
PSMC Privatization – Opposition party questions the deal

Monday, 03 Apr, 2006

It is reported in a Pakistani daily that Mian Raza Rabbani, Parliamentary leader of the Pakistan Peoples Party strongly condemned privatization of the Pakistan Steel Mill Corporation at a throw away price by the Government. He said that this process has once again shown that the present government believes in cronyism and is patronizing few business houses in Pakistan and accused the government for lack of transparency and that deals are made in haste and much below the market price of the asset. PPP also criticized the government for not announcing any package for laborers and for not disclosing the reference price.

PPP questioned the government that the land measuring 4,547 acres which have been sold with the mill at a rate of Rs. 11 per acre has a market value of Rs. 2 billion per acre, the inventory of mill has a market value of Rs. 12 billion, the raw material worth Rs 7 billion that has been sold along with the mill, machinery purchased for the expansion of the Mill amounting Rs. 9 billion that has been sold with the mill, Rs 4 billion present in the accounts of the mill and Rs 24 billion lying as gratuity and provident fund.

PPP said that the issue of sale of the mill should be raised on the Senate floor and full investigation into the sale by a bipartisan Committee of the Houses of Parliament shall be launched.

For more news visit at www.steelguru.com