

MINISTRY OF PRIVATISATION

(Privatisation Commission)

NOTICE

Islamabad, the November 25, 2006

**No. 8(9)PC/96** – 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 (Sale of Assets) of Lasbella Textile Mills (LTM), on November 21, 2006.

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.**

Lasbella Textile Mills (LTM), situated at Uthal, district Lasbella, Balochistan was set up in 1976 and started production in January 1980. It was closed down in 1983 after only three years of operation.

Lasbella Textile Mills was a unit/project of Pak Iran textile Mills (Pvt.) Ltd. which was liquidated and a new company, Iran Pak Industries (Pvt.) Ltd. (IPI) was incorporated in year 1993 as a Joint Venture between Government of Pakistan and Government of Iran with a ratio of 51:49. The Government of Pakistan continuously paid salaries and wages of employees of the unit over the years. The staff was laid off in 1993 after paying Golden Handshake/Voluntary Separation Scheme.

It consisted of 102 acres of land (Lease hold – 99 years). Total covered area of building was more than 900,000 sq feet. The status of machinery was mixed; some machinery was in good condition due to minimal usage and dry climate of the area. whereas some machinery needed repair to become operational. However, the technology of most of the machinery was close to 25 years old. It had 50,000 spindles, 1100 looms and complete bleaching, Dyeing and finishing Machinery, 5 MW Generators, 4 Boilers and factory air conditioning plant etc. The mill besides a factory also had a housing colony for officers consisting of 65 Bungalows and a Technical Hostel. Its labour colony had 480 barracks. Besides it had the following civic amenities available at the factory area (i) Mosque (ii) Primary School (iii) Dispensary (iv) Workshops (v) Office Block (vi) General Stores Building.