Written by Shumaila Ahmed
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ISLAMABAD - Petroleum Ministry has decided to file an intra court appeal in the Islamabad High Court (IHC) against the decision declaring the Gas Infrastructure Development Cess Act-2011 illegal. {loadposition content_adsense300}Petroleum Ministry officials told TheNation that the ministry decided to file an intra court appeal against the decision in which the IHC declared GIDC Act-2011 illegal and asked the ministry to adjust the money received on this account in future bills. The ministry hired the services of two lawyers for contesting its case.

According to sources, the ministry believes that GIDC collection is indispensable for Iran-Pakistan gas pipelines project because the pipeline at the Pakistani side would be laid with the amount collected by GIDC.

The pipeline will be laid from Pak-Iran border at Gabd to Nwabshah. It is said to be completed by December 2014 and will first bring 750million cubic feet of gas per day and later the gas flow will increase up to 1 billion cubic feet per day. The 750mmcfd gas will be used for power generation to meet energy demands of the country.

The cost of laying pipeline in Pakistan stands at $1.5billion. Iran will give a $500 million loan for this purpose.

As high profile Iranian delegation is in Islamabad to ink an agreement with Pakistan on the project. In Yesterday's meeting, both sides discussed financial matters and the $500 million loan Iran had offered to help complete the project. The government on account of GIDC annually collects Rs40 billion from the gas consumers and so far it has collected Rs80billion.

The Islamabad High Court (IHC) on January 31, 2013 in a decision on GIDC said: "Gas Infrastructure Development Cess Act-2011 is declared Ultra Vires to the Constitution, void, an infringement to the fundamental rights, offensive to principles of fair play, equality, transparency, social justice, good governance and tantamount to exploitation. The levy and collection of GIDC is illegal. Respondents are restrained from making demand of GIDC, and the amount already received on this account has to be adjusted in future bills of the petitioners." Courtesy: The Nation