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GOVERNMENT OF PAKISTAN
MINISTRY OF PRIVATISATION
(Privatisation Commission)

NOTIFICATION

Islamabad, the November 30, 2005

No. 9(14)PC/91- WHEREAS the Privatisation Commission is required to publish by notice in the official gazette each privatisation transaction within thirty days of completion, vide Section 26 of the Privatisation Commission Ordinance, 2000.

Whereas the Privatisation Commission has completed the Privatisation of Mustehkam Cement Limited (MCL), on November 15, 2005.

Now, THEREFORE, in pursuance of the aforesaid provisions of the Privatisation Commission Ordinance, 2000 and in exercise of powers enabling in this behalf, the Privatisation Commission hereby publishes this notice.

SECTION A **Summary description of the transaction including the name and address of the contracting party.**

MCL is a public limited company listed on the stock exchange. The original unit commenced production in 1966, while the new unit started commercial production in 1981. The company produced Portland cement. The plant is located at Hattar, Haripur and has a rated capacity of 660,000 tons per annum.

The unit holds approx. 445 acres of land, while the factory area is 146.3 acres. It was closed down in 1999 and employees paid off GHS / VSS amounting to Rs.472.5 million. The holding company SCCP holds 85.29% of the total outstanding shares. The shares of the company are listed at Karachi Stock Exchange.

The first bidding for Mustehkam Cement Limited was held on 17 October 1991 on the basis of sealed bids invited through advertisement in the press. The bids were invited for the sale of 6,956,796 (75.29%) shares of the company. Seven parties including the ex-owner (Mian Farooq Ahmed Sheikh) and Employees Management Group (EMG) participated in the bidding. .

After the highest bidder M/s Calicon Pvt. Limited agreed to improve his bid from Rs. 127 per share to Rs. 135 per share (i.e. equal to 90% of the reference price of Rs. 150 per share), the ex-owner was given an opportunity to match the highest bid of Rs. 135 per share in pursuance of the Managed Establishment Order 1978 (P.O. No. 12 of 1978) as amended by Transfer of Managed Establishment (Second amendment Order 1991).