

Waste Heat Recovery Projects in cement sector

Cement production is one of the most energy intensive industrial processes in the world contributing on an average to about 60%-70% of the direct production costs of cement. Energy cost is incurred due to the need for large quantities of thermal heat for kiln, calcinations and drying processes. The waste heat generated from the cement production process can be used to generate electrical energy with no additional fuel consumption and ultimate reduction in greenhouse gases.

Both of our universe companies in the cement sector – Lucky Cement and D.G. Khan Cement – have invested in waste heat recovery projects which also qualify under the Clean Development Mechanisms within the framework of the Kyoto Protocol.

The table below outlines the salient features of the above mentioned Waste Heat Recovery Projects.

Company	Lucky Cement		D.G. Khan Cement
Location	Karachi	Pezu	D.G. Khan
Capacity	15 MW	10 MW	10.40 MW
Cost	US\$21.46mn	US\$15.62mn	US\$19.75mn
Commercial Op. Date	3QFY10	4QFY10	Post 3QFY10
Target	To focus on non-conventional fuels as alternative or substitute fuels to conserve energy;		
Basic Fuel	Municipal Solid Waste as Refused Drive Fuel as an alternative to Coal/Natural Gas/Furnace Oil; <ul style="list-style-type: none"> ▪ To reduce power cost & hence control rising cost of production; ▪ To provide an opportunity to dispose off permanently the waste material in a controlled environment friendly sustainable fashion; 		
Benefit	<ul style="list-style-type: none"> ▪ To ensure un-interrupted supply of primary fuel for the Companies; ▪ Projects to receive ‘Carbon Credits’ based on reduction in SOx, NOx & CO2 emission; 		

Source: CDM Pakistan

Latest Position: Lucky Cement:

Work on Waste Heat Recovery Project of Karachi Plant has been successfully completed and the project is undergoing test and trial run operations. Smooth power generation from this project is expected during 3QFY10.

The installation and erection works on the Waste Heat Recovery Project of Pezu Plant is going in full swings and it is expected that the power generation from this project would commence by the end of FY2010.

D.G. Khan Cement

Power generation from the Waste Heat Recovery Project is going as planned. Erection of both mechanical and electrical equipment is at full swing with the Project expected to start trial operations in March 2010.



Pakistan Capital Market

REPO RATES (AVG. YIELD %)		
TENOR	AVERAGE	
Overnight	11.23	
3-Months	12.04	
6-Months	12.06	
1-Year	12.09	

PIB YIELD (%)		
TENOR	YIELD RANGE	
2.6-3.0 Years	12.35	12.40
4.6-5.0 Years	12.45	12.50
9.6-10.0 Years	12.62	12.65
15 Years	12.85	13.00
20 Years	13.10	13.15
30 Years	13.15	13.25

T-BILL YIELD (%)		
TENOR	YIELD RANGE	
16-30 Days	12.00	12.05
61-90 Days	12.10	12.14
121-180 Days	12.19	12.22
271-365 Days	12.25	12.28

KIBOR RATES (%)		
TENOR	BID	OFFER
1 Month	11.93	12.43
3 Months	12.10	12.35
6 Months	12.15	12.40
12 Months	12.24	12.74

EXCHANGE RATES (PKR)		
CURRENCY	BID	OFFER
US Dollar	85.20	85.40
Euro	114.35	115.85
UK Pound	126.60	127.10
Japan Yen	0.94	0.95
UAE Dirham	23.00	23.10
Saudi Riyal	22.40	22.50

LIBOR USD (%)	
TENOR	YIELD
1 Month	0.22
3 Months	0.25
6 Months	0.38
12 Months	0.83

OIL PRICES (US\$/BARREL)	
London Brent	78.38
US Crude	80.87

GDR (US\$)	
MCBS @ 2 Ord. Sh	2.60
OGDC @ 10 Ord. Sh	13.70
UBLA @ 4 Ord. Sh	2.39
LKCA @ 4 Ord. Sh	3.10

OTHERS	
SCRA (US\$mn)*	2.36
Bank Al Jazira (SR)	17.85

*March 02'10

ECONOMIC EVENTS	
DATE	EVENTS
Last week of March 2010	Monetary Policy Statement
May 15, 2010	Federal Budget 2010

COMPANY	PERIOD	DPS %	BONUS %	RIGHT %	EPS
Sakrand Sugar	30-Sep-09	-	-	-	17.70
Royal Bank	31-Dec-09	-	-	-	(0.80)
Arif Habib Bank	31-Dec-09	-	-	-	(4.13)

DATE	COMPANY
05-Mar-10	East West Insurance Co. Ltd.
05-Mar-10	Shakarganj Mills
06-Mar-10	The Bank of Khyber
06-Mar-10	Platinum Insurance Co. Ltd.
08-Mar-10	1 st Dawood Investment Bank Ltd.
08-Mar-10	Network Microfinance Bank Ltd.
09-Mar-10	East West Life Assurance Co. Ltd.
09-Mar-10	PICIC Insurance Ltd.