

PC YET TO RECOVER RS 5.2BN OUTSTANDING RECEIVABLES FROM 13 PARTIES

ISLAMABAD: The Privatisation Commission (PC) is yet to recover outstanding receivables of Rs 5.2 billion from 13 parties, who failed to clear their obligations, well informed sources told Business Recorder.

Sharing the details, sources said, the PC Board in its meeting held on Sept 05, 2022 approved to appoint Crowe Hussain Chaudhury & Co Chartered Accountants (M/s Crowe CA) as external auditors for audit of PC receivables-privatisation proceeds (13 entities) as on June 30, 2022 at a total fee of Rs 498,000 including out of pocket expenses. Accordingly, an agreement was signed on Sept 09, 2022 by the parties for the purpose. M/S Crowe CA completed the audit and submitted a detailed Audit Report of Privatisation Commission receivables-privatisation proceeds (13 entities) containing the Receivable Statement of the Commission as on June 30, 2022 Salient features of the report are as follows:

- (i) the receivable statement of the Commission as on June 30, 2022 is prepared, in all material respects, in accordance with accrual basis of accounting, the sales agreement entered into with buyers, arbitration awards and court decrees issued;
- (ii) audit was conducted in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan;
- (iii) Auditors obtained sufficient and appropriate audit evidence to provide basis for their opinion;
- (iv) statement was prepared to assist the Commission's Board in evaluation of recoverability of its receivables from parties ; and
- (v) as per receivable report approximately Rs 5.2 billion was outstanding from 13 parties as on June 30, 2022.

The PC Board Special Committee (for External Audit) examined the report prepared by the Crowe Hussain Chaudhury & Co Chartered Accountants and unanimously recommended to the PC Board for adoption of Audit Report-Privatisation Commission Receivables-Privatisation Proceeds (13 entities) containing the receivable statement of the Commission as on June 30, 2022 along with Comfort Letter (to be issued to the Auditors for restriction on use/ distribution of Auditors Report). The PC Board has approved the audit report of Privatisation Commission Receivables-privatisation proceeds (13 entities) as on June 30, 022 containing the receivable statement of the Commission as on June 30, 2022.

The Board also approved the Comfort Letter to be issued to the Auditor for restriction on use/ distribution of Auditors Report and in principle approval for payment to the auditor on account of additional services (i.e., for defending their opinion in courts/ other forums. The Board also authorised the Chairman Special Committee (for External Audit) Zafar Iqbal Sobani and the Secretary, Privatisation Commission to sign the receivable statement on behalf of the Board.

R 2-4-2023

PROPOSED LAUNCH OF CARGO TRAIN: RAILWAYS INVITES PROPOSALS FOR COMMERCIAL MANAGEMENT OF SERVICE

PESHAWAR: While expressing its intention of introducing Peshawar Cargo Express Train service, Pakistan Railways (PR) has sought proposals from private parties for outsourcing commercial management of the proposed scheme. As per an advertisement that appeared in a section of the media, the proposed Peshawar Cargo Express Train will operate between the Peshawar city station and Karachi city station via the PR's main line.

The train will run from Peshawar on a load of 10 ZBCs, a type of bogie used to transport various items, five ZBCs from Rawalpindi and multiple ZBCs from Lahore to Karachi and vice versa, said the advertisement issued by PR's Deputy Chief Marketing Manager (Freight) Zeeshan Shahzad.

According to a press release issued on Sunday, the train having a potential capacity of 1,500 tonnes will operate daily from Peshawar to Karachi and from Karachi to Peshawar with en-route stopping stations of Lahore and Rawalpindi for attaching and detaching ZBCs.

The interested parties should submit proposals by April 19, 2023 while a pre-bid with all the interested parties will be held on April 13, the advertisement added.

The PR's plan to launch the Peshawar Cargo Express Train has been hailed by the business community members involved in import, export and trade with Afghanistan.

Chairman of the Standing Committee of Sarhad Chamber of Commerce and Industry on Railways Zia-ul-Haq Sarhadi lauded the decision. He said that not only will the proposed service prove to be a source of revenue for Pakistan Railways but will also solve a lot of problems being faced by the business community due to transportation of goods through bonded carriers.

Transportation of goods by cargo trains will also revive the livelihood of more than 270 Customs Clearing Agents in Khyber Pakhtunkhwa and make the newly constructed Aza Khel Dry port operational, added Zia-ul-Haq Sarhadi, who is also president of the Frontier Customs Clearing Agents Association. He said export consignments of different goods, including those of gemstones, minerals, furniture, fruits, handicraft, herbal items and match sticks, are sent on a daily basis from Peshawar to Karachi which will now be sent through cargo trains. Similarly, raw materials for different industries in KP are transported from Karachi which can also be a source of earning for the Pakistan Railways.

Because of the steep increase in the prices of petroleum products, transportation of goods between Karachi and Peshawar through trucks has become expensive and is putting tremendous burden on businessmen. Launching of the cargo train service will, therefore, provide relief to the businessmen. Zia Sarhadi urged the senior PR officials to fully concentrate on the execution of the proposed scheme which will not only benefit the business community of the country but also prove to be beneficial for the government department by increasing its revenues.

R 3-4-2023

STATE-OF-THE-ART CUSTOMS TERMINAL AT THE PAK-AFGHAN BORDER: ROW OVER TORKHAM TERMINAL LAND ACQUISITION

SIMMERS

KHYBER: The dispute over acquisition of land for the state-of-the-art customs terminal at the Pak-Afghan border at Torkham continues to simmer as construction work paces ahead to complete the project by the end of this year. Khuga Khel tribe elders allege that the Federal Board of Revenue (FBR), with whom they had originally signed an agreement on the provision of over 300 kanals of their collective land near the Torkham border for the construction of the terminal, had redesigned its structure and also 'grabbed' over 400 kanals of additional land without their consent. With the FBR opting to stay in the background, the tribal elders 'pointed their guns' at the National Logistic Cell (NLC) since it was awarded the contract and present on ground to execute the construction plan. Mufti Ejaz, a spokesman for the 'aggrieved' Khuga Khel tribesmen and a senior JUI-F leader, insisted that they were never taken into confidence about the revised plan of the customs terminal and the subsequent encroachment of over 400 kanals of additional land. He said the Khuga Khel tribe and the residents of Khyber district were not against the construction of the terminal as it would provide the much-needed employment opportunities to the local people and give impetus to bilateral trade with Afghanistan. They only demanded 'fair deal' regarding the acquisition of any additional land for the purpose, he added.

The Khuga Khel tribesmen had during a protest rally in Landi Kotal on March 12 threatened to forcibly stop the terminal's construction if their grievances were not addressed within a week. They, however, failed to muster the required strength to materialise their 'threat' after the expiry of the deadline and opted for a negotiated settlement of the issue. Nisar Ahmad, a Khuga Khel elder and member of the nine-member negotiating committee, however, told [Dawn](#) that the issue was long resolved and any criticism or reservations over the revised agreement with the government were uncalled for and was of 'no significance'. He said five of the nine members of the negotiating team had consented to the provision of additional 404 kanals of their collective land to the FBR and thus there was no question of 'disputing the agreement' and sabotaging the construction of the customs terminal.

[Dawn](#) tried to reach the FBR officials concerned for their comments on the revised plan of the terminal and the acquisition of additional land, but they did not respond to repeated queries. When approached for comments on part of the NLC, Abdul Aziz Khattak, the organisation's general manager in Torkham, told [Dawn](#) that not a single inch of the Khuga Khel land would be occupied or utilised for the under-construction terminal without lawful authority. He, however, said that as per NLC's information, there was a difference of some 16 kanals of land after the signing of the revised agreement and that too would be 'sorted out' with revised rates in due course of time. He also clarified that the main highway passing through the centre of the customs terminal was the property of National Highways Authority, while natural stream falling within the terminal's jurisdiction was state property and there were also some individual owners of some of the land acquired for the terminal who were duly compensated. Mr Khattak insisted that the NLC with FBR assistance would conduct the final measurement of the terminal upon its completion by the end of this year and all stakeholders, including the Khuga Khel elders, would be invited to see the actual size of the terminal premises. He acknowledged that some additional land was acquired as the drawing of the terminal was revised after additional facilities were added to it on the request of the Khuga Khel elders and local traders, transporters and customs clearing agents. "Let the project be completed peacefully and if anything found in excess of the written agreement, it would be duly compensated without any delay", he said while responding to repeated objections and protests by the tribesmen.

Explaining the salient features of the terminal, he said that under the procedure, customs clearance of loaded vehicles would be done under a one-window system while goods declaration procedure could be performed through internet under the WebBasedOne Custom system by the importers and exporters from any part of the country or abroad.

"The terminal, which will be of an international standard and will provide all the basic facilities to traders, transporters and customs officials, would be completed and fully operational by the end of 2023", Mr Khattak told [Dawn](#).

The new terminal will have a cumulative parking facility for at least 500 vehicles which will hugely minimise traffic mess on the main Peshawar-Torkham highway.

“The terminal is also designed to offer rapid passenger immigration process, efficient cargo checking and handling alongside e-lanes for even faster clearance and a sufficiently large parking space for at least 500 trucks awaiting clearance,” he said. Though the idea of constructing the much-needed terminal was conceived in 2003, the construction work was delayed till 2015 due to the security situation in the region and also a row over the acquisition of the required land which was owned by the Khuga Khel sub-tribe of Landi Kotal.

The construction, when finally started seven years ago, confronted many hurdles and delays caused by the protests held by the Khuga Khel tribe against the terms and conditions for acquisition of the required land.

Dawn 3-4-2023

CDA TO AUCTION COMMERCIAL PLOTS TO BOOST REVENUE

ISLAMABAD: The capital Development Authority (CDA) is all set to auction commercial plots in various developed sectors of the federal capital, beginning on May 3, aiming to generate more revenue for the city and attract investors to participate in the auction. Talking to APP, an official in the authority urged interested investors to participate in the auction, which will take place at the Jinnah Convention Centre in Islamabad. The development is expected to have a significant impact on the commercial estate market in the capital city. He said the auction in various sectors of the Islamabad capital territory would continue till May 5, adding that the authority has already publicized the auction schedule of various plots in different newspapers.

The official said that the real estate experts have announced it as a must-avail investment opportunity for investors nationwide and overseas. The participants investing in the public sale can possess commercial plots with ‘legal protection.’

The details about the commercial plots located in the developed sectors of the federal capital included various centres, agro farms, petrol pumps, E-11 northern strip, Class-III shopping centre, Park Enclave commercial and Blue Area E-11/F-11, Canopy side, he added.

The participant, the official said that whoever submits full payment within 30 days of the bid acceptance letter would be offered a 10 percent rebate on the remaining amount. He said the list of protocols announced by the authority in the auction voucher for prospective investors included a facilitation team presence is mandatory for the assistance of investors, 25 percent amount of the bid amount would be considered the first instalment, 1st instalment should be submitted within thirty days of bid acceptance, CDA to collect the advance tax on a pro-rata basis, site and marketing offices charges would not be included, building plan will be approved after the submission of 1st instalment centres.

The official said the CDA auction voucher allowed accommodated investors with a one-window directorate to make their payments. The investors can also pay through selected Askari, UBL, HBL, MCB, and Bank of Punjab branches from March 25 onwards. The official said the CDA advertisement also included details about the flexible completion period for commercial plots included 3 years: 1,000 yards, 4 years: 1,000 to 3,000 yards and 5 years above 3,000 yards.

R 3-4-2023

PETITION AGAINST CONSTRUCTION OF DIVISIONAL COMPLEX: LHC DECLARES DISTRICT COLLECTOR’S NOTIFICATION AS ULTRA VIRES OF LAW

LAHORE: The Lahore High Court on account of failure to submit the Initial Environment Examination (IEE) declared a notification of district collector Gujrat as ultra vires of law issued for the construction of a divisional complex in a forest area.

The court said the respondents would have alternate proposals for the setting up of a divisional headquarters complex on land which does not require the acquisition of agricultural and forest land. The court passed this order on a petition of Shah Jahan of Gujrat who approached the court against the acquisition of the land for the construction of the project in question.

The site is situated at Mauza Machhiana and Samman Pindi along the upper Jhelum canal and has extensively been planted by the forest department now fully grown-up as mature trees.

The court said it would be an egregious act of insensibility to cut down mature trees on land consisting of over 702 Kanal which is also a critical flood mitigation facility that has been preserved to prevent loss and damage to the upper Jhelum canal and 17 upstream villages and therefore needs to remain intact and un-tempered.

The Environmental Protection Authority (EPA) categorically stated in its report that the scheme falls in Schedule-I of the Review of IEE/Environmental Impact Assessment (EIA) Regulations 2000. Hence, the respondents are supposed to submit an IEE report for the project to obtain environmental approval as required under Section 12 of the Punjab Environmental Protection Act, 1997.

The respondent has not submitted IEE/ EIA which is a sine qua non and no project can be initiated or commenced for construction unless prior approval has been granted by EPA under the law, the report added.

The commission's members constituted by the court also made visual observations regarding mature trees, ponds, wetlands, and marshy areas, which is the true representation of a forest.

The entire population of the adjoining villages was also against the proposed project, the report said. It further stated in the report that the surrounding area is fertile land for multipurpose cropping which ensures food security for the local population, the commission added.

The commission also commented that the district administration ignored the provisions of various statutes and laws as also policies and regulations formulated over the years, the court added.

The court said according to the recommendations of the commission, the site was not feasible for the construction of the project in question. The court said the respondent's departments have also failed to establish facts that would justify the setting up of the project on an area that comprises agricultural and forest land. The respondents have no reasonable cause to change the nature of forest land and carry out construction for setting up of a divisional headquarter, the court added. Unless the measure is absolutely necessary in the national interest which takes priority over all other interests, no agricultural land and forest land can be acquired to set up any infrastructure project, the court concluded.

R 2-4-2023

COMPANIES PAY UP TO \$500,000 FOR SUSTAINABILITY RATINGS: REPORT

LONDON: Companies are spending up to half a million dollars a year on a sustainability rating to meet investor demands for such data, yet are often dissatisfied with the results, new research shows.

Publicly-listed companies spend, on average, between \$220,000 and \$480,000 on ratings-related costs per year, with their private counterparts being billed for up to \$425,000, based on a survey by sustainability consulting firm ERM.

Common criticisms related to the accuracy and transparency of the data and ratings, as well as a company's ability to correct errors, the report said.

Growing demand for environmental, social and governance (ESG) data and a reliance by many smaller investors on external providers to assess companies has driven rapid growth of the unregulated industry, drawing the attention of regulators.

The ERM report said companies' dissatisfaction with the accuracy of ratings was based largely on their experience of finding errors in raters' analysis of company supplied data, undermining their trust in the overall rating.

Almost a third of the 104 companies surveyed said they had a "low" to "very low" confidence that the ESG ratings accurately reflected their ESG performance. But they are driven to secure ratings by investor demand, with 95% of companies saying this was a factor for them engaging with ESG raters.

Investors, too, are spending large amounts on ESG data and ratings, with costs ranging between \$175,000 and \$360,000, the ERM said, although many reported having only "moderate confidence" in the accuracy and utility of these ratings.—Reuters

R 3-4-2023