NEWSLETTER FOR FMC CLIENTS

FAZAL MAHMOOD AND COMPANY 147, Shadman Colony 1, Lahore

REMINDER

February 26, 2015

Dear Valued Client,

Please note that every Company is required to maintain statutory records under Companies Ordinance, 1984. It includes preparation of following books regarding day to day affairs of the Company as under;

1. Register of debenture holders.
2. Index Register of members.
3. Index Register of debenture holders.
4. Minutes Books.
5. Proxy Register.
6. Register of contracts.
7. Register of officers i.e. directors, manager and secretary.
8. Register of Shareholding of the directors.
9. Register of beneficial ownership.
10. Register of investments.
11. Register of deposits.
12. Register of charges.
13. Application and allotment books.
14. Register of transfer.
15. Register of share certificate.
16. Register of transfer certificate.
17. Agenda book.
18. Register of list of dividend.
19. Dividend warrants register.
20. Register of power of attorney.
21. Register of probate.
22. Register of directors' attendance.
23. Register of sundry documents.
24. Seal book.
25. Plus and Minus Book.

We suggest your good self to kindly maintain statutory records to avoid penalty proceedings by S.E.C.P. and to safeguard the interests of shareholders/Company.

Find attached herewith News Letter as on February 26, 2015.

Contents

1. TAX BODY SPELLS OUT SLEW OF 'REFORMS'

The Tax Reforms Commission (TRC) constituted by Finance Minister Ishaq Dar has recommended a flat rate of sales tax on petroleum products, a fixed rate of turnover tax on small retailers, rationalisation of extra tax regime, withdrawal of all tax amnesties/fixed tax and value-addition schemes and new incentives for registered persons. Sources told Business Recorder here on Wednesday that TRC has submitted its interim report containing proposals on sales tax and federal excise duty to the Federal Board of Revenue (FBR).

Ashfaq Tola, a leading sales tax expert, played a key role in drafting TRC proposals, particularly a single-stage levy of sales tax. One of the key recommendations of the TRC is that the federal and provincial sales tax Authorities should form a fully empowered commission to bring harmony in the sales tax laws dealing with services.

According to the TRC report, the proposal of 'Single Stage Tax' is still at deliberation stage with different stakeholders. So far presentations have been given to Tax Committee of ICAP and LTU Karachi, OICCI, PBC, other business forums, LTU Lahore and Islamabad for their input on 'Single Stage Tax'. Besides, these presentations other interactive presentations are also planned with FPCCI, Trade Bodies and Chambers of Commerce for their inputs. Latest data was requested on December 17, 2014 to update the study; however, complete data is still not available which may cause a delay. Since the deliberations are still under progress and updating process is yet to be accomplished the proposal is not covered in the interim report.

The TRC proposed that the petroleum products in Pakistan are subject to price fluctuations asthese are linked to international petroleum prices. It recommended that sales tax should be charged on the basis of per litre of petrol at flat rate instead on moving selling price basis. The international import price of last year may be taken as a benchmark (in US $ terms) for setting sales tax price per litre at flat rate for the forthcoming year. It is also recommended that the price so set shall remain in force for the entire year irrespective of upward or downward movements.

So far, simplified regime of 0.75% as well as SRO.608 has not delivered the desired results, primarily due to exposure of un-declared wealth/investment, based on 'turnover'. It is therefore proposed to introduce a Fixed Tax Regime for income tax as well as sales tax, based on a shop size.

The TRC observed that illegitimate refunds/ input adjustments have so far been a major issue for revenue authorities to deal with. The culprits in supply chain manipulate the transaction in such a way that it results in avoidance of sales tax by under-declaration of local sales, and exaggerated input claims. Unfortunately, all the automated systems put in place have so far been unable to function faultlessly and involve manual intervention and discretion. Resultantly, not only the Government exchequer suffers but genuine taxpayers also suffer because they no longer remain competitive with those avoiding tax. The following suggestions can be taken into account to curb the aforesaid issue.

Refunds relating to export: The role of FBR field officers should be abolished. Scheduled banks receiving export proceeds should issue refunds in the form of export rebate at the time of receiving export proceeds. The amount of refund/ rebate should be based on actual quantity of exports declared in shipping documents verified by an independent surveyor.
Standard input-output ratios should be determined and finalised in consultation with Industry, and then such ratios should be notified. There should be no discretion for allowing deviation from standard ratios, TRC recommended.

The detail of refunds issued should be placed on FBR's web-site so that data relating to exports considered for issuing refund is open for everyone for identifying any discrepancy and discretion. About the refunds relating to local sales (zero rated) and input adjustments by taxable sectors, TRC recommended that in line with export oriented sectors, input-output ratios for all other sectors, whether zero-rated or taxable, should be determined and notified. The concept of input - output ratio is in place for 19 goods and sectors, zero-rated / Notified under Fifth Schedule (S.No 12). Under the concept, input quantity for these goods and sectors is zerorated by Commissioner in a prescribed manner. However that system is vulnerable to discretion and physical interaction between taxpayer and Tax Authorities.

The present basis for claiming input tax on an accrual basis shall continue; however an annual return should be filed, certified by auditor declaring whether the consumption of input was within the notified limits. Cases where percentage of input-output falls outside the Notified ratios should be subject to an audit by specialized audit cell; and report should be placed on website. The taxpayer would have a right to either concede the deviation before the audit (without default surcharge), or accept the findings of audit (with default surcharge), or file appeal against the findings of audit, TRC recommended.

In order to curb under-invoicing, it is suggested that, minimum import value should be notified for different goods/products on periodic basis based on scientific method and not on an arbitrary basis.

All tax amnesty schemes should be done away with as these encourage tax evasion and illegitimate tax avoidance. Like-wise, all fixed tax regimes should be abolished as these are against the spirit of VAT law and justice and all such sectors goods should be brought under the uniform tax regime. Similarly, deemed value addition mechanism for commercial importers should be abolished.
TRC further recommended that the government collects income tax and sales tax from all commercial connections of electricity. All these connections should be converted into NTNs and STRNs and filing of returns from these connections should be enforced.

TRC recommended that instead of levying a further tax for dealing with un-registered person, incentive may be offered to the registered persons, if they deal only with registered person. Tax credit available to registered persons under section 65A of the Income Tax Ordinance, 2001 (in case 90% of sales made to registered persons) be enhanced from 2.5% to 5%, and allowed against Minimum Tax Liability/Final Tax Regime / Alternate Corporate Tax. Tax credit (under income tax law) should be further enhanced say to 10% if registered person is issuing electronic invoices, as provided in Sales Tax Rules.

TRC also submitted recommendations for streamlining of anti-avoidance measures. The Sales Tax Act, 1990 contains anti-avoidance provisions in the form of sections 8A, 8(1)(c)(a), (caa) and 21(3), combined effect of which in most of the cases is that genuine buyer ultimately suffers the wrath of un-warranted disallowances of input and investigation of Tax Authorities. The superior courts in almost all the cases have declared the application of these provisions null and void and by and large the buyers have been allowed input tax; if buyer holds valid tax invoice, supplier's name was appearing in the Active Taxpayers' List at the time when purchases were made; and payment was made through banking channel and in compliance with section 73 of the Sales Tax Act, 1990

Accordingly, all the aforesaid anti-avoidance provisions should be rationalised and brought in line with the above guidelines of superior courts. To bring the extra tax regime in line with the original

spirit thereof, it is suggested that purchases made by registered manufacturers, who acquire specified goods (subject to extra tax) to manufacture or produce taxable goods, shall not be subject to extra tax.

Federal and Provincial Sales Tax Authorities should form a fully empowered commission to bring harmony in the sales tax laws dealing with services, particularly focusing on the following:
Firstly, updating list of taxable services in Islamabad Capital Territory (in line with services taxable in provinces) to curb un-warranted transfer/conduct of business for tax evasion. Secondly, principle for taxation of services (origin, destination or mix).

Thirdly, avoidance of multiple taxation by Provinces and/or Federal Government. Fourthly, mechanism for adjustment of taxes collected by Authorities, without causing any inconvenience to taxpayers. Fifthly, harmonisation of Tariff headings and definition/scope of services; Sixthly, withdrawal of FED on services where Provincial Legislation is in place.

India has recently brought in constitutional amendment to harmonise implementation of VAT regime in its true spirit. The EU has also streamlined VAT regime amongst independent countries. So it is high time that we also bring reforms to reduce litigation, collect more revenues, and provide relief to taxpayer from the ambiguities impinging the implementationof Taxation on Services, TRC maintained. A powerful commission may be formed forthwith to discuss and implement harmonised tariff at national and provincial level, TRC added.

2. THE RUPEE: SLIGHT FALL

An easier trend persisted on the currency market on Wednesday, as the rupee drifted lower against the dollar in the process of trading, dealers said. The rupee shed one-paisa versus the dollar for buying at Rs 101.86 and it also lost two-paisa for selling at Rs 101.88, dealers said.

INTERBANK MARKET RATES: OPEN MARKET RATES: The rupee depreciated by 10-paisa in relation to the dollar for buying and selling at Rs 101.90 and Rs 102.10, they said. The local currency also lost 50- paisa in terms of the euro for buying and selling at Rs 115.50 and Rs 115.75, the said. In the third Asian trade, the dollar edged down against the yen on Wednesday after Federal Reserve Chair Janet Yellen suggested the Fed won't be rushed into kicking off the US interest rate tightening cycle.

In closely watched remarks before the US Senate Banking Committee on Tuesday, Yellen said the Fed is preparing to consider interest rate hikes "on a meeting-by-meeting basis". The dollar was trading against the Indian rupee at Rs 62.06, the greenback was at 3.6220 in terms of the Malaysian ringgit and the US currency was at 6.2595 against the Chinese yuan.

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Open Bid Rs 101.86
Open Offer Rs 101.88
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Interbank Closing Rates: Interbank Closing Rates For Dollar on Wednesday.
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Bid Rate Rs 101.90
Offer Rate Rs 102.10
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RUPEE IN LAHORE: The national currency maintained downward slide for another day and remained under pressure against the major currencies including US dollar and British pound on the local currency market on Wednesday.

According to the currency dealers, the dollar resumed trading on a healthy sign and kept on rising following fresh buying. At close of trading, the dollar was ended further lower at Rs 101.90 and Rs 102.15 against Rs 101.75 and Rs 102.00 of Tuesday, respectively, the dealers said.

Similarly, the rupee continued descending move and was further declined against the pound sterling. The pound's buying and selling rates were improved from overnight closing of Rs 156.75 and Rs 157.00 to Rs 157.25 and Rs 157.50, respectively, they added.

RUPEE IN ISLAMABAD AND RAWALPINDI: The rupee gained strength against the dollar on the open currency markets of Islamabad and Rawalpindi here on Wednesday.

The dollar opened at Rs 100.75 (buying) and Rs 101 (selling) against same overnight rate. It did not observe further change in the second session and closed at Rs 100.75 (buying) and Rs 101 (selling).

Pound Sterling opened at Rs 152 (buying) and Rs 153 (selling) against same overnight value. It did not observe further change in the evening session and closed at Rs 152 (buying) and Rs 153 (selling).

3. FINANCE SECRETARY CLARIFIES REPORTS

Secretary Finance Dr Waqar Masood has said the demutualization of stock exchanges is in the process to attract the strategic investors, which does not mean closure of Lahore and Islamabad Stock Exchanges. Secretary Finance also clarified his remarks about stock exchanges in a meeting of Senate Standing Committee on Finance Wednesday. Waqar Masood further stated that his remarks about stock exchanges have been misunderstood by the media.

"Demutualization will be done in all the three stock exchanges, which would lead to their integration. This would be very helpful for the investors," he exclusively told Business Recorder after the committee meeting. The Senate Standing Committee on Finance has constituted a two-member sub-committee with Senator Rafique Rajwana and Usman Saifullah to suggest amendments after examining the draft Securities Act proposed by the SECP. The meeting was informed that amendment in the Securities and Exchanges Ordinance, 1969 have been proposed to effectively handle the major shortcomings as there are no provisions in the existing law for duties of securities exchange. The existing law does not provide a system audit of stock exchanges, powers of intervention of the SECP for investors' protection, the regulation of clearing houses and eligibility criteria for a clearing house and a depository. Additionally, there are no provisions in the current law for handling investors' complaints, code of business conduct and financial resources of regulated persons.

The committee was also informed that the draft Securities Act 2015 consists of fifteen parts and one schedule and has provisions to effectively deal with licensing requirements, eligibility, duties suspension or cancellation of licence and audit as well as special audit and even has the powers to takeover. The law also delegates powers to SECP for taking disciplinary action against licensed person and impose penalties, etc.

4. PBEA ASKS FBR CHIEF TO EXPEDITIOUSLY SETTLE ST REFUND CLAIMS

Pakistan Bedwear Export Association's (PBEA) chairman Shabir Ahmed has urged Federal Board of Revenue (FBR) to direct Inland Revenue (RTO), Karachi, to clear Sales Tax refund claims expeditiously. In a letter written to FBR chief, Tariq Bajwa, he said that the PBEA's members have informed him that Karachi's Inland Revenue (RTO) was issuing them showcause notices, instead of expediting the cases pertaining to their Sales Tax refund claims.

He regretted that all the concerned officials who are supposed to clear all such claims by February 28 were not expediting such cases although the concerned exporters had already submitted all the required documents. He hoped that the FBR chairman would issue necessary directives for amending the STARR software so that specific reason pertaining to an objection could be mentioned, allowing overruling of such objections.

He urged the FBR chief to direct Inland Revenue RTOs not to issue show-cause notices to the members of the PBEA before bringing into their notice the reasons behind rejecting their claims and the documents which they are required to submit in support of their claims. He said that members of the PBEA have been facing serious liquidity problems as their huge amount had been stuck-up with the FBR under the head of ST refund claims.

5. INDEX SHEDS 50 POINTS

A bearish momentum pervaded the Karachi share market Wednesday with trading volumes remaining significantly low under the lead of bluechips. The KSE-100 share index lost another 50.16 points to close at 33,845.30 points compared to 33,895.46 points Tuesday. "Stocks closed bearish amid thin trade at KSE led by oil, cement and banking stocks on weak earnings outlook," said Ahsan Mehanti of Arif Habib Corp.

Even upbeat earnings in banking, pharma and cement sector stocks announced in the trading session could not help the benchmark index rally. With intraday high and low standing at 34,017.42 and 33,825.29 points, the trading turnover plunged to 141 million shares from the previous 167 million.

Foreign investors offloaded their portfolios with net selling accumulating to $0.622 million. The value of the stocks traded also landed in the red zone at Rs 6.96 billion compared to Tuesday's Rs 8.78 billion. Of the total 368 scrips traded, 131 appreciated, 218 depreciated while 19 remained unchanged. The market capital contracted to Rs 7.615 trillion from Rs 7.625 trillion.

Jahangir Siddiqui Company with 12 million of its shares traded led the day's volume. The scrip shed two paisa to close at Rs 22.05. Other best performers were PIA trading by 9.7 million, Lafarge Pakistan 9.6 million, Pakistan International Bulk Terminal 7.3 million, Fauji Fertilizer Bin Qasim 6.3 million, Power Cement 5.6 million, Bank of Punjab 5.6 million, Maple Leaf Cement 5.4 million, Engro Fertilizer 4.8 million and Pak Elektron 4.8 million shares.

Trading on the futures market also declined to 34.63 million contracts from 45.52 million of last session. Mehanti said lower international oil prices, falling local cement prices amid rumours on cartel break-up and falling banking spreads near 5.8pc played a catalytic role in the day's bearish activity. Muhammad Mobeen at JS Research observed that the market remained under pressure throughout the day with significantly lower volumes.

Toyota Japan's show of interest in increasing its stake in its subsidiaries up to 80 percent was the day's significant news that reflected positively on INDU that hit its upper circuit during the first half. The oil and gas stocks remained under pressure for fluctuation in global crude oil prices with PAEL and PIBTL witnessing profit-taking to lose 1.3 and 1.9 percent.

In cement sector, the negative sentiment expressed through DGKC's expansion policy continued as most significant scrips remained under pressure and ended in the red. The news of GIDC being approved by the National Assembly further dampened the sentiment in major cement scrips, Mobeen said. Moving forward, the market is expected to remain under pressure.

6. LSE INDEX DOWN BY 19.44 POINTS

Profit taking in oil sector Wednesday led the LSE-25 index down by 19.44 points to end at 6061.87 against 6081.31 of Tuesday while transaction volume was soared to 3.751 million shares compared with day earlier volume of 1.334 million shares traded on the Lahore Stock Exchange.

The market was opened on a mixed note and stayed in green zone for a couple of hours. Later, the market witnessed volatile situation, as it kept on moving both ways throughout the day. Fauji Fertilizer, Fauji Fertilizer Bin Qasim, Nimir Industrial Chemicals, Power Cement, Lafarge Pakistan Cement, Pak Elektron, United Bank, Silk Bank and PIA registered gains while Azko Nobel, PSO, Attock Refinery, OGDC, Premium Textile, Maple Leaf Cement, Sui Southern, Sui Northern, PTCL, and Bank of Punjab remained under selling pressure.

The losers were slightly more than the gainers, as out of a total of 81 active issues, 14 companies posted gains, 15 suffered losses while 52 companies remained unchanged. Fauji Fertilizer gained Rs 3.50, Synthetic Products was improved by Rs 1.28 while Fauji Fertilizer Bin Qasim and Nimir Industrial Chemicals were up by Rs 1.15 and Rs 1.13, respectively.

Akzo Nobel lost Rs 18.30, PSO was declined by Rs 2.40 while Attock Refinery and Premium Textile Mills were down by Rs 1.83 and Rs 1.65, respectively. Bank of Punjab was the market leader whose 2.211 million shares changed hands followed by NIB Bank with 628,000 shares.

7. MARBLE, GRANITE SECTOR: PCJCCI CHIEF PROPOSES TO ESTABLISH MINERAL DEVELOPMENT BANK

Pak-China Joint Chamber of Commerce and Industry (PCJCCI) has proposed to set up a 'mineral development bank' supported to explore potential of marble and granite sector at optimal level. PCJCCI President Shah Faisal Afridi made this proposal while speaking at a meeting held here on Wednesday to review ways and means to resolve the issues confronting by the marble industry. Chairman, Association of all Chinese Companies working in Pakistan, Wang Zihai was also present on the occasion.

Afridi said that Pakistan is the 6th largest mineral extractor of marble and granite and has a place on world mining map. Pakistan has enormous potential to promote exports of marble products as it possess huge marble and granite reserves of around 350 million tones and 64 varieties of marble and granite stones, he added. He further said that currently global market for marble and granite is estimated at around US 62 billion dollars, but Pakistan's share is below one percent, which should be a cause of concern for the policymakers.

He further said with the support of government, marble industry has the potential to become backbone of the economy and promote more exports than the share of textile products. He urged the government to address the marble industry issues on priority basis, whose exports can well go up to over US 200 million dollars per year. Faisal Afridi suggested that the government should open a mineral development bank for the marble and stone sector. The high electricity cost, use of obsolete mining techniques, lack of financing facility and processing units, law and order issues in major mining areas, inconsistent power supply, insufficient infrastructure from mines to ports, lack of value addition, improper transportation facilities and supply chain problems are the major hurdles holding back this industry from full growth potential.

He stressed upon the need for public-private sector partnership for the development of the sector. He suggested taking marble industrialists on board in the policymaking process to frame such policies that could boost the industry. The government must improve the power infrastructure, water, sewerage and road networks. It should also ensure soft loans to the potential investors to enable them get modern quarrying machinery. It should also help establish training centers for workforce and a safe and healthy environment, he maintained.

He said that marble miners should stop method of blasting and get the latest machinery on rental basis for extracting marble.He said the standard wastage in the world is 45 percent for the marble sector, adding that in Pakistan blasting technique is destroying 85 percent marble in mining. With the use of technology and innovation, we can even utilize the marble powder for building blocks, he mentioned.

Speaking on the occasion, Wang Zihai said that China is the major importer of Pakistani marble with a share of almost 85 percent. China is enthusiastically interested in local marbles and establishing joint ventures with Pakistani marble exporters but has been demoralised due to some security reasons and deteriorating law and order situation, he said.

8. IEEEP HOLDS SEMINAR ON ‘ ENERGY AUDIT IMPACTS AND PROSPECTS’

Energy experts during a seminar on "Energy Audit Impacts and Prospects" arranged by the Institution of Electrical and Electronics Engineers Pakistan (IEEEP) Lahore held on Wednesday said that usage of energy efficient equipment in industries and home appliances along with energy conservation measures can help to mitigate prevailing energy crisis.

IEEEP is a prime institution of engineers for dissemination of knowledge with modern technical concepts and promotion of engineering profession. While addressing the seminar President IEEEP and Member BoD NTDCL Engr Mohsin M Syed has said that the country is facing acute energy crisis hence the engineers should play pivotal role by devising solutions for transmission network problems and cost effective power generation to mitigate the menace of load shedding

He stated that 3000MW electricity can be saved by converting household UPS on solar energy panels with capacity of 2-5 kilowatts. He further said that 25 to 30 percent electricity shortfall can be overcome with usage of energy efficient equipment, with the help of cost effective power generation, which will pave the way for industry to compete in international market.

The chief guest of the seminar, Acting Managing Director NTDCL Engr Abdul Razzaq Cheema and Chairman (4 Brothers Group) Engr Javed Saleem Qureshi also spoke on the occasion and urged the engineers to contribute for power sector by utilising their professional prowess.

While presenting research paper, former MD PEPCO Engr Tahir Basharat Cheema said that government should formulate laws pertaining to energy efficient equipment and home appliances like USA, Thailand, Bangladesh and other countries. Engr Shahid Khaleel UET Taxila, Engr Nasir Mohi Uddin GM Technical Diamond Group of Industries, Engr Mian Sultan Mahmood Secy General IEP, Engr Sohail Mumtaz Bajwa Manager Design NTDC, Engr Akhlaq Ahmad CEO EPESOL, Aqrab Ali Rana CEO Pakistan Green Building Council, Engr Irfan Ahmad, Engr Colonel Mumtaz Hussain (Retd), Dr Malik Aizad, Engr Ijaz Dar and Engr Asad Mahmood GM Technical ENERCON also presented their research papers.

9. COTTON MARKET: RATES STABLE AMID SELECTIVE BUYING BY MILLS

Despite selective buying by mills and spinners rates held the present levels on the cotton market on Wednesday in the process of trading, dealers said. The official spot rate was unchanged at Rs 4,950, they said. In the ready session, nearly 11,000 bales of cotton changed hands between Rs 4475 and Rs 5150, they said. Prices of Seed cotton in Sindh and Punjab were unchanged.

Trading activity fell slightly as some ginners started raising asking prices and on the other hand, mills and spinners were not ready to oblige them, they said. In the meantime, some mills lay hands over the fine type to cover the immediate needs, cotton analyst, Naseem Usman said.

Reuters adds: the NY cotton futures were higher on Tuesday as speculators, re-entered the market after three straight sessions of losses, boosted by low certificated stock levels during the March contract's notice period and gains outside markets. The most-active May cotton contract on ICE futures US rose 0.71 cent, or 1.1 percent, to settle at 64.91 cents a lb.

The following deals reported; 200 bales from Shahdadpur at Rs 4475, 100 bales from Pano Aqil at Rs 5100, 800 bales from Shujabad at Rs 4800-4900, 600 bales from Ahmedpur at Rs 4850, 400 bales from Bahawalpur at the same rate, 500 bales from Haroonabad at Rs 4950, 400 bales from Hasilpur at Rs 5000, 800 bales from Shahdan Lund at Rs 5100, 600 bales from Yazman Mandi, 800 bales from Khanewal, 500 bales from Uch Sharif, 1000 bales from Rahim Yar Khan all finalised at the same rate, 2000 bales from Sadiqabad at Rs 5150 and 400 bales from Head Bakni at the same rate, they added.

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The KCA Official Spot Rate for Local Dealings in Pakistan Rupees

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FOR BASE GRADE 3 STAPLE LENGTH 1-1/32"

----------MICRONAIRE VALUE BETWEEN 3.8 TO 4.9 NCL
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Rate Ex-Gin Upcountry Spot Rate Spot Rate Difference For Price Ex-Karachi Ex. KHI. As Ex-Karachi on 24.02.2015
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37.324 Kgs 4,950 150 5,100 5,100 NIL

Equivalent

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40 Kgs 5,305 160 5,465 5,465 NIL

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10. DASTGIR SAYS 10,400 MEGAWATTS TO BE ADDED TO NATIONAL GRID BY 2017

Federal Minister for Commerce Engr. Khurram Dastgir said here on Wednesday that 10,400Megawatts of electricity would be added to the national grid by 2017. "The financial closure of various power projects is going to be made by the end of March, 2015 and 10,400MW of electricity will be inducted into national gird in the beginning of 2017," he added.

The minister was talking to media persons during his visit to the office of Federation of Pakistan Chambers of Commerce and Industries (FPCCI). He said that the top-most priority of the government is to attract both foreign and local investment in the country by restoring peaceful environment and ensuring adequate energy supply.

"The menace of terrorism from the country will be eradicated within two years as the whole nation is on the same page," the minister said, adding that the energy crisis will be reduced considerably with the import of Liquefied Natural Gas (LNG) by the end of next month.

Talking about the 9th Expo Pakistan which will commence on February 26 at the Karachi Expo Centre, he said that around 1,000 traders and businessmen from 70 different countries have confirmed their participation in this mega event. He said that the four-day exportoriented fair will, on the one hand, help in enhancing image of the country and, on the other, contribute handsome revenue to the national exchequer, besides the event would also promote the sense of self-reliance among the local business community.

Commenting on GSP Plus status, he said that the country's export to European Union (EU) from January-November 2014 had increased by $1.16 billion as compared to the same period during the previous financial year. Replying to a question about Indo-Pak trade relations, the minister said that both Pakistan and India will not be able to enjoy trade benefits as long as bilateral diplomatic ties between the two countries were not improved.

He was, however, optimistic that Indian Foreign Secretary's forthcoming visit to Pakistan will help in resolving mutual trade issues. The FPCCI president, Muhammad Idrees and the Chief Executive Officer of Trade Development Authority of Pakistan (TDAP), S M Munir, were present on the occasion.

Later, businessmen and traders highlighted their issues and put forth a number off suggestions at a meeting held between the minister and the FPCCI members. The FPCCI chief on this occasion demanded of the government to take private sector on board while making FTA/PTAs. He also urged the ministry of commerce to prepare feasibility report with regard to establishing warehouses and bonded carrier facilities for Central Asian Countries, besides dry ports should be set up along with border areas of Afghanistan, Iran and India.

The FPCCI chief also demanded that `fake' associations should be banned, plants and machinery for export-oriented agro-based industry should be exempted from duty and knowledge-based economy should be promoted by organising seminars and workshops.

Note; this is an information message and the firm takes no responsibility for any omission or error. Before taking any action under law, please consult us.
Regards

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Senior Partner
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