

YEAR BOOK 2018-2019



GOVERNMENT OF PAKISTAN
INDUSTRIES AND PRODUCTION DIVISION
ISLAMABAD



MESSAGE FROM THE
MINISTER FOR INDUSTRIES AND PRODUCTION

Publishing of yearbooks has traditionally been a perfunctory exercise in the Public Sector departments. I am pleased to find, that while compiling Year Book 2018-19, this Division has endeavored to follow a spirit of change compatible with the changing political ethos.

Industries and Production Division has a specialized scope that aims at creating milieu for economic activities through sustained industrial processes. The political leadership is committed to promote transparency and sharing of public policies with the stakeholders. In this backdrop, the Year Book 2018-19 is a document that allows the stakeholders to discuss and debate policy of the Government, thus enhancing prospects of a positive and constructive feedback. This approach will also enable the Government, to re-orient its policies according to the demands of the stakeholders and to create a conducive environment which would help promote industrialization in the country.

I am sure that the Year Book 2018-19, would be a valuable addition to the library of readers including businessmen, investors, researchers, policy makers and other stakeholders.

(Muhammad Hammad Azhar)
Federal Minister for Industries and
Production



MESSAGE FROM SECRETARY INDUSTRIES AND PRODUCTION

It gives me immense pleasure in documenting the performance of the Industries and Production Division for the year 2018-19, based on various activities conducted in the Division as well as its support organizations.

The document highlights the policies framed either directly by this Division or through its support organizations to promote industrialization in the country as well as special emphasis given by the Division on various emerging sub-sectors. The achievements made during the period under review would contribute towards creation of an enabling environment for growth and promotion of social & economic well being of the people and industrial development, in particular with an objective to achieve efficient, sustainable and equitable development.

I trust this document will prove to be a useful reference for an overview of the Division and the industrial sector. We would appreciate proposals and suggestions for improvements in the next Year Book.

(Afzal Latif)
Secretary

CONTENTS		Page No.
1.0	Introduction	1
	1.1 Vision, Mission and Objectives	2-3
	1.2 Functions of Industries and Production Division	4
	1.3 Organizational Setup	5-11
2.0	Public Sector Development Programme (PSDP)	12
	2.1 Achievements in Public Sector Development	12-13
	2.2 PSDP Projects	14
3.0	Public Sector Corporations / Organizations	15
	3.1 Pakistan Institute of Management (PIM)	15-16
	3.2 Small & Medium Enterprises Development Authority (SMEDA)	17-26
	3.3 Department of Explosives (DOE)	27-28
	3.4 Export Processing Zone Authority (EPZA)	29-32
	3.5 Pakistan Industrial & Technical Assistance Centre (PITAC)	33-40
	3.6 National Fertilizer Corporation (NFC) and its subsidiary companies	41-45
	3.7 State Engineering Corporations (SEC) & its Units	46-48
	3.7.1 Pakistan Machine Tool Factory (PMTF)	49-51
	3.7.2 Heavy Electrical Complex (HEC)	52-55
	3.7.3 ENAR Petrotech Services Limited (EPSL)	56-59
	3.7.4 Pakistan Engineering Company (PECO)	60
	3.8 Engineering Development Board (EDB)	61-67
	3.9 Pakistan Steel Mills (PSM)	68-75
	3.10 National Productivity Organization (NPO)	76-81
	3.11 Utility Stores Corporation (USC)	82-84
	3.12 Pakistan Industrial Development Corporation (PIDC), its subsidiary companies and Joint Ventures	85-98
	3.13 Agro Food Processing Facilities	99-101
	3.14 KCDC Textile and Vocational Institute	102-103
	3.15 Leather Crafts Development Company (LCDC)	104-105
	3.16 Spun Yarn Research & Development Company	106-107
4.0	Performance of Industries and Production Division based on output and in comparison to Actual Budget	108
	4.1 Budget Based Performance	108-109
	4.2 Output Based Performance	110-114

1.0 INTRODUCTION

Industries and Production Division's aim is to facilitate Industrial growth in the country, both in public and private sectors. It plays a significant role in creating an enabling environment for industrial growth in the country. Pakistan is endowed with all the essential requisites of industrialization i.e. availability of raw materials, cheap labour, entrepreneurship and domestic consumer market of around 190 million people. The Division has been mandated with the task to achieve the Government's objectives to forge ahead in all the Industrial sectors with the required pace and motives. Now-a-days, industrialization is considered a major tool for economic growth. With these objectives in view, I&P Division devised its strategy and moved forward with all its resources.

During the period 2018-19, the broad functions performed by the I&P Division were:

- Initiatives to boost Industrialization in the country and the steps taken for promotion of social and economic well-being of the people.
- Policy / Reforms formulation & implementation.
- Development of Industrial parks on the principle of Public Private Partnership.
- Technology and skill up-gradation for Industrial development.
- Provision of consumer goods at affordable prices through Utility Stores.
- International exposure to Engineering Industry in Pakistan.
- Facilitation of product diversification and capacity expansion.
- Operational performance of public sector Corporations / Units.

In order to implement the above-mentioned functions, strategies followed and the achievements made during the year as well as the future plans of the Division are discussed in the subsequent pages.

1.1 VISION, MISSION AND OBJECTIVES

VISION

“To Achieve Efficient, Sustainable and Inclusive Industrial Development”

MISSION STATEMENT

To play the role of facilitator in industrial development and entrepreneurship through policy intervention, setting up Industrial Parks and Export Processing Zones for investors, skill development of human resource for industrial sector and socio-economic development of country with particular focus on SME development and promotion of traditional crafts of Pakistan.

OBJECTIVES

- Focus not only on industry, but more broadly on social and economic systems as a whole.
- Promote innovation and facilitate creation of knowledge-based assets.
- Identify industrial cluster groups and facilitate and incentivize their development along with backward and forward linkages.
- Promote movement along the value chain from lower value-added activities towards higher value-added activities and provide support to Research, Development and Product design as a catalyst.
- Enhance global orientation to adapt and respond to the changing global environment.
- Improve the requisite economic foundation by focusing on the development of human resource, technology acquisition, physical infrastructure and business support services to increase productivity.
- To ensure optimum capacity utilization and revival of sick units.
- Encourage expansion programmes for existing Industrial Sector.
- Give top priority to knowledge-based assets and provide sufficient resources to investors so that they could get the pertinent information from one window for effective decision making.
- To ensure creation of an enabling environment to the entrepreneur / prospective investor through a well-defined, integrated and coordinated network of

information system, supported and facilitated by the organizations under Industries and Production Division.

- To create conducive environment so that interests & fears of the investors are taken care of.
- Balance the interest of the stakeholders through its supportive organizations on regular basis.
- To monitor the activities of associated departments and to provide line of action for their expected achievements.
- To start cooperation at provincial level so that the impediments faced at that level can also be removed.
- To provide technical assistance and education commensurate with the requirements of industry. If required establishing new Centers or Institutes besides strengthening the existing ones to impart required knowledge and skills to potential investors.

1.2 FUNCTIONS OF INDUSTRIES & PRODUCTION DIVISION

Under the Rules of Business, 1973 as amended from time to time Industries and Production Division is assigned the following functions:

1. National industrial planning and coordination.
2. Industrial policy.
3. Employment of foreign personnel in commercial and industrial enterprises.
4. Federal agencies and institutions for: -
 - a. promoting industrial productivity;
 - b. promoting of special studies in the industrial fields; and
 - c. testing industrial products.
5. Keeping a watch, from the national angle, over general price trends and supply position of essential commodities; price and distribution control over items to be distributed by statutory orders between the Provinces.
6. Omitted vide SRO 973(1)/2017 dated 25-09-2017 (F.N.4-2/2016-Min-I).
7. Import and distribution of white oil.
8. Explosive (excluding the administration of Explosive Substances Act, 1908) and safety measures under the Petroleum Act, 1934 and Rules made thereunder.
9. Prescription and review of criteria for assessment of spare parts and raw materials for industries.
10. Administration on law on Boilers.
11. Administrative, financial, operational, personnel and commercial matters of Pakistan Garments Corporation.
12. Ghee Corporation of Pakistan Limited, and Pakistan Edible Oils Corporation Limited.
13. National Fertilizer Corporation, Lahore.
14. Development of Industries (Federal Control) (Repeal) Ordinance, 1979.
15. Economic Reforms (Protection of Industries) Regulation, 1972 (Regulation No.125 of 1972).
16. All matters relating to state industrial enterprises, especially, in basic and heavy industries, namely: -
 - (a) State Engineering Corporation, Karachi.
 - (b) State Cement Corporation, Lahore.
 - (c) Pakistan Automobile Corporation, Karachi.
 - (d) State Petroleum Refining and Petrochemical Corporation, Karachi.
 - (e) Federal Chemical and Ceramics Corporation, Karachi.
 - (f) Pakistan Steel Mills Corporation, Karachi.
 - (g) Pakistan Industrial Development Corporation (PIDC); Karachi
16. Any other industrial enterprises assigned to the Division.

1.3 ORGANIZATIONAL SETUP

Business allocated to the Industries and Production Division has been distributed amongst the following Wings: -

1. Admin & Finance (A&F) Wing

1. Administration / Establishment matters of main Division.
2. Budgetary and financial matters of main Division and its Organizations.
3. Foreign and local trainings, workshops and seminars.
4. Council and coordination work.
5. Matters related to USC and NPO.
6. Matters relating to MIS Centre.
7. Work relating to Assembly / Senate Business
8. Administrative matters of defunct department of supplies.
9. Litigation matters of I&P Division and its Organizations

2. Chief Finance & Accounts Officer (CF&AO)

1. To tender advice in the delegated fields, where called upon.
2. To process, in accordance with the prescribed procedures, all cases relating to the non-delegated fields, foreign exchange and demands for supplementary grants which are required to be referred to the Finance Division.
3. All work relating to Public Accounts Committee (PAC) and Audit observations on appropriation accounts and ensuring compliance of the Committee's observations and recommendations and verification of records from AGPR & Audit.
4. To exercise internal checks on irregularities, waste and fraud in Terms of para 13 of the General Financial Rules, Vol-I in the Division and its attached departments.
5. To ensure compliance of all other rules and orders contained in the Federal Treasury Rules, General Financial Rules and instructions issued by the Finance Division from time to time.
6. To arrange meetings of Departmental Accounts Committee (DAC) for settlement of outstanding paras of inspection reports of main Division and its attached departments.

3. Large Enterprises Development (LED) Wing

1. Policy instructions to boost growth & development in various sub-sectors of industry with particular emphasis on Engineering Sector.
2. Enhancements of engineering goods export potential by introducing international quality standards and up-gradation of technology to improve production techniques and processes.
3. Industry facilitation through administration of various SROs by Engineering Development Board.
4. Preparation and finalization of budgetary proposals especially relating to tariff structures impacting industrial growth, in consultation with Federal Board of Revenue and Ministry of Commerce.
5. Overseeing large enterprises development issues like steel, cement, automobile, plastic, leather, sports, paper and pulp, construction and high-tech machinery.
6. Work relating to Administration and Establishment of following Organizations working in LED Wing:
 1. Pakistan Steel Mills (PSM)
 2. Engineering Development Board (EDB)
 3. State Engineering Corporation (SEC) and its following subsidiaries:
 1. ENAR Petro-Tech
 2. Pakistan Machine Tool Factory (PMTF)
 3. Heavy Electrical Complex (HEC)
 4. Pakistan Engineering Company (PECO)
7. Policy Evaluation and Monitoring of Chemicals, Pesticides, Cement, Mining Industry and Surgical Instruments.

4. Medium Enterprises Development (MED) Wing

1. Preparation & Yearly review of SME Policy.
2. Overseeing / Implementation of SME Policy.
3. Creation of financial plans for SMEs and ensuring its outreach.
4. SME facilitation in creating backward and forward marketing Linkages
5. Work relating to Administration and Establishment of following Organizations attached with MED Wing:
 - I. Small & Medium Enterprises Development Authority (SMEDA)
 - II. Southern Punjab Embroidery Industry (SPEI)
 - III. Spun Yarn Research & Development Company, Multan.
 - IV. Khaddi Crafts Development Company, Multan.
 - V. Leather Crafts Development Company, Multan.
 - VI. Juice Producing and Packaging Lines for Fresh Fruits and Vegetables, Multan.
 - VII. AGRO Food Industry
 - VIII. Pakistan Industrial Development Corporation (PIDC) including its following Companies: -
 - i. Pakistan Stone Development Company (PASDEC)
 - ii. Pakistan Gems & Jewellery Development Company (PG&JDC)
 - iii. Pakistan Hunting & Supporting Arms Development Company (PHASDC)
 - iv. Furniture Pakistan (FP)
 - v. Aik Hunar Aik Nagar Project (AHAN)
6. Ensuring preparation of quarterly and yearly plans for the above Medium sized companies attached to MOIP.

5. Industrial Infrastructure Development (IID) Wing

1. Preparation and implementation of long term (5 years) and short-terms (six months and more) industrial infrastructure development plans, with particular reference to Pakistan China Economic Corridor.
2. Preparation and implementation of trucking policy with the aim to facilitate present fragmented trucking system into a cohesive industry capable of dealing with Pakistan China Economic Corridor requirements.
3. Preparation, Implementation, monitoring and evaluation of Development Projects (Funded through PSDP, foreign funded or internally).
4. Work relating to Project Monitoring and Evaluation Cell.
5. Work relating to Administration and Establishment of following Organizations working in IID Wing: -
 1. Export Processing Zone Authority (EPZA)
 2. National Industrial Parks Development and Management Company (NIP).
6. Ensuring preparation of yearly and quarterly plans for the above Infrastructure development companies attached to I&PD.
7. Industrial Safety and Consumer Protection.
8. Administrative and Operational matters of Department of Explosives.

6. Investment Facilitation (IF) Wing

1. International Coordination except Pakistan -China Economic Corridor.
2. To ensure creation of an enabling environment from the entrepreneur perspective.
3. Investment facilitation and inter-ministerial coordination for removing bottleneck in the way of new and existing industrial investment projects.
4. Investment Facilitation Centre (IFC)
5. Enforcement of energy and industrial standards.
6. Bilateral Investment Promotion and Protection Agreements.
7. Matters pertaining to Labour Laws and ILO.
8. Coordination with International Agencies i.e. UNDP, UNIDO, World Bank, IMF, Asian Development Bank, Islamic Development Bank, etc.
9. Disposal of matters pertaining to SAARC including SAPTA, SAFTA and FTAs in the light of necessary input relating to tariff/custom duty under these Agreements provided by Deputy Chief (Technical).

7. Professional Skill Development (PSD) Wing

1. Identification of training & skills' gaps of SMEs and Large-scale Industries.
2. Work relating to Administration and Establishment of following Organizations working in PSD Wing.
 1. Technology Up-gradation & Skills Development Company (TUSDEC)
 2. Karachi Tools Dies & Moulds Centre, Karachi (KTDMC).
 3. Gujranwala Tools Dies & Moulds Company (GTDMC).
 4. Ceramic Development & Training Complex (CDTC), Gujranwala.
 5. Pakistan Chemical & Energy Sector Skills Development Company.
 6. Pakistan Institute of Management (PIM), Karachi.
 7. Pakistan Industrial Technical Assistance Centre (PITAC).
 8. Administrative and operational matters of National Fertilizer Marketing Limited (NFML).
3. Preparation of skills development plans in respect of the above Skills Development Companies attached with MOIP.
4. Administration of the essential commodities, price control, profiteering and laws including distribution and control within Federal Area.
5. Keeping a watch from the national angle, over general price trends and supply position of essential commodities, price and distribution, control over items to be distributed by statutory orders between the provinces.
6. Import of urea fertilizer and its distribution to bridge the demand/supply gap, if any during Rabi and Kharif.
7. All matters relating to NFC, NFC-IEFR, Faisalabad & NFC-IET, Multan
8. All matters relating to Fertilizer Review Committee and Fertilizer Policy (2001).
9. Matters regarding Sugar Advisory Board and Sugar Policy.

2.0 PUBLIC SECTOR DEVELOPMENT PROGRAMME (PSDP)

2.1 ACHIEVEMENTS IN PUBLIC SECTOR DEVELOPMENT

Achievements in Public Sector Development of Industries and Production Division during the year 2018-19 are as follows:

- Seven (07) development projects were executed during the Financial Year 2018-19 and an expenditure of **Rs.229.604 million** had been incurred in the implementation of development projects of Industries and Production Division against total allocation of **Rs. 769.270 Million**.
 - The development projects executed during the year were geared to act as demonstration effect to provide common training facilities, technological transfer and common machinery pools. The basic thrust of the development projects was on technology driven growth within a framework to encourage economy of scale, value addition and diversification of products in order to make our products competitive in the international markets.
2. In addition to the above, following new projects were processed during the FY 2018-19.

Departmental Working Party (DWP)

Rs. In Million

Sr #	Name of the Project	Total Cost	Status
1	Construction of Industry Facilitation Centre (IFC) building Phase-I.	1114.634	Revised PC-I scrutinized/ processed in the I&PD and submitted to DWP of IFC.
Total:		1114.634	

Central Development Working Party (CDWP)

Rs. In Million

Sr #	Name of the Project	Total Cost	Status
1	Industrial Designing & Automation Centers Karachi, Lahore and Sialkot.	972.970	PC-I scrutinized/ processed in the I&PD and approved in the CDWP meeting dated 6 th May, 2019.
2	Handicraft Export Development Project, All over Pakistan.	236.255	PC-I scrutinized/ processed in the I&PD and approved in the CDWP meeting dated 6 th May, 2019.
3	Footwear Cluster Development through CAD/CAM and CNC Machining, Lahore	78.690	PC-I scrutinized/ processed in the I&PD and approved in the CDWP meeting dated 6 th May, 2019.

4	Women Skill Development Centres at various locations	230.320	PC-I scrutinized/processed in the I&PD.
5	Installation of Waste Water Treatment Plant and Slurry Management at Marble City Risalpur	190.000	PC-I scrutinized/processed in the I&PD.
6	Agro Food Processing Facility, Mirpurkhas.	709.896	PC-I scrutinized/ processed in the I&PD.
7	National Strategic Programme for Acquisition of Industrial Technology (NSPAIT)	2914.000	PC-I scrutinized/processed in the I&PD.
Total:		5332.131	

2.2 PSDP Projects

(Million Rupees)					
Sr. No	Name of the project	Executing Agency	Capital Cost	Allocation FY 2018-19	Releases in FY 2018-19
1	Fruit Dehydration Unit, Swat (DDWP)	SMEDA	59.940	19.940	15.380
2	Fruits, Vegetables and Condiments Processing Centre, District Nausheroferoze, Sindh (CDWP)	SMEDA	514.303	250.00	0.000
3	Hyderabad Engineering Support Centre (HESC), Hyderabad (CDWP).	TUSDEC	257.010	31.113	15.650
4	Light Engineering Upgradation Centre for SMEs, All over Pakistan.	TUSDEC	250.570	40.226	20.182
5	National Business Development Programme for SMEs, All over Pakistan (CDWP)	SMEDA	1954.978	200.000	78.462
6	Peshawar Light Engineering Centre (PLEC), Peshawar. (CDWP)	TUSDEC	265.140	28.720	22.930
7	Product Development Center for Composites Based Sports Goods, Sialkot. (CDWP)	SMEDA	487.970	200.000	77.000
Total:			3789.911	769.999	229.604

3.0 PUBLIC SECTOR CORPORATIONS / ORGANIZATIONS

3.1 PAKISTAN INSTITUTE OF MANAGEMENT (PIM).

Brief History:

Pakistan Institute of Management (PIM) was setup under PIDC in 1954, and in 1956, it was made a national organization. In 1976, an independent Board of Governors (BoG) was constituted. PIM works under the administrative control of Ministry of Industries and Production (MoIP), Government of Pakistan.

PIM's head office is located in Clifton, Karachi with one Branch office in Gulberg, Lahore. Both the buildings are owned by PIM and are purpose-built. PIM also has a branch office in Islamabad which started its operations in December 2016. Presently, total number of employees is 103. Annual budget for the year 2018-19 was Rs. 251 million with grant-in-aid of Rs. 54 million, which means around 21% of expenditure was met from grant-in-aid and around 79% from PIM's own sources of revenue.

PIM's Mission:

Progress Through better Management and Good Governance.

PIM's Charter / Vision:

To take a lead role in management training and development in Pakistan.

PIM's Core Business / Activities:

Management Training, Education, and Consulting.

PIM offers short duration management training programs in around one hundred (100) or more topics, and 3 to 4 months duration diploma & certification program in around fifteen (15) topics. PIM is the oldest and large management training institute in Pakistan.

A. Achievements and Initiatives Taken during last one year:

1. PIM trained 3,768 professionals of middle and senior management level from government, public sector organizations, and private sector organizations in 2018-19. So far, PIM has trained more than 200,000 managers and professionals since its inception in 1954.

2. A few new training programs and diploma programs were launched successfully, keeping in view the latest trends in management sciences and need of our client organizations.
3. A center for Security & Disaster Management (CSDM) was established in PIM, Lahore to provide awareness, training, consultancy and solutions to organizations on their security needs and issues.
4. An initiative of launching Pakistan Management Excellence Award (PMEA) has been taken by PIM to make the organizations more competitive and more productive, and increase our export and reduce dependence on imports.
5. Faculty members were trained to improve their training methodologies and effectiveness by an in-house workshop and also by sending them to different training programs offered by other similar organizations.
6. MoUs have been signed with many organizations to create synergy with other organizations and improve or enhance our offerings.
7. Arrangements are being made to start PIM operations in Peshawar and Quetta.

3.2 SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AUTHORITY (SMEDA)

Introduction

SMEDA is a premier institution of the Government of Pakistan under Industries and Production Division. SMEDA was established in October 1998 to take on the challenge of developing Small & Medium Enterprises (SMEs) in Pakistan. With a futuristic approach and professional management structure it has focus on providing an enabling environment and business development services to small and medium enterprises. SMEDA is not only an SME policy-advisory body for the government of Pakistan but also facilitates other stakeholders in addressing their SME development agendas.

SMEDA Mandate, as spelt out in the Ordinance, entails the following:

- Initiate, take, continue, implement and perform any and all activities for encouraging and facilitating the growth and development of SMEs
- Facilitate Policy-making and provide overall planning relating to SMEs in Pakistan
- Protect interests of SMEs
- Identify research parameters and priorities
- Conduct professional overall monitoring and evaluation
- Advise Federal Government for allocation of funds
- Act as resource base for providing expertise, information, data and statistics
- Provide, arrange and facilitate support services
- Establish association of persons, firm, company, body or corporation concerning SMEs in Pakistan

Vision

"Growth of globally competitive SME sector, through a conducive environment and support services, serving as an engine of sustainable growth for national economy"

Mission

"To assist in Employment Generation and Value Addition to the National Income, through Development of the SME Sector, by helping Increase the Number, Scale and Competitiveness of SMEs"

Objectives

- Formulate Policy to encourage the growth of SMEs in the country and to advise the Government on fiscal and monetary issues related to SMEs.
- Facilitation of Business Development Services to SMEs.
- Facilitate the development and strengthening of SME representative bodies associations/chambers.

- Set up and manage a service provider's database including machinery and supplier for SMEs.
- Conducting sector studies and analysis for sector development strategies.
- Facilitation of SMEs in securing financing.
- Strengthening of SMEs by conducting and facilitating seminars, workshops and training programs.
- Donor assistances for SME development of SMEs through programs and projects.
- Assist SMEs in getting international certifications (such as UL, CE, DIN, JIS, ASME, KS, etc.) for their products and processes.

SMEs play a key role in shaping national growth strategies, employment generation and social cohesion by improving standard of living of the vulnerable segments of the society. In Pakistan, SMEs contribute an estimated 40 percent to GDP and 25 percent to exports.

Small and Medium Enterprises Development Authority (SMEDA), the apex SME development organization of the Government of Pakistan, has an all-encompassing mandate of fostering growth of the sector. SMEDA's broad portfolio of services includes; industry support for productivity enhancement and energy efficiency, business development services, human capital development through its training programs, and SME related projects with national and international development partners. Salient activities/ achievements of SMEDA during the July 2018 to June 2019 are given below:

I. Research, Policy and Advocacy

One of the core areas of SMEDA interventions is research, policy & advocacy to protect and promote SME interests through facilitating creation of a conducive business environment.

i. SME Policy 2019-24

The current government assigns high priority to SME development and creation of a conducive business environment for SMEs across Pakistan.

Apropos of changing economic conditions and government's commitment to promote the SME sector, SMEDA is developing National SME Policy 2019-24, which will serve as Government of Pakistan's Master Plan for providing support to catalyze growth of the sector. The focus of the Policy shall be on job creation, export enhancement and increased contribution of SMEs in the national economy. The Policy will address core SME development issues, including access to finance, Business Development Services (HR Development, Technology, Marketing, Market Access, Standards and Certifications etc.), simplification & rationalization of taxation regime and reduction in cost of doing business. A cohesive strategic framework for business facilitation across the public sector institutional infrastructure, both federal & provincial, is being developed for implementation of policy under the principle of ease of doing business.

In order to formulate the Policy, a participatory process has been adopted to identify real SME challenges, which will be coupled with a strategy to address them. In this regard, Focus Group Discussions, Workshops and Consultative sessions were held nationwide (Lahore, Islamabad, Multan, Peshawar, Swat, Sialkot, Gujranwala & Gujrat). Eminent researchers, representatives of Chambers of Commerce & Industry, Trade Associations and academia were also actively involved in the policy making process. The Industries and Production Division has also constituted a Steering Committee to provide necessary guidance to the policy formulation process. The meetings of Steering Committee for National SME Policy were held in December 2018 and April 2019 and the draft has been shared with the stakeholders. The new SME Policy is expected to provide a comprehensive guideline to boost Pakistan's economic growth and assist in enhancing exports. The draft Policy shall be submitted for approval to the Federal Cabinet in 2019.

ii. Recommendations for Federal Budget 2019-20:

SMEDA developed recommendations/ proposals for Federal Budget 2019-20 on areas regarding taxation, tariffs, regulatory procedures and any other issues that impede SME growth. Recommendations for Federal Budget 2019-20 were sent to I&PD, MoF and FBR after soliciting inputs from key SME stakeholders (300 stakeholders including Chambers, Associations and SMEs).

iii. Policy Input:

Following policy inputs were provided during the year:

- Policy input provided on PM's Economic Advisory Council (EAC) Sub Groups on Competitiveness & Exports and Human Capital & Labour Market.
- Developed writeup on "Pro-poor Policies, Programs and Initiatives" for PM Office.
- Developed background paper and recommendations for "Knowledge-based Technology Driven Economy".
- Comments Developed for Improvement of Export Facilitation Schemes (i.e. DTRE, EOU, Temporary Importation & Duty Drawback) and submitted to I&PD
- Comments on Industrial Strategy submitted to Industries & Commerce Department, Government of the Punjab.

II. SMEDA Over the Counter (OTC) Services:

Sr. No.	Initiatives	Achievements (Jul 2018 – June 2019)
1	SME Facilitation	6,322
2	Pre-feasibility Studies Development (New & Updated)	53
3	Investment Facilitation (PKR Million)	648.015
4	Business Plans	16
5	Training Programs	232
6	Cluster / District Profiles (New and Updated)	31
7	OTC Products (Food Safety, Business Management, A2F etc.)	44
8	Diagnostic / Value Chain Studies	9
9	Theme Specific Helpdesks	166
10	SMEDA Web Portal (Download Statistics)	99,187
11	SME Observer	1 issue
12	SMEDA Newsletter	4 issues
13	SMEDA Research Journal	Annual Publication

III. 3rd SME Conference 2018

SMEDA launched the SME Conference initiative in 2016, as a platform to promote and enhance collaboration between industry, academia and government, to undertake joint initiatives for nurturing SME focused research in Pakistani universities, and promote a culture of evidence-based policy making. After the success of 1st and 2nd SME Conferences, SMEDA, in collaboration with University of Management and Technology (UMT), organized the 3rd SME Conference on November 27 - 28, 2018. The Conference was organized under the theme; 'Entrepreneurship and Economic Integration for Sustainable Development,' and provided an opportunity to academia, government departments, international development organizations, financial institutions, large scale enterprises, SMEs and researchers to share their perspective on SME sector in Pakistan. International delegates from China, Bulgaria, Ireland and the UK as well as representatives from international development organizations, such as; JICA, USAID, UNDP, UNIDO, World Bank, IFC and others participated in the Conference.

The Conference included key note speeches and panel discussions on themes related to SME Policy & Research, Entrepreneurship and Start-up Ecosystem in Pakistan, Sustainable Development and Prospects for SMEs in China Pakistan Economic Corridor & Regional Integration. Academic scholarly papers on pre-defined themes were also shared during the research track of the conference.

IV. First Skills Olympics Competition

SMEDA and Japan International Cooperation Agency (JICA) jointly organized the first ever Skills Olympics Competitions for Auto-Parts Manufacturing Industry under SMEDA-JICA 4 years' program for Technical Support to Auto Parts Manufacturing Industry. The events were held at Infinity School of Engineering (ISE), Lahore and at Karachi Tools, Dies & Moulds Center (KTDM&C), Karachi.

Around 200 workers from more than 30 auto parts manufacturers who have been provided technical support services under the program competed in eleven different skills including CO2 Arc Welding, Forklift Driving, Cutting & Machining, Surface Finish, CNC Machining, Auto Cad, Painting, Parts Inspection, Standard Work Process Planning (FUNDOSHI) etc. The participants demonstrated their technical skills in relevant trades, which they had learned/ improved through teaching / coaching trainings by the Japanese experts under the Technical support program.

Top three position holders in each skill were awarded with shields & certificates. Special prizes were also given to top position holders, which were sponsored by the Japanese OEMs including Honda Atlas Cars (Pvt.) Ltd., Atlas Honda Limited, Indus Motor Company, Pak Suzuki Motor Company, Yamaha Motor Pakistan and Hino Pak Limited.

Skills Olympics are being organized internationally since the last 70 years. Such an initiative by SMEDA and JICA can pave the way to effective representation of Pakistan in International Skills Olympics, which are scheduled every 2 years.

V. Special Projects with International Development Partners

i. Economic Revitalization of Khyber Pakhtunkhwa and Federally Administered Tribal Areas (ERKF)

Economic Revitalization of Khyber Pakhtunkhwa and Federally Administered Tribal Areas (ERKF) is a Multi Donor Trust Fund Project (MDTF). The project was initiated to provide assistance in the economic recovery and rehabilitation of crisis-affected areas of Khyber Pakhtunkhwa and FATA.

After the successful completion of Phase-I, MDTF extended the project to Phase-II (2017-2020). Under Phase-II, ERKF Project is offering support to SMEs on the basis of 50% matching share through the following types of grants;

- a. **Rehabilitation Grant** - This grant is given to SMEs for rehabilitation of businesses affected by crisis in Khyber Pakhtunkhwa and FATA. The program provides the flexibility of using these grants either for capital expenditures or for working capital.
- b. **Up-gradation Grant** - Up-gradation grant is available to those SMEs that have an existing business and they need support for upgrading their business processes for improving their productivity and efficiency.

- c. **Cluster Grant** - This type of grant is provided to groups of SMEs (at least 5 SMEs). Preference is given to those projects that benefit, not only the concerned SMEs, but the entire cluster.

In order to raise awareness of Phase-II of the project, SMEDA arranged several awareness sessions across the Khyber Pakhtunkhwa province for providing hands on information to SMEs, including women entrepreneurs. Application forms of respective grants have also been provided to all SMEs, chambers, associations and other business representative bodies in the region.

Under Phase-II of ERKF project during the year a total amount of PKR 307.915 million has been approved/ sanctioned to facilitate 411 SMEs in the region. The project aims to achieve its development objective by 2020, through creation of sustainable employment opportunities and rehabilitation of small and medium enterprises (SMEs).

ii. SMEDA Industrial Support Program:

In order to provide support to the Industry, SMEDA collaborates with international development organizations, such as; Japan International Cooperation agency (JICA), German International Cooperation (GIZ), Training and Development Centers of the Bavarian Employers Association (bfz), Germany and local experts. Technical assistance is provided to SMEs across a range of industries to improve productivity, competitiveness and energy efficiency. SMEDA provided support to Auto Parts manufacturers by conducting energy audits, improving production efficiency, enhancing productivity, increasing capacity of local engineers and training. Details of facilitation and support provided during the year is given below:

- Under the SMEDA - JICA Auto Parts Project, technical support was extended to 38 auto parts manufacturers with 31 follow-up visits, in Lahore and Karachi. The purpose of these visits was to introduce productivity improvement tools & methodologies, and improve the overall efficiency. Furthermore, capacity building of local engineers and baseline energy audit of 7 factories, with follow-up/ 2nd energy audit of 5 factories was conducted. In addition, 8 evaluation visits for energy audits were carried out in Khyber Pakhtunkhwa and Punjab.
- Trainings and Workshops conducted under the projects included; Energy Conversation & Efficiency Opportunity in Auto-sector, Toyota Production System, Total Productive Maintenance, Technical Workshop & Export Seminar at Lahore & Karachi, Assessing & Aligning of various actors in National Energy Efficiency and Energy Management System (EnMS) / ISO 50001, Energy System Optimization at Lahore & Karachi, orientation training for model case companies at PAAPAM Lahore and Karachi offices under SMEDA-JICA Technical Support Program for Auto Parts Manufacturers, etc.

VI. Public Sector Development Program (PSDP)

Access to technology, technical skills and modern business infrastructure is limited for SMEs. To provide state of the art machinery and to demonstrate use of modern technologies, SMEDA has been implementing projects in the shape of Common Facility Centres (CFCs) across various sectors and clusters in

Pakistan. These projects are financed through the Public Sector Development Program (PSDP). Currently, the following PSDP projects are operational under SMEDA;

- **Honey Processing & Packaging Plant, Swat:** The facility provides proper Honey extracting & processing, cleaning and packing facilities to the honey bee farmers, traders and exporters at their doorstep. The common facility center offers services to increase export of Honey by providing following international standard facilities to the cluster stakeholders.
- **Common Facility Centre (CFC) for Silk Cluster, Swat:** The CFC aims to improve the silk cloth being manufactured in the region by provision of facilities, such as; dyeing, washing and pressing.
- **Sports Industries Development Centre (SIDC), Sialkot:** SIDC provides state of the art facility to sports goods cluster in Sialkot, to manufacture Pakistan's world-class products, especially footballs. The Centre was developed to enable sports goods sector to adopt new technology of mechanized ball. The project is fully operational and is supporting the SMEs in the region through; provision of manufacturing of bladders, basket balls and thermo laminated balls of all sizes, skill development, prototype development & mold making services and a laboratory facility for testing of raw material and all types of balls according to the international standards.
- **Sialkot Business and Commerce Center (SBCC), Sialkot:** SBCC is a PSDP project jointly implemented by SMEDA/ I&PD & Sialkot Chamber of Commerce & Industry with the objectives to promote the export potential and products from Sialkot based Industries, provision of business infrastructure facility for exporters especially SMEs and provide one-stop-shop for International buyers. SBCC will be a shared facility to promote industrial development and will offer services to SMEs including Display Stalls Space, Convention Centre and Meeting Room, Temporary Office Space, Business Facilitation Centre and Marketing Services. The project has been completed and will be fully operational in next year.

Other than the projects mentioned above, an allocation of Rs. 446.14 Million was made in PSDP 2018-19 for **implementation of the following new projects:**

- **National Business Development Program for SMEs (NBDP):** NBDP has been developed, keeping in view lessons learnt from KOSGEB, Turkey's SME development agency, for providing SME start-up support & business improvement through practical, on-ground services to SMEs. The project will be instrumental in establishing new enterprises and building the capacity of existing enterprises through provision of Business Development Services (BDS), such as; marketing, technology, incubation, research & development and organizational development services. Another key aspect of the project is to strengthen SMEDA as a vibrant model organization, having capacity to effectively reach out to SMEs and provide support during the aforementioned critical phases of an entrepreneurial cycle. The program envisages to facilitate 314,901 SMEs, over a period of five years.
- **Fruit Dehydration Unit, Swat:** This is a fruit dehydration facility for processing (washing, slicing, packing, and storing) fruits and vegetables. It will serve as a Common Facility Center and demonstration unit for the local growers, processors and exporters,

providing dehydrated fruit, supported by packaging as per international standards.

- **Product Development Center for Composites Based Sports Goods, Sialkot:** The project aims to facilitate increasing exports of composites-based sports goods, prototype production, and provision of skilled workforce to the sector.
- **1000 Industrial Stitching Units:** SMEDA, in collaboration with the Ministry of Commerce and Textile (Textile Division) is jointly implementing a PSDP project titled '1000 Industrial Stitching Units (ISUs)'. Under the project, SMEDA will provide support to set up 1000 industrial stitching units nationwide. In the first phase of the project, 150 stitching units will be established. 60% of the total cost of the stitching units will be provided as a grant in the shape of machinery under this project.

VII. Cluster Development Based Mineral Transformation Plan/ Vision 2025

SMEDA was awarded a contract for a project titled 'Feasibility/ Research Study on Cluster Development Based Mineral Transformation Plan/ Vision 2025' by the Planning Commission. The project entails an extensive study of 20 mineral clusters of Pakistan. Through the project, the government intends to develop new mineral clusters besides improving the efficiency of existing ones throughout the value chain i.e. supply-chain development, market intelligence, attraction of foreign direct investment & improved processing. During the year, draft report including 20 feasibilities/ cluster profiles was completed and submitted to the Planning Commission. A database of 1800 SMEs has also been developed.

Moreover, under this project, 5 value chain studies of following sector were also developed:

- Gypsum
- Gemstone
- Coal
- Chromite
- Dimension Stones (Marble, Granite and Onyx)

VIII. Agri-Preneurship Project

SMEDA in collaboration with Agriculture Department, Government of Sindh initiated Agri-preneurship Project that aims to train 500 Agri-graduates for gaining business and soft skills. The Project facilitated beneficiaries through handholding and mentoring services by legal & business development experts. Furthermore, exposure visits and networking support was arranged for the participants to start their own businesses in the province. Initially, the project is being executed in 5 districts and in the next phase, will be extended to all districts of Sindh. In this regard, training of two batches in Tandojam and Sanghar is underway. Dairy-preneurship and Tech-preneurship projects are also included in the program.

IX. Enhancing SMEs Access to Finance

i. Prime Minister's Kamyab Jawan Program

Access to finance is a key factor that determines new enterprise creation and growth. Businesses cannot flourish in isolation. They require support at

each stage of the business cycle in order to cope with the initial challenges of enterprise establishment and later on during expansion of business operations.

Under Prime Minister's Kamyab Jawan Program, SMEDA shall support Kamyab Jawan Youth Entrepreneurship Scheme through an integrated mechanism of assistance that will include awareness creation, capacity building, training and networking.

ii. Credit Guarantee Scheme (CGS)

In order to transform Financial Inclusion Program (FIP) into institutional setup and continue its positive effects along with significant impacts of Credit Guarantee Scheme (CGS) on promoting SME lending, Pakistan Credit Guarantee Company (PCGC) has been established. SMEDA is a member of the Board of Director of PCGC.

iii. SME Financing Helpdesks

During the year 2018-19, there were a total of six SME financing helpdesks organized by B&SDS financial services, in collaboration with Bank Alfalah and MCB Islamic. SME Financial helpdesks were held in Hyderabad, Sukkur, Karachi, Bahawalpur, Lahore and Faisalabad. Through these helpdesks not only do small businesses and entrepreneurs get an opportunity to get their businesses financed, they are also guided about how they can become more bankable and better commercialize their ideas.

iv. SME Financing Products Database

SME Financing Products Database provides information of SME financing products through a searchable portal with the choice of selecting your specific business sector, purpose of loan and the required loan amount. The main objective of "SME Financing Products Database" is to facilitate and to provide information to SMEs as per SMEDAs commitment to enhance SMEs access to formal sources of financing.

X. Entrepreneurship Development

SMEDA continuously works on developing partnerships and strengthening linkages with local and international organizations to help in promotion of SME sector. During the year, SMEDA signed MoU with IQRA University, Karachi for organizing entrepreneurship development programs. As many as 22 Youth Entrepreneurship Programs were also conducted.

SMEDA's Women Entrepreneurship Development Cell interacts and facilitates Women Entrepreneurs (WEs) at various platforms. The main activities for women entrepreneurship development included;

- Proposal developed for Women Chamber of Commerce & Industry, Peshawar (WCCIP) for establishment of Entrepreneurs Display Centre at Peshawar
- Facilitated 10 women entrepreneurs to participate in THE BLUE FAIR held on 26th to 28th April 2019 at Multan
- Facilitated WEs to participate in 5th Women Entrepreneurs Trade Fair at Peshawar

- Women entrepreneurs database was developed and shared with State Bank of Pakistan for Credit Guarantee Scheme for women entrepreneurs (CGS).
- SMEDA sponsored 12 women entrepreneurs in 14th Lifestyle Exhibition "SHE IN TRADE" organized by WCCI-LHR on 14th-16th September 2018 at Expo Center, Lahore.
- Two women SMEs were facilitated to participate in "Kissan Convention 2018".
- Workshop on "Trade opportunities" for women entrepreneurs was organized in collaboration with women chamber, Karachi.
- Workshop on IPO for women entrepreneurs was organized at Jinnah University for Women, Karachi.

3.3 DEPARTMENT OF EXPLOSIVES (DOE)

INTRODUCTION

Department of Explosives is an attached department with the Industries and Production Division which implements the enactments on the subject and policies of the government. It is a technical-cum-administrative department and its main objective is to ensure and enhance the public safety within the licensed premises. It was established in 1884.

Department of Explosives administered Two Acts, namely Explosives Act, 1884, and Petroleum Act, 1934. Under Explosives Act, 1884, Explosives Rules, 2010 has been formulated for safe handling, storage, usage, manufacture, transportation, importation and exportation of Explosives Material. Under Petroleum Act, 1934 three rules namely Petroleum Rules 1937, Carbide of Calcium Rules, 1937 and Mineral and Industrial Gases Safety Rules, 2010 have been formulated for the safe storage, transportation, importation and exportation of Petroleum Products, Carbide of Calcium, Pressure Vessels and Cylinders etc.

VISION:

Safe & Secure Pakistan

MISSION:

To ensure the Public Safety and Security of human lives and property within the licensed premises.

Objectives:

To ensure the public safety and security of human lives and properties within the licensed premises, with respect to manufacturing, transportation, storage, import, export, selling and use of:

- Commercial Explosives
- Petroleum Products
- Hazardous chemicals.
- Mineral Compressed/ Liquefied Gases like CNG, and LPG.

Industrial Compressed Gases like Acetylene, Chlorine, Ammonia, Nitrogen and oxygen

PERFORMANCE OF DEPARTMENT OF EXPLOSIVES:

Sl. No.	Activities	Islamabad	Lahore	Karachi	Multan	Peshawar	Quetta	Total
1	License Granted	156	444	158	595	81	44	1478
2	License Renewed	649	1066	7015	2296	629	367	12022
3	License Cancelled	6	61	-	-	11	16	94
4	License Suspended	4	-	-	8	-	-	12
5	License Expired	105	50	-	4	12	21	192
6	Inspection Conducted	313	896	2695	569	142	78	4693
7	Vehicle Approved	259	512	2537	345	98	-	3751
8	NOC/ Permit	28	373	-	2	-	-	403
9	Fuel Tank Test	-	-	-	-	-	-	0
10	Layout GPL	-	229	-	-	-	27	256
11	PSI Meeting	-	11	1	-	-	-	12
12	Court Attendance	2	86	19	21	15	-	143
13	Revenue Earned	38,380,463	64,947,004	57,340,481	34,151,314	31,535,758	7,548,718	233,903,738
14	Expenditure Incurred	25,341,137	9,056,818	7,306,642	5,912,851	5,007,974	4,738,257	57,363,679

REVENUE TARGETS

2018-19	2019-20	2020-21
350,000,000	350,000,000	350,000,000

3.4 EXPORT PROCESSING ZONES AUTHORITY (EPZA)

Mandate

Export Processing Zones Authority (EPZA) was established by the Government of Pakistan in 1980 under Ordinance IV of 1980 with the mandate to plan, develop and manage Export Processing Zones in Pakistan. EPZA is an autonomous body under the Industries and Production Division.

Vision

Proactively facilitate the investors and create enabling environment for them to enhance export-led manufacturing, trade and investment so as to achieve export of one billion USD in coming years.

Mission

Making all arrangement for planning, development and management of the zones and to provide for matters connected therewith or ancillary thereto.

Objectives

- To attract foreign capital, sophisticated technology, modern management skill for export oriented industrial growth;
- To provide new employment opportunities for Pakistanis and to upgrade their managerial and technical skills;
- To provide a growing market at home for country's raw material, semi manufactured goods, sub-contracting and service industries;
- To increase the foreign exchange earnings of the country by export of "value added goods" and
- To provide a 'show window' for displaying the ability and enterprise of country's work force to attract foreign investment in the country.

EASE OF DOING BUSINESS IN EPZS

EPZA Board of Directors in its 122nd meeting held on 15th February, 2019 in Industries & Production Division, Islamabad discussed the issues & problems faced by the investors of Export Processing Zones in doing their business from EPZs. Ease of Doing Business Committee of EPZA Board highlighted various areas and recommended their solutions for uplifting the organization to solve the problems of EPZs investors towards the success of organization.

Syed Shakeel Shah, Chief Customs supported and asked EPZA management to forward a comprehensive proposal for submission to Ministry of Finance, FBR and Ministry of Commerce through Industries and Production Division for the Finance Bill-2020.

Export Performance of Zone during July 2018 – June 2019

(Figure in US \$ Million)

S. No	Name of EPZ	Export during July 2018 to June 2019
1.	Karachi EPZ	520.179
2.	Saindak EPZ	105.595
3.	Duddar EPZ	53.073
4.	Risalpur EPZ	1.839
5.	Sialkot EPZ	18.106
6.	Tuwairqi EPZ	-
7.	Gujranwala EPZ	1.248
	Total	700.040

MAJOR ACHIEVEMENTS

- Export Performance of EPZA: During 2018-2019, export of US \$ 700.040 million was recorded as compared to export of US \$ 675.068 million last year i.e. 2017-18. Hence, increase of 1% from previous year.
- Provided jobs to 35,345/- local population.
- EPZA has contributed an amount of US \$ 6.788 million in Government treasury on account of presumptive tax in 2018-19.

EXPANSION OF KEPZ

KEPZ is the first project of EPZA. It is established on area of 305 acres in two phases. (Phase I & II). Now both the Phases (I & II) have been fully colonized. For further expansion of KEPZ Phase-III, development work on 80 acres of land is in progress.

FUTURE PLANS

The EPZA management has taken following steps for industrial promotion activities in the country, through establishing Gwadar EPZs in Pakistan:

GWADAR Export Processing Zone is to be developed on 1000 acres (50% BOT + 50% PSDP funding).

PROGRESS OF OTHER ZONES

ZONES NOTIFIED / IN OPERATION

PROJECT OF EPZA		
Project	Area	Status
1) Karachi Export Processing Zone (KEPZ) – The First Project of EPZA		
Karachi EPZ Phase-I Funded by the Government	211 acres	In operation
Karachi EPZ Phase-II Self-Financed by EPZA	94 acres	In operation
Karachi EPZ Phase-III land acquired by EPZA through its own funds	80 acres	Development work in progress
2) Raisalpur Export Processing Zone (Managed by Khyber Pakhtunkhwa Economic Zones Development & Management Company) (KP, EZDMC) former name is Sarhad Development Authority		
	92 acres	In operation
3) Sialkot Export Processing Zone (Managed by Punjab Small Industries Corporation)		
	238 acres	In operation
4) Gujranwala Export Processing Zone (Infrastructure being developed)		
	113 acres	In operation
5) Saindak Export Processing Zone (Operated by Chinese Company)		
	1284 acres	In operation
6) Duddar Export Processing Zone (Operated by Chinese Company)		
	1500 acres	In operation
7. Tuwaiqi Export Processing Zone (Operated by Saudi company)		
	220 acres	In operation
8. Gwadar Export Processing Zone (Land provided by Govt. of Balochistan)		
	1,000 acres	Infrastructure being developed

EPZ INCENTIVES / FACILITIES

Incentives

- Developed land on competitive rates for 30 years
- Duty-free import of machinery, equipment and materials
- Freedom from national import regulations
- Exchange control regulations of Pakistan not applicable
- Repatriation of capital and profits
- No sales tax on input goods including electricity/gas bills
- Presumptive tax @ 1%.
- Only EPZA is authorized to collect Presumptive tax at the time of export of goods which would be final tax liability.
- Obsolete/old machinery can be sold in domestic market of Pakistan after payment of applicable duties & taxes.

- Defective goods/waste can be sold in domestic market after payment of applicable duties, maximum up-to 3% of total value.
- EPZ units allowed to supply goods to Custom manufacturing bonds.

Facilities

- One window operation with simplified procedures
- All facilities like electricity, gas and water are made available
- Peaceful, secure and environmentally protected pollution-free work area.
- Inter-unit transfer of finished goods among exporting units allowed.
- Easy access to sea and air ports.

3.5 PAKISTAN INDUSTRIAL TECHNICAL ASSISTANCE CENTRE (PITAC)

PITAC is an autonomous organization established on 26th May, 1962 with the merger of Industrial Research & Development Centre (IRDC) and Industrial Productivity Centre (IPC) under Ministry of Industries & Production and registered under Societies Registration Act, 1860, vide Gazette Notification of Pakistan Resolution NO.C&P-9(11)/62 dated 26th may, 1962. It is a non-commercial, non-profit making and service-oriented organization which provides human resource, skill development services and technical education to the industrial personnel and underprivileged youth of the society. It also provides technical assistance and advisory services to the industrial units to facilitate industrial growth in the country besides providing entrepreneurship training and development services to the young professionals for their own startups to boost economic growth by introducing innovative technologies, products and services.

MISSION STATEMENT

To upgrade, advise, disseminate, extend assistance and skill development in technical and managerial fields to individuals and organizations throughout Pakistan.

SCOPE

To provide assistance to industry by way of training, advisory and technological backup support services.

FUNCTIONS

The main objectives/functions of PITAC are follows:

- To train and upgrade the skills of industrial personnel in the technical and managerial fields, technical education and entrepreneurship training and development.
- Disseminate modern technical know-how among industrial personnel through seminars, group discussions, workshops and demonstrations.
- Extend advisory services to industries.
- To provide technological backup support services to industry by way of designing and manufacturing of production tooling equipment like dies, molds, jigs, fixtures, gauges, etc., making use of facilities available in casting, conventional / CNC machining, heat treatment, grinding, super finishing etc.
- To introduce modern manufacturing techniques and production methods, while at the same time producing newly designed tools and products (prototypes) which contribute to the advancement of Pakistan's industrial development.

Geographical Coverage

PITAC has its headquarter in Lahore Pakistan and its regional centres in Quetta Baluchistan, Mirpur AJ &K, Peshawar KPK, Karachi Sindh, Gilgit Gilgit Baltistan and Islamabad for ensuring its access all over Pakistan.

Core Functions

PITAC has following Functions:

- Technological backup support and advisory services
- Technical and managerial training services
- Technical education
- Entrepreneurship training and development

Technological Back up Support and Advisory Services

PITAC provides technological backup support and advisory services to industry specifically in the following areas:

- Computer Integrated Plastic Mold Making
- Computer Aided Designing (CAD)
- Computer Aided Machining (CAM)
- Designing and manufacturing of Production Tooling Equipment like Jigs, Fixtures, Dies and Gauges etc.
- Designing and Manufacturing of Plastic Injection Molds, Blow Molds Compression Molds etc.
- Precise Machining Techniques and Methods i.e. CNC Machining Centre, CNC EDM Sinker, CNC, EDM Wire cut, Small Hole Drill Machining, Jig Grinding, Jig Boring, Precise Surface Grinding etc.
- Injection Molding of Plastic Products (prototype)
- Advanced Inspection Techniques i.e. Co-ordinate Measuring Machine etc.
- Programmable Logic Controllers
- Heat Treatment of Metal Parts
- Foundry and Pattern making
- Preventive Maintenance and Calibration
- Super finishing Techniques i.e. Lapping Honing, Precision Surface Grinding etc.

SMEs and various industries are being benefitted by PITAC through its technological backup support & advisory services in these fields. The various jobs done by PITAC are not from commercial view point but to help develop local industry and to solve their manufacturing problems. Such Jobs lead industry towards self-reliance, improvements in technical know-how, saving

production equipment from break downs and freedom from imports as far as possible. It has also helped in development of SMEs.

The progress of PITAC during the fiscal year 2018-19 is as follows:

1. TECHNICAL AND MANAGERIAL SKILL DEVELOPMENT SERVICES

Sr. No.	Output(s)	Indicators	2018 – 19
1	Provision of Technical and Managerial Training Services to Public and Private Sector Organizations, Industries, Industrial Personnel and Individuals	No. of Courses conducted in Technical and Managerial Training Fields	251
2		No. of Trainees Trained in Technical and Managerial Training Fields	2055
3		No. of Workshop / Seminars / Symposiums organized in Technical and Managerial Training Fields	72
4		No. of Participants participated in Workshop / Seminars / Symposiums of Technical and Managerial Training Fields	2525
5		No. of Courses / Workshop / Seminars / organized for Entrepreneurship Development	09
6		No. of Participants participated in Courses / Workshop / Seminars / organized for Entrepreneurship Development	1490
7		No. of Technical Personnel trained under Apprenticeship Training Program (For Engineers, DAEs and Technicians) and Internship Training Program (For University / College Students)	68
8		No. of Technologists produced under Technical Education Program of Three (03) Year Diploma of Associate Engineer (DAE) in PITAC College of Technology (PCT)	293
	Total Number of Courses in Technical and Managerial Fields, Technical Education and Entrepreneurship Trainings		332
	Total Number of Trainees in Technical and Managerial Fields, Technical Education and Entrepreneurship Trainings		6431

2. TECHNOLOGICAL BACK UP SUPPORT AND ADVISORY SERVICES

SMEs and Industry are being benefitted by PITAC through its Technological Back up Support & Advisory Services:

Sr. No.	Output(s)	Indicators	2018 -19
1.	Provision of Technical Support and Advisory Services to Industry.	Computer Aided Designing (CAD) of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	236
2.		Computer Aided Machining (CAM) of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	390
3.		Reverse Engineering of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	70
4.		Conventional Machining of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	1078
5.		Inspection Services of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	903
6.		Heat Treatment of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	386
7.		Super Finishing of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	370
8.		Tool Room Machining (TRM) of Engineering Products, Precision Parts, Prototypes & Production Toolings (Incl. Dies, Molds, Jigs, Fixtures, Precision Inspection Gauges etc.) – In Nos.	706
9.		Advisory Services extended to the Industries	12
	Total Number of Engineering Products, Precision Part, Prototypes & Production Tooling developed and Advisory Services Extended		4151

HIGHLIGHTS OF OTHER ACTIVITIES BY PITAC IN FY 2018-19.

1) APPLIED ENTREPRENEURSHIP THINK AND GROW CONFERENCE.

Pakistan Industrial Technical Assistance Centre (PITAC) organized an International conference on “Applied Entrepreneurship Think and Grow” on 30th March, 2019. The said international conference was chaired by Mr. Abdul Razzak Dawood (Advisor to Prime Minister for Industry, Commerce, Textile, Production and Investment). This conference was attended by professional experts, industrialists and entrepreneurs who shared their knowledge and experience to provide a direction for the students both from Pakistan and abroad who have participated in the conference. The students also have participated in the Entrepreneurship Completion and shared their ideas. The 1st, 2nd and 3rd position holder were also given monetary rewards for implementation of the ideas.



***Project Name: Auto Sahulat by University of Central Punjab (UCP)
1st Position***



***Project Name: CNC Machine by PITAC
College of Technology (PCT)
2nd Runner up***



***Project Name: Code Ranker by
University of Management &
Technology (UMT)
1st Runner up***

2) **SPEAKERS & DIGNITARIES:**

The speakers and dignitaries who were invited to the Applied Entrepreneurship think and Grow Conference are as follows:

- Mr. Abdul Razzak Dawood Advisor to Prime Minister for Industry, Commerce, Textile, Production and Investment
- Mr. Waleed Iqbal (Honorable Senator)
- Dr. Cui Yong (Dy. Sec. General Belt & Road / Vice Dean Jiangsu University, China)
- Dr. Dragana Ostic (Assistant Professor Jiangsu University)
- Dr. Muhammad Aslam (Rector, UMT)
- Dr. Abid Sherwani (Director General, UMT)
- Dr. Mugeem Ul Islam (Director General NAVTTC)



Mr. Abdul Razzak Dawood Advisor to Prime Minister for Industry, Commerce, Textile, Production and Investment addressing the participants.



Speakers & Dignitaries

3) **THE KEY POINTS AND THEME OF THE CONFERENCE WERE AS FOLLOWS:**

- Role of Technical Vocational Entrepreneur Training (TVET) in Applied Entrepreneurship
- Belt and Road Startup Accelerator Innovative Entrepreneurship
- Opportunities and Challenges for Entrepreneurial Start-Ups at China Pakistan Economic Corridor (CPEC)
- Information Technology and E-commerce
- Industry, Innovation and Infrastructure Entrepreneurial Ventures

4) INAUGURATION OF ENTREPRENEURSHIP TRAINING AND DEVELOPMENT DEPARTMENT.

- Pakistan Institute of Entrepreneurship Training (PIET) was merged with PITAC in April 1997.
- Revival as Entrepreneurship Training and Development Department (ETDD) in HQ Lahore and Entrepreneurship Training and Development Cells (ETDC) in Regional Centre(s).
- Inaugurated by Mr. Abdul Razzak Dawood Advisor to Prime Minister for Industry, Commerce, Textile, Production and Investment on 30th March 2019.
- ETDD will offer Entrepreneurial and Management Trainings for Small Scale Entrepreneurs.

PICTORIAL VIEW OF THE MOU CEREMONY:



Entrepreneurship Training and Development Department MoU Signing with CoE – CPEC



Dr. Shahid Rashid, ED CoE CPEC and Engr. Muhammad Irfan Zaheer DG PITAC



Entrepreneurship Training and Development Department MoU Signing with UMT



Dr. Muhammad Aslam, Rector UMT and Engr. Muhammad Irfan Zaheer DG PITAC

3.6 NATIONAL FERTILIZER CORPORATION (NFC)

INTRODUCTION

NFC is one of the premier institutions in the public sector. It has healthy traditions and has maintained a profit generating history. NFC was incorporated as private limited company in August, 1973. At that time three small plants having total capacity of 306,000 metric tons were transferred to NFC by Pakistan Industrial Development Corporation. NFC undertook the policy of expansion and a capacity of over 2 million metric tons fertilizer was created in the country by establishing six fertilizer manufacturing companies as under:

- Pakarab Fertilizers (Pvt.) Limited, Multan
- Paksaudi Fertilizers Limited, Mirpur Mathelo
- Pak American Fertilizers Limited, Daudkhel
- Pakchina Fertilizers Limited, Haripur
- Hazara Phosphate Fertilizers Limited, Haripur
- Lyallpur Chemicals & Fertilizers Limited, Jaranwala

However, as per privatization policy of Government of Pakistan, all manufacturing units of NFC have been privatized by the Privatization Commission. All the plants were earning profits at the time of privatization.

VISION

- To be a premier organization with focus on contribution to economic development of the country.

MISSION

- To contribute in meeting Government objective to facilitate the farmers by ensuring the availability of fertilizer across the country and playing a balancing role in fertilizer industry.
- To pursue excellence in education in engineering & emerging technologies disciplines and provide an environment conducive for teaching and learning.
- To coordinate and control the group activities, lay down guidelines for economic and technical development of the Corporation.

Role & Objectives

- Create new fertilizer production capacity in the country.
- Make the fertilizers available throughout the country at uniform prices.
- Keep adequate stocks of fertilizers in consumption areas to overcome any possibility of artificial shortage.
- Keep the fertilizer prices at reasonable level throughout the country.
- To carry out educational, research and development activities.

SUBSIDIARIES / INSTITUTIONS UNDER NFC AND THEIR OBJECTIVES

Presently, NFC has following subsidiary companies namely:

- National Fertilizer Marketing Limited, Lahore
- NFC Institute of Engineering & Fertilizer Research, Faisalabad

a) Detail of Activities, Achievements and Progress of NFC and its Companies During 2017-18

National Fertilizer Corporation of Pakistan (NFC)

- NFC being the holding corporation facilitates its subsidiaries i.e. National Fertilizer Marketing Limited, Lahore and NFC Institute of Engineering & Fertilizer Research (Pvt.) Limited, Faisalabad in managing their affairs in efficient manner. NFC has remained in profitable position during the year 2017-2018.
- During 2017-18 NFC earned a pre-tax profit of Rs.191.522 million. All the expenditure remained within the budgetary limits.
- NFC has deposited an amount of Rs.100 million as dividend into Government Treasury during 2017-2018.
- In order to expand engineering educational facilities and compete with other engineering institutions, NFC has envisaged establishment of NFC Institute of Engineering & Technology, Naushahro Feroze, Sindh.

National Fertilizer Marketing Limited (NFML)

- NFML urea sales during Kharif 2017 has played vital role in terms of price and availability of urea across the country. The average price of urea of all urea brands remained significantly lower than the price fixed by the Government.
- All the temporary stores have been de-hired after liquidation of stocks and handed over to the owners.
- Sales performance of NFML during the year 2017-18 is as under:

Month	Sales	Closing Stock
July 2017	46,338	112,650
August 2017	64,788	47,862
September 2017	30,383	17,479
October 2017	6,743	10,736
November 2017	9,226	1,510
December 2017	1,510	0
Total: -	158,988	

NFC Institute of Engineering & Fertilizer Research, Faisalabad

The Institute has generated income of Rs.356.373 million during 2017-18 and incurred expenditure of Rs.343.647 million showing a profit of Rs.21.725 million during the year.

Main Activities

Following educational programmes are being regularly carried out at the Institute: -

- **M.Sc. Degree Programs:**
 - (i) Chemical Engineering
- **B.Sc. Degree Programs:**
 - (i) Chemical Engineering
 - (ii) Electrical Engineering
 - (iii) Mechanical Engineering
 - (iv) Computer Sciences (Hons.)
 - (v) Civil Engineering
- **B.Tech. Degree Courses:**
 - (i) Chemical Technology
 - (ii) Electrical Technology
 - (iii) Mechanical Technology
 - (iv) Civil Technology
- **Social Sciences Degree Courses:**
 - (i) Bachelor of Business Administration

Academics

- The admissions of all programs, semester examinations and declaration of results have remained in full swing in accordance with the time schedule as per rules prescribed by UET and IE&FR.
- 1st year admissions (Entry 2017) of all programs after the combined entry test conducted by UET Lahore were completed on merit and nominations from the Industries and Production Division and Armed Forces.

Research & Development

- Research & Development department remained engaged in development and analytical activities and enthusiastically put their efforts and focus in solution of the current issues faced by local industrial sector and agriculture farming community with special reference to water, soil and fertilizer horizons.
- Activities related to the development of new environment friendly, cost effective and demand creating NPK, foliar supplements and soil-water reclaimant type of fertilizer grades were continued and contact farmers were

requested to test our R&D products on their current sown crops and agriculture field for evaluation and feedback purpose.

- R&D analytical section remained engaged in providing services for analysis of water, oil / lubricants, fertilizers and other chemicals along with services of pollution auditing with special reference to industrial liquid effluents and gaseous emissions / noise level.

The programs of activities and targets set out by NFC during the preceding financial year and the extent to which they have been realized.

Salient Achievements of NFC and its Companies during 2018-19

National Fertilizer Corporation of Pakistan (NFC)

- NFC being the holding corporation facilitates its subsidiaries i.e. National Fertilizer Marketing Limited, Lahore and NFC Institute of Engineering & Fertilizer Research (Pvt.) Limited, Faisalabad in managing their affairs in efficient manner. NFC has remained in profitable position during the year 2018-2019.
- During 2018-19, NFC earned a pre-tax profit of Rs.246.625 million. All the expenditure remained, within the budgetary limits.
- In order to expand engineering educational facilities and compete with other engineering institutions, NFC has envisaged establishment of NFC Institute of Engineering & Technology, Naushahro Feroze, Sindh.

National Fertilizer Marketing Limited (NFML)

- During the year 2018-2019, 105,126 metric tons of urea were imported by Trading Corporation of Pakistan (TCP). ECC has fixed imported urea ex-store price to Rs.1,712/- per 50kg bag to make it competitive with the rest of the brands' prices. The opening stock of NFML in July 2018 was Nil.

During the year, NFML sold entire quantity of imported urea as under:

Month	Sales (Metric Tons)
July 2018	-
August 2018	-
September 2018	-
October 2018	-
November 2018	-
December 2018	23,664
January 2019	70,683
February 2019	10,779
Total: -	105,126

- In the stated period, due to reduction in urea rates, farm economics has improved significantly, and farmers were encouraged to use more fertilizers. NFML consistently endeavored to ensure availability of urea throughout the country in line with area-use potential.

NFC Institute of Engineering & Fertilizer Research, Faisalabad

- The Institute has generated income of Rs.371.601 million during 2018-19 and incurred expenditure of Rs.354.062 million showing a profit of Rs.17.539 million during the year.

Academics

- During the year, 501 new students got admitted in NFC-IE&FR, Faisalabad as compared to 389 students during the last year.

Research & Development

- Research & Development analytical section remained engaged in providing services for analysis of water, oil / lubricants, fertilizers and other chemicals along with services of pollution auditing with special reference to industrial liquid effluents and gaseous emissions / noise level.

3.7 STATE ENGINEERING CORPORATION (SEC)

State Engineering Corporation (SEC) is one of the leading public sector organizations working under the Industries and Production Division, Government of Pakistan. The corporation is looking after affairs of the following three manufacturing units and one Project Management Consultancy unit:

MANUFACTURING UNITS

- Heavy Electrical Complex (HEC), Hattar
- Pakistan Machine Tool Factory, Karachi
- Pakistan Engineering Company (PECO), Lahore

PROJECT MANAGEMENT CONSULTANCY UNIT

- ENAR Petrotech Services (ENAR), Karachi

Vision

- Enhancement of engineering base through technology advancement
- Increase productivity with optimum capacity utilization
- Ensuring quality standards and improving competitiveness
- Maximum contribution towards economic growth and GDP
- Providing base for human resource development and employment generation

Mission

To develop sound industrial base for indigenous manufacturing of high technology engineering goods and capital machinery items conforming to international quality standards at competitive rates.

SEC companies since their establishment have developed a strong base for the design, engineering and manufacturing of variety of light, medium and heavy engineering products and provide Project Management Consultancy services to oil & gas, chemical, petrochemical, fertilizer as well as other process industries. Through continuous efforts, they have achieved optimum level of deletion for various products which helped in enhancing import substitution of capital engineering goods in the country.

The total workforce in corporate office and units in different categories figure up to 1382 - as on 30.06.2019 that includes regular, contractual and daily-wage employees.

State Engineering companies have been persistently playing a pivotal role in their areas of activity which encompass the following:

- Promotion of industrialization through indigenous manufacturing and development;
- Establishing facilities to manufacture capital goods and heavy machinery;
- Acquisition and development of medium to high technologies for manufacturing engineering goods at competitive price;
- Optimizing of local capabilities/ facilities in engineering/ manufacturing sector;
- Emphasis on export of engineering goods;
- Seeking product diversification for new markets;

- Production of conventional defense armaments;
- Fostering R&D culture;
- HR development in the professional fields out of which many have played pivotal role in local industrial sector;
- Consultancy services in design and engineering towards development of Engineering Procurement Construction (EPC) projects in Oil & Gas Sector, fertilizer and other process industry.

SEC is a holding corporation of Industries and Production Division, Government of Pakistan. It is a historical fact that since its inception SEC has been instrumental for SEC units and thus can be called mother of industrial sector.

SEC has also acknowledged the engineering service for the engineering sector of Pakistan and also contributes in national economy in following ways:

- Act as a Coordinating Agency / Focal Point on behalf of Industries & Production Division (Federal Government) to-safeguard government investment and oversee all the activities of the companies operating under its administrative control in the best national interest of the country.
- Support its subsidiaries in overall corporate planning, business development, acquisition of modern technology for product diversification and up-gradation of engineering facilities, funding arrangements, where required.
- Support its subsidiaries in responding to Departmental Accounts Committee (DAC) and Public Accounts Committee (PAC) meetings, where required.
- Ensuring implementation of all government policies / directives in SEC and its subsidiaries.
- Undertake periodical review/monitor performance of each subsidiary and issue advice to the units accordingly where required.
- Maintaining centralized SEC Management Pension Fund for the retired officers (currently about 800)
- Arrangements / enhancements of credit ceiling for the provision of financial facilities for the purpose of operational activities and other financial matters where required.
- Administrative support for legal, financial and commercial and operational matters with regard to smooth operations / production activities.
- Arrangements of foreign visits, technical collaborations, local and foreign training to human capital of SEC units.
- On behalf of subsidiaries SEC acts as a leader and plays a prominent role on different forums for technical and financial assistance.
- Follow-up the series of meetings with Planning Commission through Industries and Production Division regarding allocation of PSDP funding.

During the FY 2018-19 SEC has devised strategy to improve / enhance performance of its subsidiaries through manufacturing of engineering goods and provide engineering consultancy services through its own resources. SEC not only has devised but closely follows up the initiatives taken and their impact on overall performance.

SEC has also been enhanced to extend its full support to units for achieving their annual targets for financial year.

3.7.1 PAKISTAN MACHINE TOOL FACTORY LIMITED (PMTF)

A. THE DETAIL OF ITS ACTIVITIES, ACHIEVEMENTS AND PROGRESS DURING THE PRECEDING FINANCIAL YEAR GIVING ONLY THE UNCLASSIFIED INFORMATION WHICH CAN BE USED FOR REFERENCE PURPOSE

MISSION

Design, develop, manufacture and supply of high quality engineering goods and related services.

ACHIEVEMENT OF HIGHEST SALE TARGET DURING 2018-19

During the Year 2018-19, PMTF has been struggling for its revival because of paucity of required funds, PMTF was facing problem in managing required inputs. Whereas, through negotiation with customers, PMTF managed some portion of required funds, but still these were not sufficient to arrange required inputs and complete its orders in hand. Yet, PMTF continued its production activities for the manufacturing of all its product segments including Transmission Components, Die cast Parts, Machine Tools and defence Products.

PMTF was also expecting fresh orders from CAF valuing around Rs 640 million, however these were matured very late due to shortages of funds for procurement of weapons at Ministry of Interior level.

Products / segment-wise sale achieved for the year is submitted as under:

S/N	PRODUCT	VALUE Rs (000)
1.	Special Defence Products	Rs. 82.483
2.	Transmission Products	Rs. 104.559
3.	Die Casting Products	Rs. 13.327
4.	Machine Tools Products	Rs. 36.343
5.	Misc. Items (Scrap)	Rs. 20.312
Total		Rs. 275.024

THE DEVELOPMENT OF VARIOUS TECHNICAL PROJECTS UNDERTAKEN AND EXECUTED ARE MENTIONED BELOW:

i. DEVELOPMENT OF BAND SAW MACHINE

In order to meet market requirement and requirement of PMTF workshop as well, Band Saw Machine for cutting of Steel Round & Square Bars has successfully been developed and successfully passed through Test & Tail process and is ready to be launched in market.

ii. DEVELOPMENT OF PEDESTAL MOUNT FOR MACHINE GUN

Pedestal Mount for Machine Gun MG1A3 has been successfully developed for mounting on vehicles which is capturing the attention of CAF & can capture orders for a considerable amount in future also.

BUSINESS OPPORTUNITIES FROM LOCAL AS WELL AS EXPORT CUSTOMERS

- i. Due to prevailing security situation and CPEC requirements, joint efforts by SEC / PMTF have become successful in getting its considerable share for supply of security items to Civil Armed Forces (CAF), during the year 2018-19. These supplies were continued and will be completed in the year 2019-20
- ii. SEC / PMTF has been able to get order / revised schedule for the supply of tractor components from its customers of tractor assemblers. However, due to paucity of funds required for inputs, these orders were not fully executed to turn these opportunities into sales figures.
- iii. PMTF enquiries with its foreign customers for the supply of defence items are under process. PMTF is expecting good export business during the coming period for sale of its defence stores, including Mortar and RPG-7 Launchers.

B. THE PROGRAMS OF ACTIVITIES AND TARGETS SET OUT DURING THE PRECEDING FINANCIAL YEAR AND THE EXTENT TO WHICH THEY HAVE BEEN REALIZED

During the Year 2018-19, PMTF planned sales of Rs.1,225.268 million, the segment-wise details are as under:

a. Total target set for the Year 2018-19

S/N	PRODUCT SEGMENTS	VALUE RS. (000)
1.	Transmission Products	Rs. 281.829
2.	Die Casting Products	Rs. 53.780
3.	Special (Defence) Products	Rs. 721.483
4.	Machine Tools Products	Rs. 168.176
Total Target Value		Rs. 1,225.268

Due to financial issues, PMTF faced some problems in execution of the orders procured during the year. Therefore PMTF has not been able to achieve its targeted sales figures during the year 2018-19. Detail of the targets achieved in each segment is as under:-

b. Total orders executed for the year 2018-19

S/N	PRODUCT SEGMENTS	SALE ACHIEVED RS. IN MILLION
1.	Transmission Products	Rs. 101.559
2.	Die Casting Products	Rs. 13.327
3.	Special (Defence) Products	Rs.82.483
4.	Machine Tools Products	Rs. 36.343
5.	Others	Rs. 20.312
Total Actual Sale Achieved		Rs. 257.024

c. Balance orders in hand (as on 30 Jun 2019)

S/N	PRODUCT SEGMENTS	BALANCE ORDERS RS. MILION
1.	Transmission Products	Rs. 5.616
2.	Die Casting Products	Rs. 4.626
3.	Special (Defence) Products	Rs. 416.213
4.	Machine Tools Products	Rs. 138.447
Total Target Value		Rs. 564.902

3.7.2 HEAVY ELECTRICAL COMPLEX (HEC)

INTRODUCTION

Heavy Electrical Complex (HEC), a nationally significant unit of State Engineering Corporation, is located in Hattar Industrial Estate, District Haripur, KPK. It was set up at a cost of Rs. 1,158 million with the techno-financial assistance of the People's Republic of China. The company possesses 62 acres of land out of which 43 acres are allocated to the factory whereas remaining was earmarked for future developments.

HEC has trained manpower numbering around 280 persons including 18 regular, 03 on yearly contracts whereas the remaining, including 43 officers / supervisors and 216 workers, have been engaged on a term of 89 days.

The Company holds ISO 9000 – 2001 Certification. Accordingly, strict quality control is enforced during all the stages of production using specified procedures and techniques based on latest management practices.

The set-up was designed to manufacture 148 Nos. Power Transformers (PTs) rating from 6.3 MVA to 40 MVA, 132/11.5KV to meet the exclusive requirements of WAPDA / NTDC (DISCOs) & KESC. The company started commercial production during 1997.

ROLE AND FUNCTIONS

The company has been set up to meet the country requirements of heavy electrical equipment starting from manufacturing power transformers at optimum cost to support the national electrification programme and strive for import substitution. Although not in its original scope, the mandate of the company has been extended to Rehabilitation / Refurbishment of power transformers. The extended mandate has resulted in saving huge amount of foreign exchange besides avoiding operational losses of DISCOs by ensuring rehabilitation of power transformers in the minimum time frame.

A. THE DETAIL OF ITS ACTIVITIES, ACHIEVEMENTS AND PROGRESS DURING THE PRECEDING FINANCIAL YEAR GIVING ONLY THE UNCLASSIFIED INFORMATION WHICH CAN BE USED FOR REFERENCE PURPOSE

MISSION

The ultimate objective of the organization is to progress through better services and manufacturing of quality and reliable power transformers to meet the exclusive requirements of DISCOs, NTC, KESC, GENCOs and local heavy industries.

ACHIEVEMENTS / PERFORMANCE 2018-19

During the year ending June 30, 2019, the company has entered into an agreement with LESCO for phase-wise repairing / rehabilitation of all of its damaged transformers. By June, 2019, HEC has manufactured 348 Nos. new power transformers valuing over Rs. 9.071 billion of different rating and

supplied to WAPDA, DISCOs, K-Electric and other customers. Moreover, HEC has also repaired / rehabilitated 217 power/auto transformers valuing Rs. 1,066 million for WAPDA, KE, AJK Hydro Power Board, POF, Pakistan Railways and some other private sector industries. HEC has also participated in USAID sponsored rehabilitation plan for the power sector by supplying fan motors and circuit breakers valuing around Rs. 14 million.

The largest power transformer repaired at HEC so far was 250 MVA having voltage rating of 15/220 KV and weighing 250 tons. HEC has also repaired 03 auto transformers of ultra-high voltage i.e. 500KV upto 200 MVA for WAPDA for the first time in the country.

HEC has so far achieved import substitution to the tune of Rs.10.137 billion (around USDs 127 million) through manufacturing new transformers as well as repair of damaged transformers. The repair work ranged upto 500 KV power transformers, at less than 25 % of the replacement cost and 50 % of the lowest foreign bid. The products manufactured, besides regular ones, include self-designed transformers of rating 31.5/40 MVA, 132/11.5 KV and five transformers of 20/26 MVA, 132/6.6 KV.

The company sales touched to Rs. 965 million in 2009-10 though fluctuating with the market trends. HEC has been sustaining its operation totally on its own. Operating and Financial Results of the company are tabulated below:

(Quantity in Nos and Value in Rs. Million)

DESCRIPTION	2014-15	2015-16	2016-17	2017-8	2018-19*
NEW	7	34	22	4	5
REPAIR / REHABILITATED	8	20	42	23	17
TOTAL	15	54	64	27	22
PRODUCTION VALUE	381	552	799	230	299
SALES	374	677	910	259	306
PRE-TAX PROFIT / (LOSS)	(152)	32	27	(70)	(116)
TOTAL ASSETS	1,502	1,634	1,518	1,501	1,608
TOTAL LIABILITIES	603	711	577	630	856
NET EQUITY	899	923	941	871	752
* Provisional					

As can be seen from the above table, after recovering from the privatization shock during 2015-16, the company has been turned-around. Highest ever number of power transformers (64) were rolled-out during 2016-17 as well as 2015-16 (54). After sustaining losses for the three consecutive years up to 2014-15, the company has earned profit during the succeeding two years.

The result for the subsequent two years was bad because of placement of no orders by DISCOs (despite being lowest in various tenders for 32 power transformers valuing over 1.4 billion) due to a malafide complaint by a local agent of a foreign supplier (Chint China) against HEC power transformers. The complaint proved malicious after a high-level enquiry by the Ministry of Water & Power, which was concluded in June 2018 after which the DISCOs have started placing orders on HEC. With huge orders raining on HEC afterwards, Bank of Khyber, the only financing source of HEC was alarmed and squeezed credit to HEC. As such, non-availability of working capital despite HEC's efforts upto the highest official level is limiting the operating and financial results of the company.

B. THE PROGRAMS OF ACTIVITIES AND TARGETS SET OUT FOR ITSELF DURING THE PRECEDING FINANCIAL YEAR AND THE EXTENT TO WHICH THEY HAVE BEEN REALIZED

PRODUCT DIVERSIFICATION

HEC is in possession of Chinese Technology for manufacturing 7 types of 132/11 KV power transformers from 6.3 to 40 MVA capacity. However, power transformers of 5 out of 7 types for which technology was acquired have been phased-out for the electricity distribution network in Pakistan. Accordingly, HEC has to look-out for other technologies/products. In line with this thinking HEC has succeeded in developing technology of a 31.5/40 MVA 132/11 KV power transformer besides few others for the cement sector. Thirty Seven (37) units of HEC-designed 31.5/40 MVA power transformers have been supplied to DISCOs by June 2019. Moreover, design modification of a 20/26 MVA power transformer has been achieved resulting in cost saving as compared to earlier design. Twenty Four (24) units of the transformers with the modified design after approval by the concerned quarters have been supplied to DISCOs upto June 2019.

The company is also in the process of developing a GSM based automatic communication system of power transformers with the name of GTranMS (GSM Transforming Monitoring System) which would transmit real-time transformer critical data to the specified mobile numbers. This would facilitate preventive maintenance of the transformer and avoid any major loss to the transformer in case of a developing fault. Moreover, the company would have a new source of revenue if DISCOs were convinced to adapt this system. The system has been introduced and is presently in the marketing phase.

FUTURE STRATEGY:

The company has orders in hand of 44 power transformers for the value of Rs.1.03 billion and is expecting orders of another 24 power transformers for the value of Rs. 730 million indicating bright prospects in near future. HEC has earned good market recognition in the field of power transformer manufacturing as well as re-habilitation. In order to further strengthen the company HEC is working on the following action plan:

- Securing orders alongwith inputs to address HEC's cash-flow problems
- Securing more orders for rehabilitation of transformers having lesser cash-flow requirements
- Maximizing market share to secure orders worth Rs 1.3 billion
- Further optimization in existing design of power transformers
- Diversification for manufacturing Higher Module Step-down Power Transformers (160 MVA and 250 MVA) as well as step up generator transformers.
- Introducing GSM mobile based real time information dissemination system for monitoring grid stations.
- Venturing in larger distribution transformers first in the repairing field and then manufacturing of the same.

3.7.3 ENAR Petrotech Services Limited (ENAR).

INTRODUCTION

ENAR Petrotech Services (Private) Limited (ENAR) was formed in 1972 and currently, working under the administrative control of State Engineering Corporation (SEC), Industries and Production Division, Government of Pakistan.

ENAR is the only multi-discipline integrated ISO 9001-2008 certified design engineering organization in Pakistan providing project management services during last four (04) decades with the commitment to technical excellence. Our high caliber personnel allow us to deliver best practice service in various phases of the oil & gas sector projects.

ENAR is an integrated engineering and consultancy company providing complete range of service for execution of project in oil / gas processing, storage, petrochemical, chemical and fertilizer sectors. The range of services is detailed below:

- Project Development /Planning
- Basic / process Engineering
- Detailed Engineering
- Project Management
- Procurement Assistance
- Construction Management and commissioning
- Operation & Management

MISSION

To achieve a leading role as design engineering & consultancy company in oil, gas petrochemicals alternate energy and other process related sectors.

VISION

To achieve a leading role as design engineering & consultancy company in oil, gas petrochemicals alternate energy and other process related sectors. ENAR is fully committed to be an independent professional design engineering organization providing quality engineering and consultancy services with integrity, efficiency and cost effective manners to domestic and international clients.

MAJOR ACTIVITIES/ACHIEVEMENTS

ENAR has executed following major oil & gas projects during 2018-19:

- **PAKISTAN PPETROLEUM LIMITED (PPL'S BASIS / DETAILED DESIGN & ENGINEERING AND CONSTRUCTION SUPERVISION FOR VARIOUS PROJECTS SITES OPERATED FIELD ON CALL OUT BASIS FOR THREE YEARS DURATION**

Pakistan Petroleum Limited (PPL), a leading oil and gas exploration and production company of Pakistan awarded three year call-out agreement to ENAR for the design engineering services for various modification, development and expansion projects, mainly related to the gas / LPG/NLG

processing facilities at its operated fields. The following assignments executed by ENAR are under this agreement:

- ❖ Construction supervision services for different projects at PPL Plants.
- ❖ Basis and detailed engineering works for GPF-IV Phase II Projects
- ❖ Basic & detailed engineering services (Services for Tech. Civil & Draftsman Construction Department)
- ❖ Cost estimation work for GPF-III
- ❖ Detail design engineering for remaining of Zafir as processing facility (Rehabilitation of GPF-III)

• **OGDCL'S SARA WEST DEVELOPMENT PROJECT**

Sara West Field is a low heating value gas field located in East Badin Extension Block-B in Sukkur District in northern part of Sindh Province. OGDCL planned to develop the field to produce sales gas of around 350 Btu / Scf that can be offered for power generation. For this purpose OGDCL hired ENAR in August, 2018 to execute the following engineering works:

- ❖ **Phase I:** Conceptual & feasibility study.
- ❖ **Phase II:** Engineering, ITB & tender document preparation and selection of EPCC Contractor
- ❖ **Phase III:** Project management & supervision during project execution

• **OGDCL'S QADIRPUR COMPRESSION PROJECT**

OGDCL Qadirpur Compression Project was awarded to ENAR in October, 2018. The overall scope of work is split into following phases:

- ❖ **Phase II:** Preparation Design Documents / Specification and Tender Documents
- ❖ **Phase III:** Supervision Services for the Erection / Installation of the Equipment / Plant, Pre-Commissioning, Commissioning and Performance Test

• **NRL'S TECHNICAL AUDIT OF PROJECTS**

NRL utilized out of reserves for NRL up-gradation & expansion projects. NRL management engaged ENAR in December, 2018 as an independent third party consultant to carry out technical audit for verification / confirmation that these amounts were actually utilized for the up-gradation and expansion projects.

• **OGDCL'S BRITISM FIELD DEVELOPMENT PROJECT**

OGDCL is operator of Britism block located in Sanghar District, Sindh Province and was planned to develop the field to produce sales gas and crude in compliance of regulatory authorities. For this purpose assignment was awarded to ENAR in January, 2019. The overall scope is as follows:

- ❖ Detailed engineering
- ❖ Preparation of EPCC tender document
- ❖ Evaluation of technical / commercial Bids

- **OGDCL'S KHEWARI FIELD DEVELOPMENT PROJECT AWARDED TO ENAR IN MARCH, 2019**

Khewari Block is located in Khairpur District, Sindh Province. OGDCL intended to install gas processing facilities at its Khewari Field in order to deliver the pipeline quality gas to the buyer. This project was awarded to ENAR in March, 2019, where the scope of work of the project is being performed on following stages:

A. WORK STAGE – I

- ❖ Preparation of Development Plan / Scheme
- ❖ Basic Engineering / FEED for EPCC Contractor
- ❖ ITB preparation for EPCC Contractor
- ❖ Technical and Commercial Evaluation of EPCC Contractor
- ❖ Contract preparation & Finalization

B. WORK STAGE – II

- ❖ Design vetting of EPCC Contractor
- ❖ Project Management & Construction Supervision
- ❖ Project Close out

- **K-ELECTRIC'S BQPS-GAS INFRASTRUCTURE GRID PROJECT**

K-Electric intended to establish an integrated gas infrastructure Grid at its Bin Qasim Power Complex to manage RLNG from various sources to be dedicatedly supplied to this power complex to fulfill the gas requirement.

This project was awarded to ENAR in April, 2019; the overall scope of work is split into following parts:

PART - A	Basic Design Engineering / Front End Engineering Design (FEED) Package for EPC Contractor
PART - B	Tender Document / RFP Preparation for EPC Contractor
PART - C	EPC Bids Review & Negotiation
PART - D	Vetting of Detailed Design Document provided by EPC Contractor
PART – E	Supervision of Construction by EPC Contractor and Project Management

- **ENGRO'S ENGINEERING WORKS OF EVTL**

ENGRO VOPAK Terminal Limited (EVTL) is a joint venture company of Royal Vopak of Netherland and Engro Corp. The scope of work of (EVTL)'s engineering work is being performed on following parts:-

PART A	- Pure Engineering Based Project
PART B	- Engineering Projects that will become basis for item ordering and services
PART C	- Support Services Extended up to three years

In addition, ENAR has also executed quite a number of projects for other clients (including PAPCO, ARL, SSGC LPG, PSO, MOL, OGRAL, etc.) related to Design / Detailing Engineering of Wellhead Development, FEED Package, Storage Tanks, Feasibility Study, Tender Preparation Valuation Study and Inspection Services.

B. THE PROGRAMME OF ACTIVITIES AND TARGETS SET OUT DURING THE PROCEEDING FINANCIAL YEAR AND EXTENT TO WHICH THEY HAVE BEEN REALIZED

RS. MILLION)

LAW / LEGAL INVESTMENT UNDER WHICH THE ORGANIZATION IS CREATED	YEAR	ANNUAL INCOME DURING LAST FIVE YEARS	ANNUAL EXPENDITURE ON SALARIES / OPERATIONS DURING LAST FIVE YEARS	PROFIT / LOSS DURING LAST FIVE YEARS BEFORE TAX	SPECIFICATIO TARGETS ACHIEVED DURING LAST FIVE YEARS BUDGETED TARGETS
INCORPORATED UNDER THE COMPANIES ACT 1913 (NOW THE COMPANIES ORDINANCE, 1984)	2019*	142.00	139.60	3.96	168.08
	2018	99.86	137.52	(35.24)	188.77
	2017	122.41	132.53	(5.26)	197.12
	2016	150.10	144.00	10.80	195.00
	2015	177.00	175.00	8.24	233.00
					* PROVISIONAL

3.7.4 Pakistan Engineering Company (PECO).

Pakistan Engineering Company (PECO), located in Lahore is a unit of State Engineering Corporation (SEC), is a listed company quoted on all Stock Exchanges of Pakistan. In retrospect, PECO is successor of BATALA Engineering Company (BECO), which was incorporated in 1950 under Companies Act 1913. During 1972, it was nationalized under Economic Reforms Order, and was renamed as PECO.

2. Pakistan Engineering Company Limited is principally engaged in the manufacturing and sale of engineering products. The major products of the company are electricity transmission and communication towers, electric motors, pumps and steel rolled products etc.

VISION/ MISSION

“Strengthen the Engineering Sector and integrate it with the world market to make it the driving force for economic growth”

OBJECTIVE

To play a crucial role in designing and developing overall policy direction to the engineering sector through identifying core competencies, macro-economic environment, tariff and non-tariff business conditions through close interaction with in-house and with different government departments and stakeholders.

A. TARIFF RATIONALIZATION EXERCISE:-

The main objectives of the tariff rationalization exercise are:-

- Reducing cost of doing business by decreasing cost of inputs.
- Encouraging local Industry to invest in priority sectors.
- Simplifying procedures for payment of Customs Duty, Sales Tax and Federal Excise.
- To counter the menace of under-invoicing, smuggling and misdeclaration.
- To encourage import substitution.

CONSULTATIVE APPROACH

Consultative based approach was followed in Tariff Rationalization Exercise undertaken for the Federal Budget. The proposals received from the Industry, Trade Associations, Chambers, FBR, MoI&P etc. were analyzed and firmed up by EDB for consideration by FBR.

STATISTICS

- 1909 proposals were received for budget exercise and the same were forwarded to Tariff Advisory Committee (TAC) of Ministry of Commerce & Trade for consideration..

B. NOTIFICATIONS REGULATED BY EDB

Following notifications are regulated by EDB.

- **SRO 656(I)/2006 dated 22.06.2006** – Authorizes EDB to allow import of CKD under concessionary regime to OEMs.
- **SRO 655(I)/2006 dated 22.06.2006** – Authorizes EDB to allow concessionary import of raw-materials, sub-components, components and sub-assemblies to vendors .
- **SRO 693(I)/2006 dated 22.06.2006** – Notifies list of locally manufactured parts / components as recommended by EDB.
- **Fifth Schedule to the Customs Act 1969 and SRO 678(I)/2004 dated 07.08.2004** – To determine local manufacturing status of goods being imported under concessionary regime to protect local industry.
- **SRO 827(I)/2001 dated 03.12.2001** – Binds government and public sector organizations to give price preference to local industry over imported goods. EDB to monitor implementation of SRO and resolve issues relating to determination of landed cost factor.
- **SRO 450(I)/2001 Authorizes** EDB to determine IOR/Wastages of inputs procured under DTRE and under Manufacturing Bond.

Performance w.r.t various SROs / Notifications

		No. of Cases Finalized
		2018-2019
A. TBS-1 (4-Wheelers) - SRO 656 & SRO 693		
1	Certificates issued vehicle wise:	179
2	Lists verified issued vehicle wise:	179
3	Input Records verified vehicle wise:	158
B. TBS-II (2/3-Wheelers) - SRO 656 & SRO 693		
1	Certificates issued vehicle wise:	369
2	Lists verified issued vehicle wise:	369
3	Input Records verified company wise	82
4	Assembling Facilities verified	06
C. Determination of IOR under SRO 655		
1	Input Output Ratios under SRO 655 (Revalidation + New)	236
2	Input Output Ratios under SRO 656 (Direct Materials)	04
3	Input Output Ratios under DTRE	20
4.	Input Output Ratios under SRO 565	21
D. Determination of local manufacturing status (5th Schedule to Customs Act 1969 & SRO 678)		
1	Determination of local manufacturing status of imported goods	250
E. Finalization of cases under SRO 827		
1	Determination of status of procurements and its implementation as per procedure and laws of Government	16

C. ON-LINE QUOTA DEBITING SYSTEM FOR CLEARANCE OF AUTOMOTIVE PARTS AND INPUTS THEREOF (SHIFTING OF ONE CUSTOMS SYSTEM OF PRAL TO WEBOC)

We BOC System is operational since 1st July, 2013 and EDB uploads online quota of inputs on WeBOC for online debiting.

Automotive Development Policy (ADP) 2016-21

Objective: To provide a predictable tariff roadmap, encouraging new investment by lowering entry barriers and promoting competition in the sector.

- EDB is executing the implementation of Automotive Development Policy (ADP) 2016-21. A total investment under ADP 2016-21 is USD 1.342 Billion. Under ADP 2016-21, sixteen new investors have been granted Greenfield status which are as under;

1.	M/s Kia Lucky Motors Pakistan Ltd
2.	M/s Foton JW Auto Park (Pvt) Ltd
3.	M/s Regal Automobile Industries Ltd.

4.	M/s Sazgar Engineering Works Ltd.
5.	M/s United Motors (Pvt) Ltd
6.	M/s Master Motors Ltd.(2018-19)
7.	M/s Khalid Mushtaq Motors (Pvt) Ltd.
8.	M/s Pak China Motors (Pvt) Limited
9.	M/s Hyundai Nishat Motor (Pvt) Ltd
10.	M/s Topsun Motors & Engineering Services (Pvt) Ltd
11.	M/s Al-Futtaim Automotive Pakistan (Pvt) Ltd
12.	M/s Khalid & Khalid Holdings (Pvt) Ltd.
13.	KA Hanteng Motor Company (Pvt) Ltd.
14.	Pak CAMC (Pvt) Ltd.
15.	Premier Motors Ltd.
16.	Sinopak E-Motors (Pvt) Ltd.

In addition, under Brownfield category two closed down units have been revived namely;

- i. M/s Dewan Farooq Motors
- ii. M/s Ghandhara Nissan Ltd.,

Working Party (WP)-29

- EDB is processing Pakistan's case for becoming a member of Working Party (WP)-29. Summary from the cabinet has been approved. The regulation shall ensure compliance by local manufacturers of certain regulations under WP-29 forum. The safety standards of vehicles mainly including cars and heavy vehicles are expected to be conformed to international requirements by adoption of UNRE/WP-29 regulations.

Technical and Policy support to other organizations (STPF, Climate Change, PQI, PSQCA, etc.)

- EDB is providing technical support for development of engineering goods industry and following line ministries and departments for effective policies formulation including:
 - Industries and Production Division for Policy Initiatives & Technical support
 - Ministry of Finance/FBR on various notifications, tariff rationalization
 - EAD Bilateral negotiations
 - Ministry of Climate Change for Environmental Issues
 - Ministry of Science and Technology /PSQCA for Standards and Quality
 - Board of Investment for Investment facilitation
 - Ministry of Communication for Road Safety and Motor Vehicle regulations

Miscellaneous

EDB is providing technical replies and working on following related matters:

- National Assembly/Senate Standing Committees, Questions, Resolutions, Briefing, Court cases etc.
- Pakistan Citizen Portal, Wafaqi Mohtasib complaints.

- Cases for Import of Duty Free Cars by Disabled Persons.
- Japan-Pakistan High Level Economic Policy Dialogue.
- Mobile Phone Manufacturing Policy Formulation.
- Electric Vehicle Policy Formulation.

BUSINESS DEVELOPMENT GROUP

- Exercise was initiated on export enhancement/ Import substitution of locally manufactured value added goods/items. In this regard, domestic appliances, power equipments, domestic fans, fittings and ceramics, cutlery and utensils, electric motors, pumps and valves sectors were prioritized and subsequently brain storming sessions were held with said sectors / stakeholders and subsequently their proposals /recommendations are being received and evaluated for presenting to the BOM-EDB.
- EDB prepared proposals/inputs for JMC/JEC/JWG with different Countries like France, Vietnam, Russia, Italy, Hungary, Turkey, Tunisia, China, Egypt, Jordan, Iran etc. in respect of Trade Enhancement/Cooperation/Investment/ Joint Ventures etc. Comments/proposals were also prepared and submitted to I&PD on Efficacy and Effectiveness of JMCs and other platforms meant for Economic Cooperation.
- BDG Organized EDB/I&PD stall in Pakistan Auto Show 2019, stall was source of information in respect of investment opportunities available in engineering industry of Pakistan.
- Ambassador of Pakistan in Vietnam proposed EDB to form Engineering Industry Delegation for Visit to Vietnam, which is a potential market for our engineering goods. Subsequently EDB has approached leading manufacturers to be part of the delegation and nominations from industry are being received and delegation will be finalized in the coming days.
- EDB is intending to organize Pakistan' Engineering Pavilion in China International Import Expo-CIIE, Shanghai 2019. In this regard, Ambassador of Pakistan in China and Commercial Counselor of Pakistan was requested to assist EDB for acquiring space in said event. In this regard, TDAP is also being coordinated for collective efforts to set up Pakistan's stalls.
- Engineering Goods Exporters Directory 2019, containing profiles of more than 200 engineering companies, to be published for enhancement of exports of engineering goods while addition of more export companies are also in progress to increase number of exporter profiles. Publication of Cost of Doing Business in Pakistan has already been published in 2018.
- Meeting between BDG's Officers and representatives of M/s Jiangsu Shangqi Company Limited, China was held on 13th March, 2019 with regard to Investment Opportunities available in the engineering sector of Pakistan. Chinese company was looking to explore the possibilities to invest in Pakistan in Home Appliances, Electric Submersible Motors/

Pumps, Fork Lifters, Electric Motor Bikes and Pharmaceutical sector. Requisite information was provided to the company w.r.t. JV with Pakistani engineering companies. Subsequently the company is in touch with Board of Investment.

- Proposals were submitted to MOI&P for 29th Meeting of Regional Planning Council (RPC) at ECO Secretariat, Tehran.
- On request of D-8 Secretariat/TTEN, list of High Tech companies of engineering sector was finalized and submitted to the secretariat.
- Meeting was held with UNDP's Youth Employment and Private Sector Development Specialist to explore the possibilities with respect to Technical Skills Development Program for unemployed youth of KPK and Punjab.
- Representatives of Local Engineering Industry were invited for Seminar on Pak China FTA Phase II on 4th May, 2019 in Expo Centre Lahore.
- On request of Industries and Production Division, inputs were provided on review of incentive package with respect to Special Economic Zones.
- PUM-Netherland, Country Coordinator visited Islamabad from 17th to 19th April, 2019. EDB arranged his meetings with representatives of UNDP-Islamabad and PCRET management.
- On request of Industries and Production Division, inputs were provided regarding on Rationalization, Modernization and Automation of Business Regulations in Pakistan.
- On request of Industries and Production Division, inputs were submitted on Knowledge Economy Task Force.
- On request of I&PD, inputs were furnished with respect to Inter-Ministerial Meeting on International Science & Technology Collaborations for SDGs.
- On request of I&PD, comments were furnished with respect to *framework of Country Programmer (CP), drafted by UNIDO.*
- Data/information/proposals were shared with Board of Investment with respect to identification of Impediments in the way of Investment etc.

SECTOR DEVELOPMENT GROUP (SDG)

1) Industrial Research Program

Engineering Development Board is actively pursuing Industrial Research Programme, which was initiated with the collaboration of Academia and Research Organizations. The underlying objective is to facilitate the local industry by providing affordable solution of their technical problems and foster R&D activities in the industry by engaging huge R&D potential existing with Universities and research organizations.

Industry across the country ranging from electronics, electrical, HVAC, castings/forgings, fabrications, chemicals, steel, renewable energy, etc.

has started sharing industrial technical problems, which are being discussed with concerned researchers of various universities.

2) Bilateral Trade (FTAs-PTAs)

- EDB is working on Free Trade Agreements (FTAs) and Preferential Trade Agreements (PTAs) with different countries in coordination with different government organizations under the leadership of Ministry of Commerce. 2nd Phase of China has been signed between Pakistan and China.
- FTAs/PTAs with the following countries are under negotiations which will soon be concluded:-
 - FTA with Thailand
 - FTA with Turkey
 - Review on PTA with Indonesia
 - FTA with Iran (Pakistan already have PTA with Iran)
- Several Rounds of negotiations have been held with regard to Pak-Thailand and Pak-Turkey FTAs with positive results. The FTAs can be concluded in forthcoming rounds.
- PTA with Indonesia is under consideration for review. 2nd review meeting of the same was held in February 2017 in which it was agreed by both the countries to review the existing PTA to make it beneficial for both partners. In the latest development Indonesia has allowed Pakistan 20 tariff lines under the Preferential Trade Agreement (PTA) that would help increase trade by around \$150 million.
- Moreover, EDB is involved in negotiations with different countries through Joint Ministerial Commissions and Working Groups for enhancing trade with these countries.

3) Environment

EDB, on behalf of the Industries and Production Division has been giving its input during the meetings held in the Ministry of Climate Change (MOCC). Though industrial sectors which include textiles, fertilizer, sugar factories, cement, steel and large petro-chemical plants and others contribute about 6% to the total GHG emissions of the country due to the industrial processes in use is now being dealt and responded by the environment departments of the provinces after 18th amendment.

3.8 PAKISTAN STEEL MILLS (PSM)

INTRODUCTION / BRIEF OF THE COMPANY

Pakistan Steel Mills (PSM) is the largest and only integrated Steel Plant of Pakistan with a production capacity of 1.1 million tons per year (MTPY). PSM started production in 1985. It was established with the techno-financial assistance of the Ex-Soviet Union at a cost of around Rs. 24.7 Billion. Its location and area are:

- a. Location: 40 Km South East of Karachi at Bin Qasim.
- b. Area: 19,013 acres (about 29 square miles) which includes 10,273 acres for main plant, 8,071 acres for township and remaining land for other installations.

VISION

To become a leading steel company in South Asia committed to serve stakeholders by offering quality products through innovative and cost-effective manner in environment-friendly conditions.

MISSION

Pakistan Steel is committed to be a leading steel industry by:

- Greater response to customers' present and future needs.
- Focus on productivity and quality
- Facing challenges of free market economy.
- Ensuring higher rate of return on investment.
- Creating safe working and environment friendly conditions.
- Minimizing process wastages, rejections and recycling wastes.
- Good governance.
- Fulfilling social obligations.
- Ensuring cost competitiveness by improvement in productivity and product yields through R&D

OBJECTIVES

As per Memorandum & Article of Association of Pakistan Steel following are the objectives:

- To establish and run steel mill at Karachi and other places in Pakistan, and to manufacture, prepare and produce iron steel and metals of all kinds, descriptions, shapes and dimensions and whether ferrous or non-ferrous and all products and by-products thereof.
- To import and deal in iron ores, limestone, coal, coke, gas, metals ferro alloys, dolomite, fluorspar, magnetite and other raw materials as may be required or used for the purpose of the Company.

- To carry on the business of mine owners, colliery proprietors, miners, and to purchase, take on lease, or otherwise acquire any mines, mining rights and metalliferous lands in Pakistan or elsewhere, to explore, work, exercise, develop and turn to account the same.
- To carry on all kinds of exploration business and in particular to search for prospect, examine and explore mines and grounds supposed to contain minerals, terrestrial and vegetable substances, precious and other useful stones and metals.
- To crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate manipulate and prepare for market ores, metals, terrestrial, vegetable and mineral substances of all kinds, and to carry on all or any other metallurgical terrestrial, vegetable and mineral operations.
- To carry on the business of iron masters, steel makers, iron and steel converters, coke manufacturers, smelters, tin-plate makers, iron founders, metal founders, and masters in all their respective branches.
- To carry on the business of manufacturing heavy plants, machines and all other ancillary heavy industrial undertakings, and to manufacture, import, export, buy, sell, let on hire, exchange, alter, improve, manipulate prepare for market or otherwise deal in or distribute all kinds of plants, machineries, machine parts, tools, apparatus, implements, chemicals, raw materials, and substances necessary or convenient for carrying on any of the above specific business or any other marketable commodities whatsoever.
- To carry on any other trade or business, whether manufacturing or otherwise, which may seem to the Company capable of being carried on in connection with any of the Company's objects, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's business, property or rights.
- To take any agency and to act as agents, representatives and distributors of any other company, corporation, society, firm or person dealing with all or any of the business aforesaid.
- To buy, sell, import, manufacture, manipulate, treat, prepare and deal in merchandise, commodities and articles of all kinds, and generally to carry on business as merchants, importers and manufacturers.
- To undertake and execute any contracts for works involving the supply or use of any machinery, plants, appliances, tools, instruments and any other goods and articles which the Company is authorized to deal in under any of the aforesaid clauses and to carry out any ancillary or other works comprised in such contracts.
- To purchase, take on lease, or in exchange, or otherwise acquire any lands and buildings in Pakistan or elsewhere, and any estate or interest in, and any rights connected with, any such lands and buildings, and to develop and turn to account any land acquired by or in which the Company is interested.
- To erect, maintain, alter, purchase, take on lease or otherwise acquire any mills, factories, workshops, manufactories, warehouses, engine houses, tanks, godowns and other building that may be necessary or expedient for all or any of the purposes of the Company.

- To employ engineers, electrician, mechanics and other technicians and experts and other persons as may be found necessary for the efficient handling and carrying on the business of the Company.
- To retain personnel and workers both in Pakistan and elsewhere, to obtain technical proficiency in various specialties connected with all or any of the business of the Company.
- To enter into any arrangements with any government authority that may seem conducive to the Company's objects or any of them, and to obtain from any such government or authority and rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out, exercise and to comply with any such arrangements, rights, privileges and concessions.
- To acquire and undertake the whole or any part of the business, assets, property and liabilities of any person, firm or company carrying on any business which the Company is authorized to carry, or possessed of property suitable for the purposes of the Company.
- To enter into partnership or into any arrangement for sharing profits, cooperation, joint venture, reciprocal concessions or otherwise with any person, firm or company carrying on, engaged in or about to carry on directly or indirectly to benefit this Company.
- To pay any premium and to pay for any property, rights or privileges acquired by the Company or for services rendered or to be rendered in connection with the promotion of the Company or the business of the Company or the acquisition of any property for the Company or otherwise, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and to issue any such shares either as fully or partly paid up or with such amount credited as paid up thereon as may be agreed upon, and to charge any such bonds, debentures or other securities upon all or any property of the Company.
- To pay all or any costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- To purchase or by any other means acquire and protect, prolong and renew, whether in Pakistan or elsewhere, any patents, patent rights, brevets, licenses, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use any to turn to account and manufacture under or grant licenses or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patent, inventions or rights which the Company may acquire or propose to acquire.
- To create any depreciation funds, reserve funds, sinking funds, insurance funds, any special or other funds whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable capital in any form redeemable preference shares of or any other purpose whatsoever conducive to the interests of the Company.
- To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, hundis, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments and securities of any company or any authority or of any person or persons whatsoever, whether incorporated or not incorporated and

generally to guarantee or become sureties for the performance of any contracts and obligations.

- To place to reserve or to distribute as dividends or bonus shares among the members or otherwise to apply as the company may from time to time think fit, money received by way of profits or by way of premium, on shares or respect of dividends accrued on forfeited shares and money arising from the sale of the forfeited shares or from unclaimed dividends.
- To distribute any of the property of the Company amongst the members in specie or kind but so that no distribution amounting to reduction of capital be made except with the permission, if any, for the time being required by law.
- To aid peculiarly or otherwise any existing or proposed charitable, benevolent, religious, national, educational, scientific institutions, and any associations, body or movement having for an object the research in science, or the solution, settlement or surmounting of industrial or labour problems or troubles, or the promotion of industry, trade or commerce.
- To adopt such means of making known the products or the trading goods of the Company as may seem expedient and in particular by advertisement in the press by circulars, by purchase and exhibitions of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
- To form and promote any company or company's subsidiary to this Company, and any company or companies for the purpose of acquiring all or any of the properties, rights and liabilities of this Company or for any other purpose which may seem directly or indirectly to benefit this company, and to sell its shares and amalgamate with any other company or corporation.
- To deal with and invest the monies of the Company or in its custody in such manner and upon such securities as shall, from time to time, be thought for the benefit of the Company and to open accounts, overdraft accounts and cash credit with or without security, to keep fixed and other deposits with banks, firms, corporations and institutions, loan offices and other concerns and to draw, accept, discount, execute, sign, issue and deal in cheques, bills of exchange, drafts, promissory notes, bills of lading, debenture bonds, warrants, debenture coupons, certificates scrips, and securities issued by the Government of Pakistan or other countries, and all other negotiable or transferable instruments.
- To borrow or raise with or without security or in any other manner as the Company may think fit or secure the payment in any such manner as the Company shall think fit and to pledge, mortgage or charge all or any of the properties and assets of the Company whether present or future including the uncalled capital for the time being of the Company and to issue at part or at premium or discount debentures or debenture stock payable to bearer or otherwise and either permanent or redeemable and collaterally or further to secure any securities of the Company by a trust deed or other assurance and to purchase, redeem and pay off such securities.
- To build or contribute to the building of houses, to grant pensions, allowances, gratuities and bonuses or other payments to employees or ex-employees of the Company or the dependents or connections of such persons.

- To undertake the management of any company or corporation and to act as managing agents, secretaries, managers, or consultants of any company, firm or person, and to appoint company agents and establish agencies and branches of this Company in any part of the world.
- To do all or any of the above things in any part of the world, and either as principals, agents, trustees or otherwise and either alone or in conjunction with others, and either by or through agents or trustees or otherwise.
- To do all such other things as are incidental or conducive in the opinion of the Board or Director to attainment of the above objects or any of them.
- To generate power as business/object of the Company.

Main Products:

Its main and by-products are:

- a. Main Products: Metallurgical Coke, Pig Iron, Rolled & cast Billets, Hot Rolled Sheets / Coils / Plates, Cold Rolled Sheets / Coils, Galvanized Sheets& Formed Sections.
- b. By-Products: Coal tar, Ammonium Sulphate, Blast Furnace Granulated Slag.

Quality Standards:

Its production and facilities/ services conform to following International Standards:

- (a) ISO-9001 (b) ISO-14001 (c) ISO-17025 (d) OHSAS-18001

PRODUCTION/SALES STATUS FOR THE YEAR 2018-19

- i) **Production of raw steel is at halt since 10th June, 2015 due to reduction in natural gas pressure by M/s. SSGC.**
- ii) Summarized position of provisional operating results covering sales & inventory for the year 2018-19 is given below: -

P r o d u c t s	S a l e (Rs. in Millions)
Raw Steel	-
C o k e	258
Molten Metal/Pig Iron	-
Rolled Billets	-
Cast Billets	-
Slabs	-
H.R. Coils/Plates (converted from Slabs)	-
C.R. Coils	-
Galvanized Coils/ Sheets	-
Others	209

Inventory Position as on 30-06-2019

S. No	Products	Saleable Inventory (MTN)	Amount Rs. Million
1	Pig Iron	2,818	117
2	Coke Hard	125,933	1,308
3	Slab	70,133	3,920
4	Cast Billet	323	24
5	HR Products	1,013	83
6	CR Products	373	31
7	Formed Section	246	22
8	Unsorted Products	454	19
9	Steel Scrap		204
10	Intermediate & by Products		375
11	Others		57
Total:			6,160
12	Provision for shortage		190
Grand Total:			6,350

REVIVAL PLAN OF PAKISTAN STEEL

ECC of the cabinet in its meeting held on 7th November, 2018 directed Industries and Production Division to chalk out and put up an operationalization plan of PSM within 02 months. An expert group was also constituted with the approval of Prime Minister to workout revival plan of PSM on pro-bono basis.

On 8th April, 2019 the Expert group gave a presentation to the ECC of the Cabinet about the proposed revival of PSM and accordingly, as per directions of the ECC dated 3rd May, 2019 a summary for “appointment of Transaction Advisory Consortium (TAC) for revival of PSM through advice of the Government on a set of appropriate privatization modes” has been submitted to the Prime Minister being Minister In-charge of the I&PD to seek approval for its submission to the CCoP.

Revival and Restructuring plan of PSM is already under process and as per directions of the ECC dated 3rd May 2019, a summary for “appointment of Transaction Advisory Consortium (TAC) for revival of the PSM through advice of the Government on a set of appropriate privatization modes” has been submitted to the Prime Minister to seek approval for its submission to the CCOP, vide MOIP letter No.2(38)/2017-Lit(PSM) dated 29-05-2019. Advertisement for the expression of interest was published in leading newspapers on 14th July 2019.

DOWNSTREAM INDUSTRIAL ESTATE (DSIE)

Downstream Industrial Estate was created under the Notification of Government of Sindh in the year 1984 on an area of 1420 acres. The objectives of creation of the Estate were to promote industrial growth in the area. The process of these units is mostly based on the products / by-products of Pakistan Steel so as to facilitate industries by providing the input raw material right at their door step. The promotional efforts of Pakistan Steel succeeded and 43 downstream industries have so far been set up in this Estate on an area of 489.78 acres. Remaining 207.69 acres of land of DSIE will be allocated to the applicants in compliance with policy, strictly on merit basis when we start allocation of land for Sector-III.

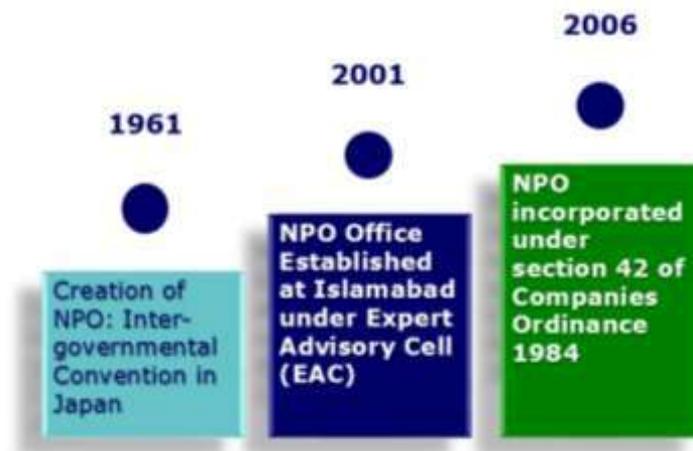
SOCIAL OBLIGATIONS:

Pakistan Steel has also been making noteworthy contributions in the realm of social obligations. In this regard Pakistan Steel is providing residential, medical, educational, recreational and sports facilities to its employees as well as to the people of adjoining areas. These facilities include 125 Bed Pakistan Steel Hospital, Quaid-i-Azam Park, Cricket Stadium Park, Pakistan Steel Cadet College and Sports Complex.

3.9 NATIONAL PRODUCTIVITY ORGANIZATION (NPO)

1. INTRODUCTION

National Productivity Organization (NPO), a subordinate organization under the Industries and Production Division, Government of Pakistan was originally established in 1961 under a regional intergovernmental convention to formally represent Pakistan as member of Asian Productivity Organization (APO) Japan. Currently, APO Japan has 19 contributing member countries. Secretary I&PD is the Director representing Pakistan at APO Governing Body. Besides productivity and quality promotion, NPO also acts as a liaison office of APO Japan.



National Productivity Organization (NPO) was registered as a Public Sector Company under section 42 of the Companies Ordinance 1984 in 2006, under the Industries and Production Division. NPO is working on strengthening the national capacity in productivity, quality and competitiveness for sustainable socio-economic development through various initiatives such as human capital development, system development, energy efficiency, benchmarking, etc.

VISION

“Productive and Competitive Pakistan”

MISSION

“To strengthen the national capacity in productivity, quality and competitiveness for sustainable socio-economic development.”

Corporate Values

1. God fearing
2. Positive work ethics
3. Honesty, dignity and mutual respect
4. Team work
5. Continuous learning

6. Transparency and impartiality
7. Safe and environment friendly

OBJECTIVES

Objectives of NPO include:

- i). To inculcate productivity consciousness through promotion of productivity concept at macro and micro levels of economy.
- ii). To measure, evaluate and improve productivity of various sectors of the economy.
- iii). To set up information collection databases and dissemination systems on all facets of economy.
- iv). To propagate productivity as an evolving concept, including attention to special issues and concerns relating to quality, environment, energy, integrated rural and community development.
- v). To train and educate the management and supervisory personnel in industrial, commercial and service-oriented organizations of the public and private sectors, in the techniques and process of modern management and accordingly award certificate or diploma with the permission of relevant authorities, if required.
- vi). To assist Government organizations and private undertakings in their efforts to improve productivity, establish performance standards, and determine rational monetary compensation system and to establish productivity Wage Board.
- vii). To increase efficiency in business management and industrial operations by providing management consultancy and technical assistance to local industries of various sectors, especially small and medium industries.
- viii). To act as the integrated focal point of all national as well as international organizations engaged in productivity drive especially Asian Productivity Organization (APO).
- ix). To formulate strategic plans to sustain the growth of the productivity movement and to monitor it thereafter.
- x). To undertake research into problems of management and productivity improvements as they occur and to disseminate the results of such research.
- xi). To carry out research in productivity and quality (P & Q) in various sectors of economy, establish productivity indices for industries and to provide and disseminate information on P&Q indicators and case studies at industrial, sectorial and national levels to government as input for policy formulation and planning to enhance P&Q growth.
- xii). To disseminate P&Q literature, organize conventions, surveys, seminars and workshops as well as administer quality management awards.
- xiii). To undertake and support subsidy measures, programmers' plans and schemes for environment development and planning, prevention of pollution and industrial wastage.
- xiv). To advance money or give credit, either with or without security, to such persons or companies and on such terms as may seem expedient and in particular where the same is desirable in the interest of the company and to persons or companies having dealings with the company and to guarantee the performance of any contract or obligation and the payment of money to or by any person or company and generally to give guarantees and indemnities in connection with the objects of the company, (provided that the company shall not indulge in the banking business /micro credit financing).
- xv). To amalgamate with any other association or company having objects

- all together or in parts similar to those of the company.
xvi). Initiatives for Endowment Fund

The NPO has its Head Office at Islamabad, Regional Offices at Karachi, Lahore and Peshawar. Lahore region has further two sub-offices at Faisalabad and Multan.

2. BUDGET (2018-19):

(Pak Rs. in Million)		
Operating Budget	ERE	Total budget
6.02	49.39	55.41

3. TANGIBLE ASSETS:

NPO Head Office is accommodated in two residential rental flats in sector F-11, Islamabad without adequate equipment after the fire incident in September 2017. The NPO has its Regional Offices at Karachi, Lahore and Peshawar. Lahore region has further two sub-offices at Faisalabad and Multan.

4. ACHIEVEMENTS OF NPO (2018- 2019)

National Productivity Organization (NPO) is working on strengthening the national capacity in productivity, quality and competitiveness for sustainable socioeconomic development through various initiatives such as human capital development, system development, energy efficiency, benchmarking, etc.

4.1 International Trainings / Programs

Based on APO platform, NPO has been offering different types of programs including trainings/workshops, Technical Expert Services, Research, Conferences, Observational Study Missions and Development of Demonstration Companies. Main thrust areas of these services include Industry Development, Innovation, Green Productivity, Agriculture Development, Service Sector Development and Public Sector Development. A summary of international trainings / programs (2018-19) is as follows:

APO Sponsor/ NPO Joint Programs:

Description	2018- 2019	
	Courses ¹	Participants
TES/DON/NFP/Multi-country (National Follow Up Project (NFP) Training of Trainers in Green Productivity)	1	31

¹Less number of trainings is due to fire incident and non-availability of funds to conduct international training programs.

International Trainings/Workshops/Meetings:

A summary of international trainings is as follows:

Description	2018- 2019	
	Courses	Participants
International Courses ²	42	49 (Excluding "15" participants not able to attend the training programs)
61 st Session of the APO	1	Representation from Embassy of

Governing Body	(meeting)	Pakistan in Philippines
APO Productivity Databook and Database (research project)	01	01

²APO follows calendar year and accordingly trainings will be conducted in due course. Two international trainings to be held in Pakistan were postponed due to security reasons.

4.2 Services and Projects

4.2.1 Green Productivity:

Green Productivity Assessments:

A total of 13 GP Assessments were conducted and 48 professionals at shop floor level were trained on GP. Details of GP assessment and related activities performed are as under:

- Green Productivity (GP) Assessment of US-Apparels Ltd
- GP Assessment of Bannu Woollen Mill Ltd
- GP Assessment of Crescent Bahuman Limited
- GP Assessment of residential building
- Marketing activity of GP assessment
- Follow up of Kohinoor Textile Mills and Mitchell's Fruit Farms Limited
- Coordination with Kohat Textile Mills and Alam Cotton Mills

Development of three Demo Companies (DCs) in Material Flow Cost Accounting (MFCA):

Following demo companies were prepared on MFCA:

- Asian Food Industries Limited
- Grand Engineering Pvt LTD
- Islamabad Serena Hotel
-

4.2.2 Projects:

- i). APO selected CEO NPO as member of APO Accreditation Body Council which will take NPO forward towards self-sustainability.
- ii). Establishment of National Clean-tech Platform (NCTP):
National Clean-tech Platform (NCTP) was established on February 15, 2019 to promote innovation & startup culture in Pakistan. National Clean-tech Platform (NCTP) is an outcome of the UNIDO implemented "Global Clean-tech Innovation Program (GCIP)" in Pakistan.
National Productivity Organization (NPO) is one of the founding members and member of Advisory Body. Islamabad Chamber of Commerce and Industries (ICCI) is the chair of NCTP. The Chair of National Clean-tech Platform (NCTP) for the next term will be NPO.
- iii). PC-I is submitted to I&PD on Material Flow Cost Accounting (MFCA) and National Green Productivity Center (NGPC)

- iv). Proposal for Pak-Turk Green Productivity Centre submitted to Turkish Cooperation and Coordination Agency (TIKA)

4.3 National Trainings:

Wide range of specialized trainings, including but not limited to, replication of international trainings are being provided through various types of programs such as General Awareness Training (GAT), Corporate Training (CT), Professional Development (PD), In-house Training Activities (ITA), Distance Learning, E-Learning, Trainings under Special Projects and Diploma programs in the management and technical disciplines; such as Productivity and Quality Management, Green Productivity, International Standards/Compliance, Agricultural Productivity, Soft Skills, Development of Productivity Practitioners, IFC Business Edge® Trainings and Special Programs as per emerging trends and society requirement for the development of Rural Areas & Disabled Persons. NPO is also offering training programs via E-learning & Video conferencing.

A summary of national trainings is as follows:

Sr. #	Description	2018- 2019	
		Courses ³	No. of Participants
1.	Capacity Building Programs	12	255
2.	E- learning	4	155
Total		16	410

³ Less local trainings are due to:

- Lack of facilities because of fire incident at IFC Building where NPO head office was located on 2nd floor.
- NPO is not yet provided with alternative premises and necessary equipment for operations. However, participants' deficiency was covered by arranging more e-learning programs thus making use of advanced technology.

NPO Collaborations for Productivity Enhancement (2018-2019):

- Bestway Cement Limited
- Shifa International Hospital
- Center for Rural Economy, Ministry of Planning, Development & Reform (CRE, MPDR)
- Heavy Electrical Complex (HEC)
- Center for Executive Education & Institute of Business Administration
- WAPDA Staff College, Islamabad
- NPO got registered as Professional Engineering Bodies (PEB) with Pakistan Engineering Council (PEC), and NPO can award CPD points to Engineers

3.10 UTILITY STORES CORPORATION OF PAKISTAN (PVT) LIMITED (USC)

INTRODUCTION / BRIEF OF THE COMPANY

Utility Stores Corporation was established in July, 1971 by taking over 20 retail outlets from the Staff Welfare Organization. Utility Stores Corporation of Pakistan (USC) is a Private Limited Company, registered with Securities & Exchange Commission of Pakistan (SECP), under the Section-42 of Companies Act, 2017 (Erstwhile Companies Act, 1913 and the Companies Ordinance, 1984). USC has its own management which operates under the Managing Director and exercises its specified executive authority. Its Board of Directors (BoD) takes policy decisions. The objective of USC is to provide economic relief to the under-privileged segments of the society by selling the basic commodities at the rate lower than that prevailing in the open market. USC is also a price moderator in the open market, with a view to curb malpractices of profiteering, hoarding and smuggling of basic essential items. Passing through various stages of expansion and re-organization, the Corporation is currently operating more than 4000/- stores throughout the country.

VISION

To be recognized as Pakistan's leading quality & price competitive retailer.

MISSION

To provide customers with the best value, quality products and excellent service, to moderate the cost of living in Pakistan, spearheading initiatives for the good of the community, creating an inclusive and vibrant workplace, and to serve the needs of people, with provision of essential commodities.

OBJECTIVES

The objectives of the Corporation, are given as under: -

- To protect the real income of the people, particularly of the poorer sections of the society. The Corporation supplies essential items of daily consumption and other services to consumers, especially to the low-income groups, at comparatively lower prices than those prevailing in the open market.
- To undertake procurement of essential consumer goods from both domestic and external sources.
- To make essential commodities available through a modernized merchandising and distribution system by establishing retail outlets in the form of utility stores.

- To ensure quality goods in adequate and regular quantities and to market them under hygienic conditions and at prices lower than the market prices.
- To concentrate initially on supplying items of daily consumption, which figure prominently in the budget of the common man, i.e. rice, Atta, cereals, pulses, sugar, tea, biscuits, vegetable ghee, vegetable oils, kerosene oil, selected and cost-effective ready-made garments and common varieties of cotton textiles, and perishable items such as meat, milk, eggs, vegetables, etc.
- To act as a price moderator in the market and a deterrent to the profiteering, hoarding and black-marketing by maintaining buffer stocks of essential items of daily use.

S/NO.	SUBJECT	ACHIEVEMENTS / ACTIVITIES																		
1.	Legal Status	Utility Stores Corporation of Pakistan (USC) is a Private Limited Company, registered with Securities & Exchange Commission of Pakistan (SECP), under the Section-42 of Companies Act, 2017 (Erstwhile Companies Act, 1913 and the Companies Ordinance, 1984).																		
2.	Basic Objectives	The basic objectives of the Corporation are given as under: - <ul style="list-style-type: none"> a. To protect the real income of the people by selling essential consumer items at prices lower than those prevailing in the open market. b. To act as a price moderator in the market and a deterrent to the profiteering, hoarding and black-marketing by the private sector c. Market Intelligence d. Provision of economic relief to consumers through Special Relief Packages. e. Food security during crisis. (Provision of basic food items to affected groups during natural calamities). 																		
3.	Operational Efficiency	The performance of the Corporation during the last five years is tabulated hereunder: - <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Sales achieved (Rs. In Billion)</th> <th>Net profit/Loss (Rs. In Billion)</th> </tr> </thead> <tbody> <tr> <td>2014-15</td> <td>59.011</td> <td>(2.203)</td> </tr> <tr> <td>2015-16</td> <td>50.373</td> <td>(3.074)</td> </tr> <tr> <td>2016-17</td> <td>57.87</td> <td>(3.374)</td> </tr> <tr> <td>2017-18</td> <td>27.299</td> <td>(5.006)</td> </tr> <tr> <td>2018-19 Un-Audited</td> <td>9.875</td> <td>(6.768)</td> </tr> </tbody> </table>	Year	Sales achieved (Rs. In Billion)	Net profit/Loss (Rs. In Billion)	2014-15	59.011	(2.203)	2015-16	50.373	(3.074)	2016-17	57.87	(3.374)	2017-18	27.299	(5.006)	2018-19 Un-Audited	9.875	(6.768)
Year	Sales achieved (Rs. In Billion)	Net profit/Loss (Rs. In Billion)																		
2014-15	59.011	(2.203)																		
2015-16	50.373	(3.074)																		
2016-17	57.87	(3.374)																		
2017-18	27.299	(5.006)																		
2018-19 Un-Audited	9.875	(6.768)																		
4.	Employment Generation	The Corporation has manpower of 12,843 personnel in different categories.																		
5.	Expansion of the Network	Since the year 2007, the network of the corporation has considerably expanded. Number of warehouses increased																		

		from 15 to 65 and stores expanded from 560 to 4,131. At present, Utility Stores Corporation is one of the biggest corporations of the Industries and Production Division, having its network all over the country.
6.	Provision of essential commodities	The Corporation has successfully discharged its obligatory functions of provision of essential commodities at reduced prices. The prices of essential commodities being sold at USC outlets are 05 to 10 percent less, as compared to open market.
7.	Penetration into rural areas	The Corporation has successfully extended its network in the rural areas by opening of stores, even at the Union Council levels. The present percentage / ratio of the coverage of the stores in Urban and rural areas is that the Corporation is operating at 34% in urban areas and 66% in rural areas.
8.	Ramzan Relief Package 2019	The Government approved Ramzan Relief Package-2019, by giving a subsidy of Rs.2 Billion. Under Ramzan Relief Package-2019, nineteen essential commodities which included Atta, sugar, ghee/oil, Dal Channa, Dal Mash Washed, Dal Moong Washed, Dal Masoor, Baisan (Chakki), Dates (Khajoor), Rice Basmati, Rice Sela, Broken Rice, White Gram, Squashes and Syrups (1500ml/800ml), Tea, Milk (UHT) and Spices, have been sold on subsidized rates. In addition to this, the prices of more than 1,500 food and non-food items have been reduced by the Corporation by narrowing down its profit margins. The Corporation has achieved the sale of Rs.3.822 billion during the month of Ramzan-2019. The much-needed relief has been provided to the consumers.

3.11 PAKISTAN INDUSTRIAL DEVELOPMENT COMPANY (PIDC)

Introduction and Primary Role

PIDC was created in 1952 through act of Parliament, with a prime objective to set up industries in such fields where the private sector was shy and where large amount of capital outlay with long gestation period was required. Accordingly, 94 industrial units were established throughout the country on Build Operate and Transfer (B.O.T) model, which played key role towards country's development and spurred up inclusive economic growth.

VISION

“To foster a spirit of enterprise, facilitate entrepreneurs and promote development of internationally competitive industry”

ROLE

“PIDC to be the Primary Vehicle for facilitating industrialization by creating enabling environments for different segments of industries”

MISSION

“To put in the pioneering effort to establish Industries in many undeveloped sectors and backward regions of the Country”

Objective

The objectives for which the Company is established are as under:

- To act as a primary vehicle for facilitating industrialization by creating enabling environment.
- To foster spirit of enterprise, facilitate entrepreneurs and promote development of internationally competitive industry.
- To promote economic and industrial development of the country by itself or in collaboration with Private Sector.
- To facilitate in the establishment of a conducive environment for growth of the industry etc.

1. Devolution of PIDC Role

After nationalization in 1972-73, more than 90% of PIDC units were transferred to the public sector corporations under the Industries and Production Division. The transferred units included State Cement Corporation of Pakistan (SCCP), National Fertilizer Corporation (NFC), Federal Chemical & Ceramic Corporation (FCCCL), State Engineering Corporation (SEC), Pakistan Mineral Development Corporation (PMDC), leaving PIDC with few Units which were established under socio-economic consideration in the remote areas of the country. These units were also subsequently liquidated/privatized by Privatization Commission. With the promulgation of Companies Ordinance 1984, PIDC was transformed into a Private Limited Company, under Section 32 of the Companies Ordinance.

2. Current Role of PIDC

The Role of PIDC was redefined in 2004-05 as an “Industry Facilitator” organization, with the objective to act as a primary vehicle for facilitating industrialization, foster spirit of enterprise and facilitate entrepreneurs and promote industry through skill development and provision of common facility centre to help private sector in specific sectors. Accordingly, PIDC established 08 new subsidiaries and 02 joint venture companies to create skilled and trained manpower in order to bridge technical gap and enable private sector to unleash the potential of sectors since 2006, which are as follows:

3. Formation of Companies under Re-defined Role of PIDC

a- Subsidiary Companies

- (i) National Industrial Parks Dev. & Management Company (NIP).
- (ii) Technology Up-gradation and Skill Dev. Company (TUSDEC).
- (iii) Karachi Tools, Dies and Moulds Centre (KTDMC)
- (iv) Pakistan Stone Development Company (PASDEC)
- (v) Pakistan Gems and Jewellery Development Company (PGJDC)
- (vi) Pakistan Hunting & Sporting Arms Dev. Comp. (PHSADC)
- (vii) Furniture Pakistan (FP)
- (viii) Aik Hunar Aik Nagar (AHAN)

b- Joint Ventures (JVs)

- (ix) Pakistan Chemical & Energy Sector Skill Development Company (PCESSDC)
- (x) Southern Punjab Embroidery Industries (SPEI)

4. Management of Non-operational Organizations / Units

In order to drive the economy of non-operational units, Ministry of Industries & Production, through deed of relinquishment and deed of assignment, has tasked PIDC to look after the affairs of following companies/ units. These units have been placed in the active list of Privatization Commission (PC).

- I- Pakistan Automobile** (Awaits liquidation)
Corporation
 - a- Republic Motors Pvt. Ltd (RML) – (under privatization in PC)
Lahore
 - c- Sindh Engineering Pvt. Ltd; (under privatization in PC)
(SEL) – Karachi
- II- Ghee Corporation of Pakistan** (liquidated)
 - a- Morafco Industries Pvt. Ltd; – (under privatization in PC)
Faisalabad
 - b- Suraj Ghee Industries Ltd; – (Privatized by PC, under
Sheikhupura litigation)
 - c- Haripur Vegetable Oil Processing (Privatized by PC, under
Industry- Haripur litigation)
- III- PIDC Medical Centre – Karachi** (under liquidation in PC)

5. Project Work and Performance of PIDC

PIDC, after revised role, has been contributing in facilitating industrialization through Public Private Partnership in different sectors,

which has visibly shown marked improvement in Marble & Granite, Furniture, Gems & Jewellery, Hunting & Sporting Arms, Tools, Dies & Moulds and Handicraft sectors. The performance of PIDC for 2018-19 is as under:

- Construction work has been initiated in Naushero Feroze Industrial Park (NFIP), spanning over 80 acres of land, by NIP as a developer. Following development work at NFIP is in progress;
 - ✓ Clearing and grubbing of surface including removal of shrubs & bushes has been completed.
 - ✓ Infrastructure of internal road work of Phase-I is approximately 75% completed.
 - ✓ Boundary wall & main gate is roughly 79% done.
 - ✓ Sewerage structure work is 51% completed.
 - ✓ Electrical related civil work is 51% completed.
- Establishment of Common Facility Training & Manufacturing Centre is being developed at Naushero Feroze Industrial Park for promotion of furniture industry. The purpose is to establish high value added, internationally competitive world class hub for furniture manufacturing & export and to enhance the quality of Pakistani wood products' manufacturing. Approximately 71% of construction including Admin, Training & Production blocks has been completed.
- Defunct units/non-functional entities like Sindh Engineering, MORAFCO industries, Suraj Ghee, Republic Motors etc. merged into PIDC in 2008 and are placed under the active list of privatization since 1992. PIDC and MOIP have strongly taken up the matter of these entities for effective utilization. On the request of PIDC, MOIP is considering the privatization of these entities to stop the drainage of financial resources.
- To avoid overlapping of functions, and cause improvement in efficiency and efficacy, PIDC has planned for merger/amalgamation of such subsidiaries, which are financially weaker. In this context, the proposal has been submitted to Ministry of Industries & Production for consent. After the merger, PIDC shall have four companies as its subsidiaries instead of eight i.e. KTDMC, NIP, PASDEC and TUSDEC, which would not only help avoid overlapping of functions but also reduce financial burden on PIDC. The execution of the merger/amalgamation of subsidiaries is in progress.

6. Overview of Work & Performance of PIDC Subsidiaries

In pursuance of the revised role of PIDC and to achieve the above objectives, the following eight new wholly owned subsidiaries of PIDC and two J.V. companies were incorporated under section 42 of the Companies Ordinance 1984 as non-profit organizations. These companies are meant for promotion of respective sectors/industries and skill development in the country.

An over view of the performance/achievements of PIDC subsidiaries are as follows:

(i) National Industrial Parks Development & Management Company (NIP)

National Industrial Park Development & Management Company (NIP) is a subsidiary of Pakistan Industrial Development Corporation, working under the

Industries and Production Division, Government of Pakistan. It was established in 2005 with the aim to establish modern/ world class industrial parks throughout the country. All infrastructural facilities such as water, power, natural gas, telephone, warehousing and other common facilities would be provided in these industrial parks.

Activities, Achievements & Progress 2018-19

- Under Special Economic Zone Act, 9 industries were approved as Zone Enterprises for exemption in taxes and duties during the period 2018/19.
- Nearly 60 License Agreements signed with customers till date for the commencement of constructions.
- Total Estimated Investment (in PKR): Rs. 31,000 Million (Approx.)

Bin Qasim Industrial Park

Bin Qasim Industrial Park is being developed on 930 acres of land, owned by Pakistan Steel Mills (PSM) located at Deh Pipri, Bin Qasim Town, Karachi. The project with well-defined industrial clusters will facilitate auto & allied, light engineering, foundries & steel fabrication, pharmaceutical & food processing and warehousing/logistics sectors. All essential utilities such as water, power, gas, telecom, security and effluent treatment plant are an integral part of the project. The park is being developed with a focus on provision of all salient features integral to a modern world class industrial park. This industrial park is designed on international standards which caters to the business needs of medium to large scale industry while providing inherent benefits of essential supporting amenities. Land area sold till date is 227 Acres.

Achievements

- MoU Signed with Karachi Electric to build 64 MW Grid Station. Request for funding from PSDP forwarded.
- M/s Kia Lucky Motors – a joint venture between Kia Motors of South Korea and YBG (Lucky) Group of Pakistan, acquired 100 acres and set to start operations with total approximate investment of Rs.15 Billion. Estimated employment generation of 2000.
- M/s Barkat Frisian Pasteurized Eggs company – a joint venture between M/s Frisian Eggs of Netherlands and Buksh Group of Pakistan started operations.
- M/s Techno Auto Glass (Pvt.) Ltd. joint venture of Techno Pack Telecom and Pak Suzuki Motors Company started production of windscreen, rear glass and side glasses.
- Another 5 industries awarded Zone Enterprise status under SEZ Act 2012 for exemption of duties and taxes on machinery and equipment.
- Total estimated investment (in PKR) :Rs. 38,000 Million (Approx.)

Rachna Industrial Park

Rachna Industrial Park is being established in Punjab, strategically located on 6.5km off Lahore – Sheikhpura Road, District Sheikhpura. The project is envisioned to cater a large number of small & medium sized industries located in the adjoining cities like, Gujranwala, Sialkot, and Wazirabad. It will offer competitive business

environment to auto parts' vendors to be attracted to cater to OEMs on the Lahore – Sheikhpura road like Honda Atlas, Millat Tractor, Rustam Sohrab Cycle etc. Land area sold till date is 96 Acres.

Achievements

- Application for Special Economic Zone status for Rachna Industrial Park submitted to Bol Islamabad as per SEZ Act 2012.
- Infrastructure development of phase II is under way with estimated investment of Rs.0.5 billion.

▪ **Naushero Feroze Industrial Park**

Naushero Feroze Industrial Park is being developed on 80 acres of land on main National Highway at an approximate distance of 320 KM from Karachi. The main industrial clusters include Agro Food Processing, Agro Non-Food Processing, Light Engineering, Warehousing and Mixed Use. The infrastructure development work is in progress.

Achievements

- First phase of development work is nearing completion which includes road network, boundary wall, and water supply etc.
- Applied for Special Economic Zone Status for NFIP as per SEZ Act 2012.

(ii) **Technology Upgradation and Skill Development Company (TUSDEC)**

Technology Upgradation and Skill Development Company (TUSDEC) is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries and Production Division, Government of Pakistan. It was established in 2005. The charter of the company is to envisage setting up of Skill Development Centres all across the country and upgradation/induction of latest technologies in country's key industrial clusters.

Activities, Achievements & Progress 2018-19

- 7 TUCs operational (GTDMC, CDTC, CR&DI, 3D Scanning facility, PLEC, LEUC, HESC).
- 6 SDCs operational (Skill Tech & NIDA Centres in Lahore, Sialkot, Karachi, Quetta, Peshawar).
- 1,057 Industrial jobs completed.
- 2,488 Industrial testing services.
- 2,933 Participants trained.
- Rs. 106.17 Million Revenue Generation.
- TUSDEC proposal for "Industrial Design & Automation Centres (Lahore, Sialkot & Karachi)" approved in CDWP meeting held on May 6, 2019 with a total cost of PKR 972.97 Million.
- TUSDEC proposal for "Footwear Cluster Development through CAD/CAM Centre, Lahore" approved in CDWP meeting held on May 6, 2019 with a total cost of PKR 78.69 Million.
- TUSDEC development National Strategic Programme for Acquisition of Industrial Technology (NSPAIT) in coordination with "PM Task Force on Technology driven Knowledge Economy". The project with a total cost of PKR 2.914 Billion includes priority interventions for key sectors

including Construction (Including Ceramics, Marble & Granite), Engineering & Technology, Textile (with particular reference to Technical Textile) and Establishment of ITPO, Hiring of Tax & JV Consultant. The project was presented in Pre-CDWP held on May 30, 2019 and changes were recommended by members for CDWP approval.

- TUSDEC drafted “Industrial Technology Acquisition Policy for Pakistan” to benchmark, acquire, assimilate and improve the technology being used in various industrial sectors across all major clusters of Pakistan. The policy was presented to key stakeholders/experts and endorsed by MoI&P to forward it to Planning Commission.
- Implementing “Industrial Technology Benchmarking Project” to conduct benchmarking of two key sectors including Cutlery and Surgical (Implant & Electro medical Devices).
- GTDMC and CDTC successfully merged with TUSDEC in Dec 2017 & TUSDEC has started revival of these companies to ensure effective technology support to industry and revenue generation for TUSDEC.
- Implementing project with GIZ “Training Fund for Sindh & Baluchistan” to provide trainings to 900 youth of Sindh & Baluchistan.
- Completed project with support of UNDP “HR Services in Sindh in 4 Sectors (Logistics, Retail and Automobile)” and provided trainings to 1000 youth in Karachi & Islamabad.
- 9 PC 1’s developed/ revised and submitted in various sectors including Construction, Ceramics, Footwear, Cutlery, Agro Food Processing, Design Assistance/ Reverse Engineering, Light Engineering.
- 6 MoUs/Agreements signed with different national and international organizations to work together for technology upgradation and skill development.

(iii) Karachi Tools Dies & Moulds Centre (KTDMC)

Karachi Tools Dies & Moulds Centre (KTDMC) is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries and Production Division, Government of Pakistan. It was established in 2008. The Centre is providing support to the country’s dies and moulds sector in carrying out rapid prototyping through the latest technologies such as stereolithography, selective laser sintering and rapid tooling along with support for CAD/CAM and CNC machining. The KTDMC is providing on-the-job training to semi-skilled and skilled workmen.

A number of CAD/CAM and CNC courses have been completed and over 500 students in short term courses have been trained. One-year diploma in Dies & Mould manufacturing is also being offered since September 2008.

Activities, Achievements & Progress 2018-19

- Save foreign exchange every year, as before the formation of KTDMC moulds produced by KTDMC were imported from abroad;
- Moulds making technology upgraded by KTDMC in Pakistan.
- KTDMC is supporting the industries since inception in recognition of KTDMC’s outstanding services.

- Provides training to the under privileged class of Pakistan and ensures their job placement, which resulted in decrease in unemployment. 96% of the students graduating from KTDMC are employed.
- Served as an executing agency for NAVTTC in order to execute vocational training in the fields of AutoCAD and Product Design & CAM.
- Served as an executing agency for GIZ in order to execute vocational training in the fields of AutoCAD and Mechanist.

Description	2018-19
Students trained	492
Courses	48
Dies & Moulds manufactured	52
Heat treatment cycles	74
Reverse Engineering Hours	2905

(iv) Pakistan Stone Development Company (PASDEC)

Pakistan Stone Development Company (PASDEC) is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries & Production Division, Government of Pakistan. It was established in 2006. PASDEC was incorporated to up-grade dimensional stone industry, promote value addition and develop domestic and international markets by introducing modern know-how and equipment.

The Company's core function is to develop the dimensional stone industry of Pakistan, in line with the best international industrial practices, with the help of latest mechanized machinery, development of quarries, establishment of state-of-the-art marble cities/industrial estates and common facilitation & training centres/ warehouses along with the skill development to overcome the skilled workforce deficit of the industry.

Activities, Achievements & Progress 2018-19

- PASDEC has achieved the target of demonstration of latest quarrying techniques, technology and skill development in the sector. The wastage at the mechanized quarries developed by PASDEC has been considerably reduced. Due to the demonstration effect created by PASDEC, the mine owners are shifting towards mechanized quarrying in the country. The Company has also established 14 mechanized quarries, 2 Machinery Pools and 1 Marble City. Besides this, the Company has trained more than 605 operators on mechanized mining, 1,262 females on mosaic, inlay and handicraft to cater for skill development need of the sector in collaboration with the donor agencies.
- PASDEC has established two Machinery Pools for providing latest mechanized mining equipment for the lease holders/mine owners on subsidized rental basis. These Machinery Pools are located at Gaddani and Risalpur to cater the south and north regions of the country respectively.
- The Quarry Machinery Pool Risalpur (KPK) has also been up-graded through the funding of Multi Donor Trust Fund (MDTF) to enhance production of square blocks, increase in exports and minimize wastage of valuable natural reserves in the KPK. The rent of the

machinery is subsidized so that the mine owners can utilize the machinery to start the mechanized mining at the quarries. The company with dynamic policy measures rented out all the quarry machinery (13 excavators and compressors) on subsidized rates to maximum lease holders in a short span of two months.

➤ The Company has provided the mechanized mining machinery to 8 new miners on subsidized rental basis for the promotion of mechanized quarrying during the period.

➤ Marble City Risalpur is developed on a total area of 185 acres. There are total 218 plots of 2, 4 and 8 kanals. Major development works have been completed and the possession to 56 plot holders have been awarded. 27 units are under construction and 20 units have also started production. More units are expected to start production in the near future.

(v) Pakistan Gems & Jewellery Development Company (PGJDC)

Pakistan Gems and Jewellery Development Company (PGJDC) is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries and Production Division, Government of Pakistan. It was established in 2006. The charter of the company is to enhance the value chain productivity of gems and jewellery industry of Pakistan, from mine to market. The Company aims to enhance exports through facilitation, technology upgradation, skill development and marketing/branding initiatives. The Company endeavours to establish Pakistan as a value added, internationally competitive, world class hub for jewellery manufacturers, traders (retailers/wholesaler/exporters) and other Stakeholders.

Activities, Achievements & Progress 2018-19

- Conducted 23 Training programs and trained 317 participants.
- Executed training programs in collaboration with GIZ at PGJDC's Training Centre in Quetta.
- Executed training programs in collaboration with NAVTTC at PGJDC's Training Centres in Gilgit and Muzaffarabad AJK.
- The Prime Minister of Pakistan established a working group on Gold and Jewellery to revisit the SRO 760(I)/2013 in order to remove bottlenecks in the trade of this sector and provide an enabling trade environment to this sector leading towards rise in exports. The working group has submitted its recommendations to the concerned quarters for consideration.
- During the financial year 2018-19, 8,796 precious metal articles have been tested at the Assaying and Hallmarking Centres of PGJDC at Karachi and Lahore.
- Hundreds of gemstones have been tested at the Gemstone Identification Laboratories of PGJDC at Karachi, Lahore, Peshawar, Quetta, Gilgit and Muzaffarabad AJK.
- The company has also been working on policy framework for ease of doing business to improve the overall business environment of the Gems and Jewellery Sector. The activities/proposals are as follows:
 - ✓ Pakistan Assaying and Hallmarking Council Act have been approved by the Sub-Committee of Federal Cabinet and is awaiting enactment from Parliament of Pakistan.
 - ✓ Procurement of Gold and lending through nominated agencies.

- ✓ Revisit clauses of recently issued SRO 760 to regulate export and import of Gems and Jewellery products.
- ✓ Rationalization of value addition norms.
- ✓ Withholding tax on gold for commercial purpose shall be reduced from 1% to ad valorem Rs 15/gm.
- ✓ Reduction of advance income tax on Pearls, Synthetic stones, precious/semi-precious stones and Diamond from 5% to 1%.
- ✓ Zero rated import of machinery related to jewellery sector to increase value addition.

(vi) **Pakistan Hunting & Sporting Arms Development Company (PHSADC)**

Pakistan Hunting and Sporting Arms Development Company (PHASDC) is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries and Production Division, Government of Pakistan. It was established in 2007 as a public company with limited liability, having share capital under section 42 of the Companies Ordinance, 1984. The company was given the mandate to make this sector a “Driving Force, strengthening it through technology up-gradation, total quality management, import substitution and establishment of new business channels for international promotion of hunting and sporting arms sector.

Activities, Achievements & Progress 2018-19

- **Target & Outdoor Sporting Show (TOSS):** PHSADC has successfully organized and managed TOSS Show 2018 from 28th -30th September, 2018 at Pak-China Friendship Centre, Islamabad. TOSS Show was exhibited by 55 companies and over 1000 products were displayed with visitor’s number 22789 across the world. The total number of visitors was 22789.
- **Common Facility Training Centre (CFTC):** The Company has established state of the art “Common Facility Training Centre (CFTC)” for the up-gradation of hunting and sporting arms manufacturing industry of Peshawar and Darra Adam Khel in year 2016. The CFTC was designed to cater down the weaknesses of local hunting and sporting arms manufacturing units and fulfill demands of international markets. Since its establishment, the CFTC has facilitated the industry through quality machining services for the manufacturing of Dies & Moulds, CAD/CAM services, and other mass production tools. The CFTC project has not only reduced the dependency of local manufacturers on Punjab and Sindh for outsourcing of manufacturing services but also enhanced the quality and production of local products. CFTC has provided facilitation services in manufacturing of various jigs & fixture to 43 number of private stakeholder for the development of their products as per international standard. CFTC has provided on jobs training to 41 trainees of various institutes / industry like Basics of Gun Smiting, Milling Machinist with DRO, Drilling & Fabrication, Wire Cut (Operation and Programming), CNC Machining Centre (Operation and Programming) and Inspection & Measuring Techniques.

(vii) Furniture Pakistan (FP)

Furniture Pakistan is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries and Production Division, Government of Pakistan. It was established in 2007, with the objective to facilitate the furniture industry through provision of access to the latest furniture manufacturing technology, produce skilled labour and to enhance the compatibility of the furniture industry of Pakistan in international markets.

Activities, Achievements & Progress 2018-19

- Manufacturing of 674 furniture products (visitor chairs, revolving chair, executive tables, cupboard and conference tables etc.) complete and revenue of Rs. 9.34 million generated.
- Stakeholders' meetings were organized at CFTMCs at Peshawar, Sargodha & Chiniot to get feedback and recommendations.
- Display Areas were established at Sargodha, Chiniot and Peshawar centres to place sample products.
- 80% of civil work including super structure at CFTMC Naushero Feroze site is completed.

(viii) Aik Hunar Aik Nagar (AHAN)

Aik Hunar Aik Nagar is a subsidiary of Pakistan Industrial Development Corporation, working under the Industries and Production Division, Government of Pakistan. It was established in 2007 and the concept of AHAN was designed to emulate the OVOP (one Village One Product) of Japan and OTOP (One Tombon One Product) of Thailand programs which have been quite successful in modernizing non-farm micro and small enterprises (MSEs) and thus improving the employment prospect of the poor. The objective of AHAN is to support poverty alleviation initiatives of GoP through facilitating rural craft person, artisans and poor producer groups in accessing enterprise development services and cater for neglected sector of hand-crafted products produced in rural semi urban areas.

Activities, Achievements & Progress 2018-19

- **AHAN Capacity Building Projects:**
To achieve its objectives, AHAN initiates clearly defined, handmade product-specific projects in rural and semi urban areas across the country for capacity building and training of the artisans and crafts persons. Following services were provided through AHAN projects.
 - ✓ Craft related Skill Enhancement and capacity building
 - ✓ Product development/Designing
 - ✓ Technological Input
 - ✓ Quality Assurance
 - ✓ Marketing and promotion
 - ✓ Financial Support through linkages

AHAN keeps on making efforts to collaborate with stakeholders involved in capacity building of artisans and crafts persons in developing new handcrafted products and creating marketing linkages for them. During the period under report, the following three projects were implemented:

Artisans skill development project for refugees in Karachi:

A new project subsequently was initiated to impart Product Development training to refugees based in Karachi with support of United Nation Human Commission for Refugees (UNHCR). 75 females from Afghan refugees based in Sohrab Goth, Karachi were trained in product development through traditional embroideries, pattern making, cutting and stitching.

Skill for Market - Women Economic Empowerment through Skill Enhancement of Female Artisans:

AHAN has implemented another project worth Rs. 12 million sponsored by Punjab Skill Development Fund (PSDF), Government of Punjab. 180 women were trained in Sheikhpura district under this project in local crafts.

Aik Hunar Aik Nagar Advocacy Business Plan:

AHAN business plan approved by PIDC is also under implementation. The objective of this business plan is to bring already trained artisans and crafts persons to next level whereby they are linked and exposed to lucrative markets, locally and internationally.

➤ **Handcrafted Product Development and Quality Assurance**

AHAN product development section, in close coordination with marketing department, continuously works on developing new products with improved designs, shapes, new uses, better motifs and colour schemes for changing market trends. During the period under report, more than 500 new products of various categories have been developed with technical guidance of AHAN product development experts/designers.

➤ **Entrepreneurial Skills Development Training**

With the objective of enhancing entrepreneurial skills of already trained artisans and crafts persons, Enterprise Development Training workshops were arranged in all regions.

➤ **Craft Training Workshops in Educational Institutions**

To orient teaching staff and students on Pakistan's rich culture through craft development, AHAN has initiated a comprehensive learning program. A three-day workshop was organized at Beacon House School system, Lahore. The students and teachers learned about craft development such as pottery making, truck art block printing through a combination of learning and fun activities. Same kind of workshop is being implemented in different schools now.

➤ **Marketing of Traditional Rural Crafts of Pakistan**

During the period under report, AHAN continued its focus on establishing marketing channels for rural producers and their products developed through AHAN's capacity building programs.

Exhibitions/Trade Fairs: AHAN facilitated trained rural artisans to participate in exhibitions and trade fairs. These events helped artisans from far off areas to establish business relationships with buyers, shopkeepers, designers, and major outlets. During the period under report, the following events were organized/ participated by AHAN beneficiaries.

Sr. No.	Name of Exhibition	Duration (Days)	City
1	'Handmade in Pakistan' Exhibition Packages Mall, Lahore (18 – 21 October, 2018)	04	Lahore
2	Organic Bazar, 30 Nov 2018 to 2nd Dec, 2018	03	Lahore

(ix) Pakistan Chemical And Energy Sector Skills Development Company (PCESSDC)

Pakistan Chemical And Energy Sector Skills Development Company (PCESSDC) was established under Public/Private Partnership at a total project cost of Rs.209 million with PIDC's share of Rs.100 million, as a Joint Venture with M/s. Engro Chemical Pakistan Limited at Dharki, Sindh. The company aims to provide quality technical education offering three-year diploma in the fields of chemical and mechanical technology, to produce skilled manpower required by a number of fertilizer, oil and gas companies and power plants in the region.

Activities, Achievements & Progress 2018-19

- Let Girls Learn Program
- GIZ Program trained 160 trainees in Machinist, Fabrication, welding and web designing and development
- Thar Electrical Batch top 10 positions in Sindh Board of Technical Education
- Up gradation of VTC (Vocational Training Centre)
- NAVTTC Accreditation⁴
- NAVTTC Evening Program with Boarding and Lodging Facility
- Top 08 positions of 2nd Year Chemical Technology in SBTE
- Construction of TTC-Daharki Main Technical Building
- Vocational Training Centre (funded by STEVTA)
- DEG Mechanical Lab (funded by DEG of Germany)
- Construction of Boys hostel (Funded by USAID)
- Positions in SBTE (08 out of 10)
- Qarz e Hasna Scheme of Meezan Bank (Ihsan Trust)
- Registration with Pakistan Philanthropy (PCP)
- Vocational courses with SRSO, PPAF, IRS, NEVTTC, USAID & BBSYDP
- Accreditation with City & Guilds (UK)
- 400 Skilled, DAE qualified students given to the industry
- More than 12000 students were trained through VTC in different trades and given to the local industry/market.
- Currently 375 DAE students under training
- Currently 450 VTC students are under training in different short courses of 03 to 06 years.
- Construction of Auditorium funded by Fauji Fertilizer Company

- Construction of “Incubation Park” by EFERT for entrepreneurship training of selected top deserving students of VTC.

(x) Southern Punjab Embroidery Industries (SPEI)

Southern Punjab Embroidery Industries (SPEI) was established as under Public/Private Partnership. Its funding included PIDC’s share of 26% and the rest by private sector to promote hand and machine embroidery as an industry to compete in the local as well as global market through skill development.

Activities, Achievements & Progress 2018-19

- To follow the Industries and Production Division’s vision, we have experienced remarkable growth in the areas of production of value addition and achieved the objectives of providing state-of-the-art services to the local poor raw as well skilled artisans, specially women.
- During the Prime Minister’s apparition in the value addition work project, engaged about more than 3900 local, raw and skilled people in which most of them are women.
- During a year about five thousand people also get financial & technical benefits from the SPEI.
- SPEI is super active and one of the exclusive esteemed organizations, which directly assists national Vocational Training Commission of Pakistan Prime Minister’s Secretariat.

3.12 AGRO FOOD PROCESSING (AFP) FACILITIES MULTAN

INTRODUCTION:

Agro Food Processing Facilities (AFP), Multan was incorporated with Securities and Exchange Commission of Pakistan (SECP) under Section 42 of the Companies Act, 2017 as a Public Company, Limited by Guarantee on July 09, 2012 and is self-sustainable till date. Basic theme of AFP Company is to provide processing facilities as a common facility centre, to facilitate growers in terms of post-harvest losses and to save the perishable fruit into value addition.

OBJECTIVES:

- To promote agro food sector by providing processing facilities for pulp extraction of various fruits like Mango, Guava, etc. and Tomato paste/puree to local growers at low cost and help the growers to have value addition to their agro food products.
- To support the fruit and vegetable growers in processing and value addition of their products.
- To introduce agro food based common facility centres, enabling to minimize the post-harvest losses in fresh fruits and vegetables.
- To give exposure to growers about latest fruit and vegetable processing techniques to make them familiar with latest processing techniques that can add value to the products and earn foreign exchange through exports.
- To introduce vegetable and fruit processing facilities to help the growers in increasing their income and exports for the country.
- To help local growers to go for technology transfer.
- To provide consultancy services regarding value addition and processing of fruit and vegetables to local growers.

FUNCTIONS:

There are three major activities of Agro Food Processing Facilities Multan i.e. Pulping, Grading & Consultancy Services: -

Pulping

- Mango 10 tons/hour
- Guava, Peach 5 tons/hour

Grading

- Round Fruits & Vegetables 5 tons/hour

Packaging Types (200Kg Bag in Drum)

- Aseptic
- Chemical
- Frozen

Consultancy Services

- Consultancy on latest manufacturing and processing techniques
- Information on latest technology

1. ACHIEVEMENTS AND PROGRESS

- AFP Facility provides fruits and vegetables pulping, grading and packing facility; and facilitates farmers in latest manufacturing and processing techniques through provision of professional advice and information services. The following table shows the processing results achieved since incorporation of the Company till date.

a) Pulping Achievements

Description	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Pulping target as per PC-1	1,920	2,160	2,160	2,160	2,160	2,160	2,160
Pulping Target Achieved	2,138	1,855	4,372	4,068	4,185	4,949	5,758
Achievement %	111.37	85.86	202.41	188.34	193.75	229.12	266.57

b) Financial Overview (PKR-Million)

Financial Year	Revenue Generated	Operational Expenses	Surplus / (Deficit)
2012-13	28.080	19.084	8.996
2013-14	29.265	21.346	7.919
2014-15	68.794	42.17	26.62
2015-16	68.326	46.40	21.92
2016-17	79.30	51.40	27.90
2017-18	99.45	70.14	29.31
2018-19	118.66	83.71	34.95

c) Other Achievements

- 1,022,814 Kg citrus was also graded since incorporation of AFP Company, till date.
- 350 - 400 Farms are engaged for fruit procurement for AFP
- It is an approved processing unit for multinational companies such as Nestle, Pepsi Cola International and Engro Foods etc.
- Through demonstration of the Technology and practices by AFP, 02 food- processing plants have been established in Multan by the private sector.
- Deliver Practical Knowledge to students of different universities through internship programs.
- AFP also creates direct and indirect employment opportunities for approximately 1,000 individuals during each season.
- AFP is FSSC-22000 Certified Plant
- Self-sustainable Project having no burden on public exchequer

2. PROGRAM AND TARGET SET OUT FOR FORTHCOMING YEAR (2019-20)

Pulping Target	4,840 Tons
Grading Target	300 Tons
Revenues Target	103.13 Million

INTRODUCTION

M/s KCDC Textile & Vocational Institute is Joint Venture Project under Public & Private Partnership concept. The Company is incorporated under section 32 of the Companies Ordinance 1984. It was formed as Private Limited Company under Section 32 of Company Ordinance 1984. Its actual commencement date is June, 2009.

Mission

KCDC is committed to provide quality vocational education and training to poor class and depressed sections of society.

Vision

Encouraging for developing human resources to reduce the mismatch between demand and supply of manpower in various sectors like Textile, Engineering, Information Technology etc.

- To reduce unemployment among youth by equipping them for suitable industrial sectors, self & wage employment through well designed formal & non-formal vocational education & training programs.
- Establishing linkages with industry /institutes / R & D organizations for mutual benefits.
- Arranging quality development programs for instructors, staff & students thereby creating a dynamic learning environment.
- Establishing Centre of Excellence emerging areas like crafts making, production & manufacturing, CAD/CAM & Information Technology.
- Facilitating the students by conducting various activities like quiz, entrepreneurship program, sports and different competitions.

Objective

- To ensure a steady flow of skilled workers in different trades for the industry.
- To raise the quality & quantity of industrial production by systematic training of workers.
- To reduce unemployment among the youth by equipping them for suitable industrial employment.

Our Vocational Trades

- Weaver/ Weaving machine operator
- Warper/ Warping machine operator
- Fabric product development specialist
- Fabric quality inspector
- Fashion design
- Graphic designing
- Cad/Cam digital embroidery
- Pattern drafting and cutting
- Home textile product maker
- Quality control in garments
- Textile Designing
- Beautician
- Domestic Tailoring
- Manual dyeing expert
- Many Other/ ETC

Last Year's Performance

- KCDC is actively working as per the vision of Government of Pakistan.
- KCDC signed two MOU with Punjab Skills Development Fund 2018-19 for the development of Industrial Workers. In the said MOU KCDC trained 1800 artisans in different traits.
- KCDC also actively worked for National Vocational & Technical Training Commission (NAVTTTC). In 2018-19 we have signed training MOU with NAVTAC and under this MOU's we have provided trainings of 4 different trades of textile. In these trainings 250 trainees have participated and passed out successfully.
- In last year KCDC provided product Development assistance to industry & brands of Pakistan like ChenOne, Sapphire etc.
- KCDC has submitted comprehensive Skill Development Program to Government of Balochistan which has been approved for the year 2019-20.

Future Plans

- Company has set different goals and targets for the future.
- To become diploma/degree awarding Textile Institutes.
- To open one unit in each province i.e. KPK, Balochistan and Sindh. In this regard, PC-1 has been submitted in MoIP for further process.
- To sign JV agreement with Government of Balochistan and start immediate execution of Hunermand Program and setup CPEC related skill development units in Balochistan.

3.13 LEATHER CRAFTS DEVELOPMENT COMPANY PVT LTD (LCDC)

Introduction:

M/s: Leather Crafts Development Company Pvt Ltd is a joint venture between Public Sector and Private Sector and it is registered with SECP under Section 32. Its PC-1 was designed to make PPP (Public Private Partnership) as a success case.

Technology Improvement and Business Advisory Service:

- The project purpose relates directly and indirectly to the Government of Pakistan's emphasis on development and empowerment of less developed areas. The primary goal of the project is to generate economic activity and provide employment to the local based people on their indigenous strengths.
- Add value on modern footings, in the traditional craftsmanship of leather products sector in less development areas.
- Enhancing competitiveness, efficiency, quality and productivity of leather products sector in less development areas.
- Infuse gender empowerment in the region by employing at least 50% women in workforce.
- Produce skilled labor initially for the project itself and later on for the area.
- Enable the local leather products industry to enter international market.

Training and Skill Development

M/s Leather Crafts Development Company Pvt Ltd creates direct employment to 54 persons and indirect employment opportunities for approximately 150 persons during each season and provides them training and development opportunities on state-of-the-art leather products unit. Moreover, internship opportunities are available for fresh candidates without any cost.

M/s Leather Crafts Development Company Pvt Ltd also extends technical assistance and consultancy support to local stakeholders for value addition investment mobilization and technology transfer.

Industrial Infrastructure Development, Industrial Production and other Support Services:

M/s Leather Crafts Development Company Pvt Ltd industrial infrastructure is well organized, located in less developed area state-of-the-art building, having easy access to new comers. M/s Leather Crafts Development Company Pvt Ltd also provides informative and technical support for the SMEs in the southern Punjab region.

i. Provision of subsidies:

M/s Leather Crafts Development Company Pvt Ltd is not offering any subsidy on any of its facilities.

ii. General Administration Costs:

General administration costs of LCDC are occurred in the best interest of the Company to cover its own operational costs by making leather products.

iii. Further Achievements:

- Company was incorporated with SECP on 31th of May, 2011.
- From 2011 till 2014, Rs 150.0 (M) were released by PSDP and Private Partner has invested Rs 198.0 (M) till 30.06.18.
- Land procurement and Civil Work were all completed by the approval of Board members and under PPRA Rules.
- Partial Machinery (15%) has been procured by Private Partner.
- Leather Crafts Development Company (Pvt) Ltd started its production in January 2016.
- After 3 years of production, M/s: Leather Crafts Development Company Pvt Ltd stopped working due to less Machinery.
- All the decisions are made by Board of Directors.
- We request Industries and Production Division to release the balance funds of Rs. 64.01 (M) to purchase the balance Machinery.
- All the formalities of SECP are strictly observed.

3.14 SPUN YARN RESEARCH AND DEVELOPMENT COMPANY (PVT) LTD

1. Details of Activities, Achievements and Progress during the year 2018-19

i. Introduction:

M/s: Spun Yarn Research and Development Company Pvt Ltd is a joint venture between Public Sector and Private Sector and it is registered with SECP under Section 32.

In PC-1, the project was designed to make PPP (Public Private Partnership) as a success case.

ii. Scope of the Project:

- The Scope of M/s Spun Yarn Research and Development Company Pvt Ltd is to consume the left-over waste of cotton ginning industry to produce useful raw material for next processes. The proposed facility aims to consume waste of cotton spinning industry in the form of card fly and dropping to convert it into valuable market products, which are known as Recycled Yarn.
- M/s Spun Yarn Research and Development Company Pvt Ltd is enhancing the competitiveness of ginning and spinning industry of this region. It will also create job opportunities for the people of less Developed Areas Enhancing competitiveness, efficiency, quality and productivity of leather products sector in less development areas.

iii. Training and Skill Development:

M/s Spun Yarn Research and Development Company Pvt Ltd creates direct employment of about 174 persons and indirect employment opportunities for approximately 500 persons during each year and provides them training and development opportunities on state-of-the-art recycling yarn unit.

Moreover, internship opportunities are available for fresh candidates without any cost.

M/s Spun Yarn Research and Development Company Pvt Ltd also extends technical assistance and consultancy support to local stakeholders for value addition investment mobilization and technology transfer.

iv. Industrial infrastructure developing, industrial production and other support services:

M/s: Spun Yarn Research and Development Company Pvt Ltd industrial infrastructure is well organized, located in less developed area is state-of-the-art machinery, having easy access to trainees of rural areas and other stakeholders.

M/s Spun Yarn Research and Development Company Pvt Ltd also provides informative and technical support for the SMEs. It has set an example of value addition and progress for the SMEs in the southern Punjab region.

v. Provision of subsidies:

M/s Spun Yarn Research and Development Company Pvt Ltd is not offering any subsidy nor receiving one.

vi. General Administration Costs:

General Administration Costs of SYRDC are occurred in the best interest of the Company to cover its own operational costs by making recycled yarn. The Company is not a profit-oriented venture, yet it is covering its own operational and running costs.

vii. Further Achievements:

- M/s: Spun Yarn Research and Development Company Pvt Ltd has increased its capacity from 3 frames to 8 frames within last 3 years.
- M/s: Spun Yarn Research and Development Company Pvt Ltd has introduced recycled yarn in local market and will achieve “Green Status” within year 2020.
- M/s: Spun Yarn Research and Development Company Pvt Ltd has given direct jobs to over 174 persons in 2018-19.

4.0 PERFORMANCE OF INDUSTRIES AND PRODUCTION DIVISION BASED ON OUTPUT AND IN COMPARISON TO ACTUAL BUDGET (FY: 2018-19)

4.1 BUDGET BASED PERFORMANCE

Budget vs Actual Analysis

a. Expenditure analysis by outputs

(Amount in Rs)

Output	Office Responsible	Original Budget	Actual Expenditure	Remarks / Reason for Variances
1 Technology improvement and business advisory services	Engineering Development Board (EDB)/ Contribution to UNIDO	803,879,000	225,327,687	The reasons of the variation between Original Budget and actual expenditure are as under: - <ul style="list-style-type: none"> An amount of Rs.602,300/- was surrendered from Engineering Development Board (EDB) due to Austerity Measures An amount of Rs.577,949,000/- was surrendered due to rationalization of PSDP Budget exercised by Ministry of Planning Development and Reforms.
2 Training and Skill Development	Asian Productivity Organization/National Productivity Organization (NPO) / Pakistan Institute of Management (PIM) / Pakistan Industrial Technical Assistance Centre (PITAC)	877,386,000	566,609,606	The reasons of variation between Original Budget and Actual Expenditure are as under: - <ul style="list-style-type: none"> An amount of Rs.4,985,200/- was surrendered from (NPO-Rs.602,200, PIM-Rs.602,300/- and PITAC-Rs.3,780,700/-) due to Austerity Measures An amount of Rs.305,790,000/- was surrendered due to rationalization of PSDP Budget exercised by Ministry of Planning Development and Reforms.
3 Industrial infrastructure development, industrial production and other support services	Development Wing, Industries and Production Division	300,000,000	--	The reasons of variation between Original Budget and Actual Expenditure are as under:- <ul style="list-style-type: none"> An amount of Rs.300,000,000/- was surrendered due to rationalization of PSDP Budget exercised by Ministry of Planning Development and Reforms.
4 Provision of subsidy for USC	Finance Division	6,000,000,000	6,130,000,000	The reasons of variation between Original Budget and Actual Expenditure are as under:- <ul style="list-style-type: none"> An amount of Rs.130,000,000/- was allocated through Supplementary Grant to meet the requirement.
5 Promotion of Small and Medium Enterprises	Small & Medium Enterprises Development Authority (SMEDA)	693,665,000	322,975,600	The reasons of variation between Original Budget and Actual Expenditure are as under:- <ul style="list-style-type: none"> An amount of Rs.8,831,400/- was surrendered from SMEDA due to Austerity Measures An amount of Rs.361,858,000/- was

					surrendered due to rationalization of PSDP Budget exercised by Ministry of Planning Development and Reforms and non-release of allocated funds by Finance Division (Ways and Means – Budget Wing).
6	General Administration Costs	Industries and Production Division / Department of Supplies (Defunct)	319,500,000	5,113,763,590	<p>The reasons of variation between Original Budget and Actual Expenditure are as under:-</p> <ul style="list-style-type: none"> • An amount of Rs.4,700,000,000/- was allocated through Supplementary Grant to meet the requirement for subsidy to Fertilizer. • An amount of Rs.110,000,000/- was allocated through Supplementary Grant to meet the requirement for payment of Law Charges. • An amount of Rs.14,488,458/- was surrendered due to Austerity Measures
7	Explosive Management and Regulatory Services	Department of Explosives and Its Regional Offices / Agro Food Processing (AFP)	53,775,000	57,406,061	<p>The reasons of variation between Original Budget and Actual Expenditure are as under:-</p> <ul style="list-style-type: none"> • An amount of Rs.5,231,000/- was allocated through Supplementary Grant to meet the requirement for Department of Explosives Head Office and Regional / Circle Offices. • An amount of Rs.799,800/- was surrendered due to Austerity Measures.
Total:			9,048,205,000	12,416,082,544	

4.2 OUTPOST BASED PERFORMANCE

PERFORMANCE ANALYSIS BY OUTPUTS

Out put	Indicator	Original Budget	Target Achieved	Remarks / Reason for Variances
1	Studies upgraded/studies to be carried out of various Engineering Industries (Number of studies)	5	3	3 under evaluation to give final touch.
	Number of preferential Trade Agreements / Free Trade Agreements	5	1	China Pak FTA-II notified on January 01, 2020, awareness process to local Industry for topping potential for exports to China and imports of raw material from China has been initiated. Other 04 PTA/FTAs are under negotiation as per government policy.
	Tariff Based System (2,3,4 wheelers) and new auto development policy (Certificates issued/list verified/input record verified) (Number of certificates/lists/input records)	1570	1570	Achieved
	Number of Other SRO Regimes System (DTRE Scheme, 5th Schedule to Customs ACT 1969, SRO)	279	279	Achieved
	Consultancy to provide to SME's Industries through volunteer Dutch Consultants (Number of Consultants)	10	4	EBD has managed to arrange services of 4 Senior Volunteer Experts during 2018-19 as Dutch Embassy's travelling advisory to visit Pakistan was one of the factors, which restricted Dutch Experts/Consultants to visit Pakistan. Further dissolution of the Engineering Development Board was also a major factor, wherein industry was non-responsive.
	Custom Tariff Proposals reviewed/finalized (Numbers)	450	1909	Achieved
	No of initiatives to be lunched	06	02	Not achieved as six new PSDP initiatives were planned to be launched by this Division in FY 2018-19. However, Ministry of Planning, Development & Reform deleted the allocation of three new/un-approved projects in their rationalization exercise in September, 2018 and one

					project was not initiated by SMEDA due to issue of land.
2	Training and Skill Development Office Responsible: Asian Productivity Organization / National Productivity Organization (NPO) / Pakistan Institute of Management (PIM) / Pakistan Industrial Technical Assistance Centre (PITAC)	No. of Govt. / Civil servants and professionals People to be trained	5000	6792	Achieved
		New Skill training i.e. modern managerial practices, presentation skills etc. to be introduced (number of trainings)	1136	1151	Achieved
		Number of training to be conducted to various Government organizations	254	493	Achieved
		Consultancy jobs to be provided (number of jobs)	37	33	As per plan, new programs were announced but some of these could not get much attention and interest of the industry and organizations. The nominations were very little. Therefore, we could not start these programs. Although we use all the mediums like emailing.
		Number of Engineering Jobs i.e. Production tools, Jigs, Fixtures, Dyes & Moulds, will be designed for local industry	2377	4139	Achieved
		Number of Energy Audits	12	12	Achieved
		Number of skilled workforces will be produced for the industry through techno managerial training courses	5287	6220	Achieved
		No. of Technical Personnel trained under Apprenticeship Training Program (For Engineers, DAEs and Technicians) and Internship Training Program (For University / College Students)	105	116	Achieved
		No. of Technologists produced under Technical Education Program of Three (03) Year Diploma of Associate Engineer (EAD) in PITAC Collage of Technology (PCT)	350	300	PITAC College of Technology (PCT) established from the Academic Year 2017-2018, which is registered with TEVTA, Punjab and affiliated with Punjab Board of Technical Education. D.A.E Program in Mechanical Technology has been started from Sep., 2017 with the enrollment of 150 students, whereas, another 150 students has also been admitted in Sep-Oct., 2018. The D.A.E. Program in Electrical Technology was planned to start from the academic year 2018-2019, however,

					no funds have been released by the Division against the approved budget estimate for the College. The Electrical Technology has now been started with the enrolment of 50 students from the Academic Year 2019-2020. Therefore, total enrolment of students as on 30-06-2019 was 300 students and the 1st batch of Mechanical Technologist will be passed out in 2021. The target could not be achieved due to the shortage of funds.
3	Industrial infrastructure development, industrial production and other support services Office Responsible: Development Wing, Industries and Production Division	Number of Industrial Estates	01	0	Not achieved as two new PSDP initiatives were planned to be launched by this Division in FY 2018-19 however, Ministry of Planning, Development & Reform deleted the allocation of two new/un-approved projects in their rationalization exercise in September, 2018.
		Number of Units in the Industrial Estate	12	0	
		Number of Initiatives to be launched	02	0	
4	Promotion of Small and Medium Enterprises Office Responsible: Small & Medium Enterprises Development Authority (SMEDA)	Number of Business Plans to be developed	20	16	Business plans are developed on SME's need basis. Therefore, only 16 business plans were prepared in FY: 2018-19
		Number of direct facilitations to be provided to SME's through established regional helpdesks	6000	6322	Achieved
		Number of Training Programs to be conducted	200	232	Achieved
		Number of Pre-feasibility studies to be updated and developed	40	53	Achieved
		Number of Cluster Profiles i.e. leather sector, garments sector etc. to be developed	15	31	Achieved
		Number of District Economic Profiles to be developed	7	9	Achieved
		Investment Facilitation i.e. establishment of projects feasibilities, loan assessment and facilitation	Rs. 625 Million	Rs. 648 Million	Achieved
		Number of Regulatory Procedures to be updated	8	10	Achieved

		Number of Awareness Seminars and Workshops to be conducted	19	20	Achieved
		Technical Support to Auto Parts Manufacturing Industry of Pakistan for Productivity Improvement (Number of units)	28	38	Achieved
		Energy Efficiency/Audits (Number of audits)	10	12	Achieved
		Number of CFC/Demonstration Projects to be established	15	10	Some PSDP Projects submitted, however, were not approved FY: 2018-19 by planning commission
		Third Party Facilitation Centers for legal recourse & facilitation (number of centers)	1	1	Achieved
		Number of Publications to be developed and published	12	12	Achieved
		Number of Special Projects to be undertaken in coordination with International Development Agencies	1	2	Achieved
		Number of Documents/business plan/pre-feasibility available on SMEDA's website	575	718	Achieved
		Certification Support to Gem Stone and Jewellery through Gem stone and Jewellery certification labs	200	10	Due to little response received from re-consumer/stockholder of Gems and Jewellery sector the deficiency accord, which will be accelerated in due course of time.
		Business Advisory Services to Gems and Jewellery Sector	200	200	Achieved
5	Explosive Management and Regulatory Services Office Responsible: Department of Explosives and Its Regional Offices / Agro Food Processing (AFP)	Licenses renewed (Number of licenses)	9000	12,022	Achieved
		Revenue Targets (Rs. in Million)	Rs.240 Million	Rs.234 Million	Reasons for less revenue collection are that there was no merger of OMCs as compared to last FY 2017-18 i.e. (Caltex to TPML), fee for transfer of license was not collected in 2018-19 as compared to FY 2017-18. Further, some OMCs deposited 02 years renewal fee at once thus resulting in shortage of revenue collection in next FY.
		Number of Inspections (premises license issued by Dept. of Explosives)	5280	4693	Reason for less inspections is department lacks resources i.e. vehicles and manpower.
		Number of Licenses to be issued	1250	1478	Achieved

