teaching staffs were shown to Pakistan Medical and Dental Council (PMDC) for recognition.

On contact by Business Recorder, Dr. Ishaq outrightly rejected the allegations of the parents as baseless and fabricated, saying that they are planted and vested interests, which would be countered on all levels. He said that two of the parents even withheld the teaching of their children in the college and had even received the fee of the second year back.

**MASOOD TEXTILE MILLS LIMITED**  
**DECLARATION OF RIGHT SHARES**  
 We are pleased to inform that the Board of Directors of Masood Textile Mills Limited have decided to issue one Right Share for every one Ordinary Share held, i.e. 100%, at a premium of Rs. 10 per share. (Rs. 20 per share including premium).  
 Share Transfer Books of the company will remain closed from 03 March to 11 March, 2010 (both days inclusive) to determine entitlement of Right Shares.  
**FAISALABAD** for MASOOD TEXTILE MILLS LTD.  
 Dated: 08.02.2010

**Bank AL Habib Limited**  
**DISPATCH OF 6TH REDEMPTION WARRANTS SECOND TFC ISSUE (07-02-07)**  
 We are pleased to inform that the 6th Redemption Warrants of Second TFC Issue (07-02-07) of Bank AL Habib Limited due on 7th February, 2010 have been dispatched to all TFC Holders at their addresses by Registered Post on 3rd February, 2010.  
 In case of non-receipt within 7 days of the publication of this notice, the TFC holders may kindly write to our Registrars:  
**Gangjees Registrar Services (Pvt) Ltd.**  
 516, Clifton Centre, Khayaban-e-Floors, Khekaashan, Block-6, Clifton, Karachi-75600.  
 Ph: 3583-8920, 3537-5714 Fax: 92-21-3583-7966  
 Email: gangjees@super.net.pk  
 Karachi February 9, 2010  
**A. Saeed Siddiqui**  
 Company Secretary

## SHC adjourns confirmation of bail granted to Salman till 20th

KARACHI: Justice Mushir Alam, senior most judge of the High Court of Sindh (SHC) on Monday adjourned confirmation of bail granted to Federal Secretary Salman Ferozqazi till February 20, directing the Deputy Prosecutor General (DPG) National Accountability Bureau (NAB) to inform the Court in clear terms, what NAB intends to do in the case against applicant/ accused Salman Ferozqazi.

Earlier when confirmation of an interim bail granted to the accused came up for hearing, NAB's DPG stated that when the case was closed under National Reconciliation Ordinance (NRO) only FIR was submitted and neither the charge was framed nor a formal trial commenced. NAB did not intend to file any charge sheet in the matter, the State Counsel told the court. Iqbal Ali Hanif, counsel for applicant/ accused at this stage requested the court to order quashing of the FIR against the accused on the strength of statement made by the State Counsel. He pleaded that the trial of the applicant/ accused would be a misuse of judicial process. The learned judge expressed displeasure and said that NAB counsel tried to mislead the court. "If the confidence between the bench and the bar is shattered how the system will work," the bench observed, asking the DPG NAB to file a clear-cut statement that what it intends to do with the instant case.

The federal secretary, at the relevant time, was accused of using his influence for commensuration of a residential plot in posh Clifton locality, allegedly causing a loss of Rs 38.8 million to the national exchequer.—APP

## IDPs tax SHC reserves judgement in 45 identical petitions

KARACHI: The judgement was reserved in 45 identical constitutional petitions, here on Monday, challenging imposition of tax for Internally Displaced Persons (IDPs) of restive Swat valley and other areas, by a division bench of the High Court of Sindh (SHC) comprising Justice Ghafoor Ahmed and Justice Irfan Saadat Khan.

The petitioners maintained that their annual salary inclusive of all fringe and other benefits exceeded Rs one million and recently the concerned revenue officials were directed to deduct tax from their emoluments (one time deduction). The petitioner maintained that no new tax could be imposed annual financial year and any such deduction without the approval of parliament would be illegal. The bench, after lengthy hearing, reserved its judgement in all the 45 petitions.—APP



MEZAFFARABAD: Prime Minister Yusuf Razvi and other officials inaugurated the ZTRB Zonal office here on Monday. President ZTRB, Zaka Akhtar is also seen in the picture.

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PEPCO is actively looking for a high caliber Finance Professional for rendering professional advice on Financial Management to Managing Director PEPCO. The Advisor should be pro-active, result oriented with established credibility and performance record, capable to perform on following challenging Terms of Reference (TORs):

- Developing Financial Vision and drawing Long, Medium and Short Term Financial Framework for PEPCO and its managed companies.
- Exploring possible avenues of Funds Generation and rendering advices accordingly.
- To advise on Alternate Funding Resources / arrangements and Repayment Strategies.
- Developing framework of recovery options.
- Periodic Analysis of Financial Framework along with advice on Optimization of Resources.
- To advise on Tariff Structures.
- To advise on appropriate accounting treatment of various transactions by the company.
- To carry out detailed financial analysis of various financing and revenue generating options deemed appropriate for the company.

**QUALIFICATIONS / EXPERIENCE:** Ideally the candidates should be proficient in macro financial management and should have a demonstrated performance track record. The candidates should possess any of FCA, CFA & FCMA qualifications with a minimum of 15 - 20 years post-qualification experience in senior position of handling the above job profile in large commercial organizations of repute. Professionals working in MNCs for 10 years or so would be preferred.

**SALARY PACKAGE AND AGE:** Competitive Market Salary Package will be negotiated and offered accordingly. Ideally the candidate should be in the age band of late 40s to early 50s.

**TENURE:** The initial contract shall be for a period of TWO years, extendable on satisfactory performance and requirement.

Applications enclosing a detailed CV with personal and work references and a recent photograph should reach latest by **February 20, 2010**, to the **Managing Director PEPCO, Room No. 725-WAPDA House, Lahore**. Only short-listed candidates will be invited for interviews / selection process. All candidates will be treated in the strict confidence.

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