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NEWS

UPDATES

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Top Stories

Border dispute overshadows Xi's India trip

September 19, 2014

Indian and Chinese leaders pledged Thursday to resolve a long-running border dispute that led to a bloody 1962 war, as a stand-off between troops on the remote frontier overshadowed a rare summit in New Delhi. India's Prime Minister Narendra Modi said he had expressed concerns to China's visiting President Xi Jinping about "incidents" on the disputed border in the northern Ladakh region, where reports said hundreds of troops were facing off.

-- Modi says he's expressed concerns over 'incidents' in Ladakh

"I expressed concern on the incidents on the border and said peace and tranquility on the border is the foundation for good relations," said Modi at a briefing after formal talks with Xi. "(Xi) agreed that the boundary question must be resolved soon." The two countries have long been embroiled in a bitter dispute over their border, with both sides accusing soldiers of crossing over into the other's territory.

Xi, the first Chinese president to visit India in eight years, said Beijing was committed to working with New Delhi to maintain "peace and tranquility" until the border issue could be settled. The neighbours, now nuclear-armed, fought a brief but bloody war in 1962 over the Indian state of Arunachal Pradesh in the eastern Himalayas, and are still embroiled in a bitter dispute over the territory.

Last year India accused Chinese troops of intruding deep into Indian-held territory, sparking a three-week stand-off that was only resolved when troops from both sides pulled back. Details of the latest incident remain sketchy. An Indian army official who asked not to be named said there was "an ongoing situation" with Chinese soldiers in Ladakh, while a local lawmaker told AFP around 1,000 Chinese troops had crossed into the Indian side of the disputed area.

K. G. Suresh, a fellow at New Delhi's Vivekanand International Foundation think-tank, said the timing was no coincidence and that it echoed an incursion when Chinese Premier Li Keqiang visited Delhi last year. "I think the timing of the incursion is deliberate," Suresh told AFP. Suresh said China wanted to convey the message that "you may have the best of relations with our arch-rivals Japan and Vietnam, but you will have to ultimately deal with us". Modi has rolled out the red carpet for Xi, hosting a private dinner in a luxury riverside tent in his home city of Ahmedabad on Wednesday. India's newly-elected leader is eager to secure Chinese funding to fulfil his election pledge to overhaul his country's crumbling infrastructure, which has held back economic growth in the country of 1.2 billion people.

But he has also signalled he will pursue a more muscular foreign policy than his centre-left predecessor Manmohan Singh, who critics say was too soft on China. During his election campaign, Modi said China would have to shed what he called its "expansionist mindset".

But he has also spoken of his admiration for China's economic success, and despite his hard-line

nationalist reputation he moved quickly to engage with Beijing after taking office in May. China, meanwhile, is keen to foster warmer ties with its western neighbour at a time of heightened tensions with Japan and several Southeast Asian nations over disputed sea territory.

But while the two sides have been at pains to stress co-operation ahead of the visit, much remains that divides them. China has cultivated close ties with India's arch foe Pakistan, and its growing influence over other South Asian nations have sparked worries of a deliberate strategy to encircle India. Xi arrived in India from the Maldives and Sri Lanka, where he announced large-scale investment and sought to boost defence ties.

The presence in India of the Dalai Lama is another source of tension. Speaking to reporters in Mumbai on Thursday, Tibet's exiled spiritual leader said Xi was "more open-minded" than his predecessor Hu Jintao. The Nobel Peace Prize winner supports "meaningful autonomy" for Tibet within China rather than outright independence, but China accuses him of covertly campaigning for Tibet's independence. Tibetan students protested against China outside the venue where Xi and Modi held talks, shouting slogans before being taken away in police buses. Xi pledged greater investment from China, already India's biggest trading partner, with annual two-way commerce of more than \$65 billion. He said China, which built the world's largest high-speed rail system from scratch in less than a decade, would look to develop faster train lines in India and develop industrial parks in Gujarat and Maharashtra states. India has been pushing for more investment to narrow the trade deficit with China, which has soared to more than \$40 billion from just \$1 billion in 2001-02.

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Chinese President to visit anytime soon: FO

September 19, 2014

ALI HUSSAIN

Foreign Office spokesperson Tasnim Aslam said on Thursday that Chinese President Xi Jinping would visit Pakistan soon, as the two governments were in touch to finalise the dates of his trip. The spokesperson told a weekly media briefing that visit of the Chinese President was postponed and subsequently both the governments were in touch to reschedule the trip. Recalling the last week meeting between the Chinese President and Adviser to the Prime Minister on National Security and Foreign Affairs Sartaj Aziz, she said Chinese President told the Adviser that he was keenly looking forward to visiting Pakistan at an early date.

She also quoted the Chinese President as having told the Adviser "this relationship [between Pakistan and China] is insulated from developments around the world. We should, therefore, not be concerned in this regard. The visit will take place as soon as possible. The two governments are in touch". The Chinese President, who is visiting the South Asian countries, recently postponed his Pakistan's trip in the wake of the ongoing political impasse in the country.

About Prime Minister Nawaz Sharif's expected visit to New York to participate in the UN General Assembly session, the spokesperson said details were still being worked out and once a decision as to who would represent Pakistan in the UN General Assembly was taken, it would be

shared with the media. She said that UNGA session was one of most important fora where world leaders gathered to consider peace and security, economic development and environmental issues. It had been a longstanding practice to participate in the high level segment of UNGA at the leadership level and to make a policy statement which projected Pakistan's perspective on vital issues of interest, she added.

To another query whether there would be possibility of any meeting between Prime Minister Nawaz Sharif and Prime Minister Modi on the sidelines of the UNGA, she did not confirm saying that whenever Pakistani leadership attended the UNGA session, the occasion was utilised to interact with other world leaders. About the cross-border terrorist attacks from Afghanistan, she said Pakistan had lodged a protest by summoning an Afghan diplomat and Afghanistan had been asked in very categorical terms to eliminate the terrorist sanctuaries that had taken root in Afghanistan.

Regarding Afghan allegations of training and funding the terrorists, who are launching attacks inside the neighbouring country, she said "Pakistan is a mature country and it does not ask us to respond to all baseless allegations but we do have to put our record straight." Responding to another query about media reports that India is planning to build settlements in Indian Occupied Kashmir specifically for Hindus, the spokesperson that under the UN Security Council resolutions and subsequent commission there were certain restrictions imposed on both countries Pakistan and India including purchase or sale of property in the state of Jammu and Kashmir and changing the demography.

When asked whether the foreign diplomats meet Dr Tahir-ul-Qadri on the eve of ongoing sit-in protest and seek permission from the Foreign Office prior to their meetings, the spokesperson expressed her ignorance of any meeting or permission being sought. However, she pointed out that generally there was a principle [unrelated to this episode], Pakistan's missions abroad very scrupulously avoid any interference in their internal matters and "we expect the same from others."

About the foreign aid to the flood victims, she said Pakistan had not launched any appeal but a number of countries had offered and given assistance which was generally through the UN organisations like World Food Programme, Unicef and others. To another question about an under-construction security wall by French Embassy in Islamabad, she said the embassy was allowed to build a wall on the perimeters of the Mission. "Somehow, the wall was being built outside and therefore, the work has been stopped and CDA and the French Embassy are in contact to resolve the matter," she added.

In reply to another query about any prisoner exchange agreement between Pakistan and UAE, she said there was a bilateral agreement on the Transfer of Offenders, which came into force in July 2013. So far, there had been no exchange of prisoners and technical details were being worked out, she added. About a Pakistani journalist jailed in Afghanistan, she said Pakistan embassy in Kabul had requested the Afghan Ministry of Foreign Affairs for private meetings to facilitate the case.

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UN urged to take notice of water aggression by India

September 19, 2014

Indus Water Council (IWC) Chairman Muhammad Salman Khan and Kisan Board Pakistan (KBP) Central President Sardar Zafar Khan have urged the United Nations to take notice of water aggression by India against Pakistan and ask India to install a telemetry system at all dams built by it at controversial locations. In a joint statement issued here on Thursday, the IWC chairman and KBP president said that the UN was established to maintain peace and justice in the world but its performance remained unsatisfactory.

They said the world was crying that the wars of the future would be fought over water but both the UN and the so-called civilised world had never taken a serious notice of this problem. They said if not taken seriously water issue might trigger a war between two nuclear neighbour which would be a threat not only to South Asia but to the whole world. The UN should realise the gravity of the situation and meet all the requirements of justice to resolve this issue. They alleged unjustifiable treatment was meted out to Pakistan in the Indus Water Treaty of 1960 whereby Pakistan was fully deprived of three eastern rivers. As a result of which aquatic and wildlife in rivers Ravi, Beas and Sutlej had vanished.

They said, however, as per that the agreement India could not build a big reservoir over Indus, Jhelum and Chenab rivers but the role of India remained very regrettable. It was stopping water to Pakistan, causing an irreparable loss to agriculture and pushing the country towards food shortages. They said India's dishonesty could not be ruled out in recent floods in Chenab and Jhelum.

They said the UN should take the notice of Indian water aggression and ensure India install a telemetry system over its dams to remove misunderstandings between the two neighbours. It will help Pakistan to get timely information about any increase or decrease in inflows of rivers while usage of excessive water by India in violation of the Indus Water Treaty could also be monitored.

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India's HC seeks to dispel impression

September 19, 2014

Indian High Commissioner to Pakistan Dr T.C.A Raghavan on Thursday sought to dispel the impression that India had not shared early flood warnings with Pakistan, saying that Indian authorities communicated flood warnings to Pakistani authorities. He was speaking at a seminar on "Current Trends in India - Pakistan Relations" organised by the English Speaking Union of Pakistan (ESU) at a hotel here.

He said that Indus commissioners from both sides were in contact and early flood warnings had been transmitted to Pakistani authorities by their Indian counterparts. Raghavan gave a rationale of torrential rains, which were reported on 3-4 September and 6-7 September, for causing massive flooding in Azad Jammu and Kashmir in Pakistan, saying that torrential rains wreaked havoc in both countries.

"This is not the time to play blame-game but to help each other to come out from this natural calamity, being faced by both the countries," he said. "Although there was no LOC violation from both sides for the last 10-12 days, sincere efforts have to be made to pacify the agitations at LoC from both sides to avert such happening in future," he said.

Commenting on Chinese President Xi Jinping's visit to India, he said that major issues including trade imbalance and others remained unresolved in past but now relations between both countries were progressing in a positive manner. He said that China's 'friends' shouldn't worry about Xi's visit because his India trip was not on security issues; it in fact focused on investments, particularly in energy sector.

The Indian High Commissioner said that a stable Pakistan was in India's national interest and it was the need of the hour to adopt a process-based approach for productive results. Moreover, he said that efforts should be made to improve economic linkages and man-to-man communication, as it was the only way to bridge the gap between two countries. Earlier, in his speech President ESU Aziz Memon said: "Pakistani business community wants trade with India and we are ready to face the challenge."

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Water level at Guddu Barrage continues to rise

September 19, 2014

Water level at Guddu barrage is rising constantly and it was 352,186 cusecs on Thursday afternoon. People were evacuated from their homes in Panu Aqil and Khairpur to safer places. Land communication of areas submerged by floodwater has completely been cut off. Flooding is also affecting Kashmore whereas water also entered many settlements in Khairpur and Naushahro Feroze.

According to Deputy Commissioner, people from affected areas are being shifted to safer places with the help of more than 30 rescue boats. Relief camps have been set up at Tori band in Jacobabad and Toti Zardari village in Nawabshah. Water level at Punjnad Headworks is declining constantly but a large area of Southern Punjab is still under water whereas the situation in Rahimyar Khan, Rajanpur, Khangarh, Shujabad and Sultan city is still critical. Dozens of villages in Thatta Sial, Muradabad and Bhattapur are still under water.

A rupture in Noorwala Zimidara dyke in Uch Sharif has flooded 20 settlements. According to Flood Forecasting Division, the flood torrent will continue raging past Guddu and Sukkur barrages for three days and will fall into the sea after a week. Meanwhile, Pak Army personnel

were busy in relief and rescue work in flood-hit areas of Multan and Muzaffargarh on Thursday, ISPR reported. According to a press release, Pak Army has rescued 55,967 people so far while 181.6 tonne ration has been distributed among the flood victims. Army has also established 2,418 medical camps where 17,182 patients have been treated up till now. Over 1,000 villages have been badly affected and more than 325,000 acres of crops have been damaged.

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Conditions created for interest arbitrage

September 19, 2014

An unwise cut-off on government paper not only has created arbitrage opportunity for banks but it has also promised their customers a big windfall as the government is locked in for the next 3 to 10 years on very high repayments on government debt. It is said that Pakistan Investment Bonds (PIBs) with two years left to maturity are yielding 11.92 percent while PIBs maturing in 3 years, ie one year forward, are at 13.92 percent - a difference of two percent.

Similarly, five-year bonds maturing in 4 years are today at 12.69 percent while one year forward yield earned is 13.93 percent - a difference of 1.24 percent. 10-year PIBs which are one-year-old having nine years to maturity are at 13.36 percent, while one year forward at 14.21 percent - a difference of 0.85 percent. Bank customers holding PIBs are said to be depositing PIBs at 5-10 percent margin to banks and taking loans at Kibor + 0.25 percent, ie, 10.25 percent to buy more PIBs which earn 13.49 percent, thus creating an arbitrage pyramid.

The question being asked is who is responsible for this? And, raising for the debt servicing cost if the Federal government by Rs 40 billion a year or Rs 400 billion in 10 years by merely shifting the same debt burden from short-term treasury bills to long-term Pakistan Investment Bonds is merely shifting of liquidity within the system. According to knowledgeable sources, both SBP and the IMF expect inflation to be within 7.5 percent to 8.5 percent range. They also feel a reduction in subsidies and phasing out SROs placing inflationary pressure will be countered by a rise in revenue collection, thus requiring a lower government borrowing from the banking system. Further, the country at this stage requires higher growth and more job creation which is only possible in an easy monetary policy stance.

Markets collectively are smart even if individuals are stupid, say these sources. Banks' PIB holding which average around eight percent of their total deposits according to end June 2014 balance sheets - now PIB holding by banks averages around 26.85 percent of their deposits.

A comparison of some regional market indicates the following: In Philippines the interest rate corridor of the central banks is 3.75 to 5.75 percent while the 10-year bond yielding is 4.38 percent with July CPI in Philippines of 4.9 percent. In India, the Reserve Bank's interest rate corridor, ie bank depositing their excess liquidity with the central bank, is in the range of seven to eight percent -10-year bond in India is trading at 8.53 percent and July CPI is lower at 7.94 percent. In sharp contrast, SBP's interest rate corridor is 7.5 to 10 percent; while August CPI is 6.99 percent and yield on 10-year bond is 13.34 percent.

Between May 22nd and August 13 auctions of PIBs, the government has on 3-year PIBs raised

cut-off by 0.42 percent, ie, from 12.09 to 12.555; for 5-year PIBs it raised the cut-off 0.35 percent in the corresponding period and hiked by 0.44 percent for 10-year bonds.

As per calendar for long-term PIBs, the government was to raise Rs 680 billion between January and August 2014. In sharp contrast, it raised Rs 2.18 trillion - a difference of Rs 1.33861 trillion, showing a complete insensitivity towards rates and being only sensitive to volume thus allowing banks to push the yield upward.

Knowledgeable sources say the government needs to be a market teaser. There is no refinance risk since the sovereign can print notes. Administrative steps like jacking up the Statutory Liquid Ratio (SLR) takes care of the roll-over risk. With inflation subdued there is no interest rate risk either. These sources feel that with inflation numbers available there was no need to drastically raise cut-off; specially if private sector credit demand is subdued. The present interest rate arbitrage conditions need to be fixed urgently, they added.

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MPS tomorrow

September 19, 2014

The State Bank of Pakistan (SBP) will announce Monetary Policy Decision for next two months on Saturday. According to the SBP spokesman, the monetary policy will be announced through a press release on 20th September 2014. Although, economic conditions were certainly better at the beginning of the FY15, the State Bank in its last monetary policy, announced in July 2014, kept the policy rate unchanged at 10.0 per cent to achieve the protracted stability and continuation of prudent policies and reforms.

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1973 Constitution: original manuscript stolen?

September 19, 2014

The Sindh High Court (SHC) on Thursday issued a notice to chief federal law officer to respond to a petition calling for an investigation into an alleged theft of the original manuscript of the 1973 Constitution of Pakistan. The petitioner, Agha Syed Atta-u-Allah Shah, chairman of a non-governmental organisation, Raah-e-Raast Trust, approached the court requesting it to order interior ministry and IG Islamabad to register a case regarding theft of original draft of constitution and a probe into the matter.

In his petition, Agha submitted that some news websites have published reports revealing that the original draft of the 1973 Constitution, which bore the signatures of all the then constituent assembly members and the president, has been stolen. He said that parliamentary sources had

also confirmed that the original document of the 1973 Constitution was not available in the record and the archives of the National Assembly. The petitioner said that former Speaker National Assembly Dr Fehmida Mirza at the time of approval of the 18th Amendment wanted to examine the original document of the Constitution but she was informed that the original draft was missing. After hearing arguments on the petition's maintainability, a two-member bench headed by Justice Aqeel Ahmed Abbasi issued a notice to Attorney General for Pakistan for October 13.

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KU professor Auj gunned down

September 19, 2014

A professor of Islam known for his liberal religious views was shot dead in Karachi Thursday, officials said, two years after he was labelled an "apostate" in a text message campaign. Mohammad Shakil Auj, the 54-year-old dean of Islamic Studies at the prestigious University of Karachi was gunned down in his car while on his way to an Iranian cultural centre, Khana Farang-e-Iran, where he was invited as a guest of honour.

His car was being driven down a ramp from a flyover in Gulshan-e-Iqbal, when "bullets were fired, one hit the professor in the head and he died," senior police officer Pir Mohammad Shah told AFP. Another bullet struck a junior colleague of Auj in the arm, wounding her.

Auj, a recipient of a presidential medal of distinction, was known for his unorthodox views and was fighting a legal case against the originator of a widely-circulated text message that called him an apostate. Colleagues alleged his predecessor was to blame. At the time he opened the case, he told police: "It has endangered my life and on the basis of the propaganda I could be murdered."

The professor had issued highly controversial fatwas - pronouncing for example that a Muslim woman could marry a non-Muslim man, and that women need not remove lipstick or nail polish before saying their prayers. Such views can cause serious offence to some conservative Muslims in Pakistan, which has been battling a home-grown Islamist insurgency for more than ten years.

"We would tell him to be cautious as he was very aggressive in promoting his liberal views regarding the religion," said Professor Tauseef Ahmed Khan, an old friend, and chairman of the Mass Communications department of the Federal Urdu University. Police spokesman Atiq Shaikh said: "Police investigating the case are considering various aspects, including personal enmity and other possible motives." The university will remain closed for three days of mourning.

BR staff reporter adds: According to police and rescue sources, Dr Shakeel Auj was critically injured when four unidentified assailants ambushed his car near Baitul Mukarram Mosque in Gulshan-e-Iqbal. He was rushed to a nearby private hospital where he succumbed to his injuries.

Taking notice of the incident, Sindh Governor Dr Ishratul Ibad ordered Inspector General of Sindh Police Ghulam Hyder Jamali to submit a report on the incident. Officials said a 9mm

pistol was used in the attack. An investigation committee of police under DIG East has been formed to probe the murder. Dr Mohammad Shakeel Auj was an author, a professor and dean at Karachi University's faculty of Islamic Studies. He also used to edit Al-Tafseer, an HEC recognised research journal on Islamic Studies.

He has been associated with KU for 19 years and heading the Islamic Studies department since February 1, 2012. According to the university's website, Dr Auj wrote 15 books on different subjects. He completed his Ph.D titled, 'Comparative Study of Eight Selected Urdu Translations of Holy Quran' in Islamic Studies, from Karachi University in 2000. Teachers at the KU and other universities of Sindh suspended academic activities to mourn the assassination of their colleague.

A large number of the Karachi University (KU) students and teachers took out a rally against the killing of Dr Auj and demanded immediate arrest of killers. A Karachi University teacher said Dr Auj was accompanied by Professor Dr Tahir Masood, the Head of the Department, Mass Communication Karachi University, when he was attacked.

Fortunately, Dr Tahir Masood remained unhurt and he rushed his injured colleague to a hospital. He further said the government of Pakistan had recently announced that it would honour both the scholars with the Hilal-e-Imtiaz. In another case, a man identified as Meraj, son of Ajmal, was shot and killed by unknown persons at Shafiq Morr, New Karachi. The body was shifted to Abbasi Shaheed Hospital (ASH) for medico-legal formalities.

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Low take-up for cheap bank credit raises pressure on ECB

September 19, 2014

The European Central Bank saw far less demand than expected on Thursday for its new four-year loans to banks, raising doubts about a stimulus package it hopes will stave off deflation and revive the euro zone economy. The launch of the scheme, a central plank of the ECB's efforts to coax reluctant banks to lend, saw the euro zone's central bank hand out 82.6 billion euros of 400 billion euros (\$515.16 billion) on offer to 255 banks.

That was well below the 133 billion euros forecast by a Reuters poll of 20 money market traders. Banks will get a second chance on December 11 to apply for the cash - granted at ultra-low interest rates on condition they lend it on to businesses - when the poll predicted take-up of 200 billion euros.

Berenberg Bank chief economist Holger Schmieding called the low demand "a disappointing result for the ECB" that cast doubt on the bank's hopes of injecting 400 billion euros into the economy through this scheme. "Simply offering more liquidity at more generous terms to banks awash in cash will not make a huge difference to the outlook for growth and inflation," he said.

The key problems were weak demand for credit in the euro zone, exacerbated by economic

conflict with Russia over Ukraine and uncertainty in the banking sector ahead of the publication next month of an ECB health check on major banks. The success of the so-called TLTRO cheap credit project is important for the euro zone, whose 18 countries are grappling with record-high unemployment and fading economic growth.

Previous rounds of cheap ECB loans for banks and borrowing costs close to zero have done little to boost lending to companies, with much of the money instead spent on government bonds. Critics fear a similar fate for the new scheme. Market reaction was muted. The euro rose briefly against the dollar, while benchmark German government bond futures dipped.

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MoF providing Rs 25 billion monthly subsidy to power sector

September 19, 2014

ZAHEER ABBASI

Finance Ministry provides a Rs 25 billion monthly subsidy to the power sector to bridge the shortfall between the power cost and the recovery of billed amount of distribution companies. Sources in the Finance Ministry told *Business Recorder* that a Rs 50 billion subsidy has been provided to the power sector during the last two months. The subsidy to the power sector at current pace would touch Rs 300 billion mark against Rs 185 billion budgeted for the current fiscal year.

The poor performance of distribution companies in terms of recoveries has been conspicuously reflected by power sector's outstanding amount against public and private sector consumers. An official added that the power sector receivables against public and private consumers have touched Rs 500 billion and the situation paints a bleak picture of the sector, as PSO does not have funds for fuel supply to Independent Power Producers (IPPs) for electricity generation.

Sources in the Finance Ministry added that the power sector remains in crisis due to low recovery by distribution companies and government's inability to implement the notified tariff. He added that as far as tariff differential on account of notified and implemented tariff is concerned, the gap has been reduced substantially to Rs 3 per unit, but the problem of circular debt remains a major challenge largely because of high line losses.

They added that the government is purchasing power from the generation companies, but the recovery of power distribution companies against each 100 units purchased has declined to 67 units, which simply reflects poor performance of power sector. The government's inability to bring about reforms in the power sector has cost over Rs 2 trillion during the last five year, sources in the Finance Ministry claimed. They held Ministry of Water and Power responsible for the poor performance of power sector despite the fact that successive Finance Ministers from Hafeez Sheikh to Ishaq Dar spearheaded the power sector reforms. The government has estimated Rs 220 billion subsidies on account of tariff differential and the amount was revised upward to Rs 310 billion due to a failure to implement the envisaged reforms.

New provinces: MQM stirs heated debate in parliament

September 19, 2014

AAMIR SAEED

The Parliament on Thursday witnessed a heated debate on the proposed creation of new provinces after an MQM member reiterated his party's stance on creating new provinces across the country on an administrative basis. PPP MNA Ayaz Soomro, however, opposed the demand of new provinces, saying "nobody can dare divide Sindh." Speaking during the proceedings of the joint session of the Parliament, MQM member Abdul Rashid Godil said that new provinces should be created to solve problems of people at their doorsteps.

"New provinces will open new vistas of prosperity for Pakistan and its people," he said, adding that the government should pay heed to the problems of the common man. In his recent public addresses, MQM chief Altaf Hussain demanded the formation of the new provinces for betterment of people. Godil said there were four provinces when population of West Pakistan was forty million. "Now the population has increased to 200 million but we still have four provinces in the country," he said.

The government should pay heed to the demands of Pakistan Tehreek-e-Insaf and Pakistan Awami Tehreek, he said, adding that democratic system works for the benefit of people not for certain families. "The government should work for betterment of IDPs from the North Waziristan who have rendered numerous sacrifices for a better and peaceful Pakistan," he said.

Godil said that MQM is a democratic party where tickets for elections are awarded purely on merit unlike other political parties where the tickets are put on sale. "MQM is a party of the middle class and we are proud of this fact," he said. Political leaders should try to rise above the party politics and devise policies to address the problems of masses, he said.

Responding to a demand for new provinces, PPP MNA Ayaz Soomro said that Sindh cannot be divided into new provinces; come what may. "Sindh belongs to people of Sindh and it cannot be divided into smaller units," he said. According to him, the sit-ins are a conspiracy against democracy and constitution. "Despite a fraud in elections through returning officers, we are standing by the government for the sake of democracy and constitution," he said. Soomro also criticised PTI and PAT chiefs for using foul language against parliamentarians. He urged Speaker National Assembly to take stock of the language being used against legislators by Imran Khan and Dr Tahri-ul-Qadri. "Those who have double standards cannot lead the nation," he said.

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We've suspended talks: Imran

September 19, 2014

ZULFIQAR AHMAD, FAZAL SHER & WAQAR LILLAHA

Pakistan Tehreek-e-Insaf (PTI) chairman Imran Khan on Thursday said that his party has suspended talks with 'Opposition Jirga' in protest against 'brutal use' of force on people by the government. Addressing his supporters at his party's sit-in against the government, he said: "I'm thankful to Opposition Jirga as they want a political solution to the sit-in but we've plainly told them that we're not going to hold talks with the government for whatever it has done to the peaceful protesters," he added. It has been more than a month (36 days) now that PTI has continuously been staging its sit-in against the government. Imran said he will stage a grand anti-government show on Friday (today).

"You don't have the stamina to compete with my people and their Kaptan [Imran Khan] even for a single day. I'll show you by staging yet another grand demo on Friday," he said addressing the prime minister. Imran said that he would go to Karachi on Sunday, saying his party wants to free the people of mega city from the clutches of those who have turned the city of lights into a city of mafias. He said he will start another nation-wide campaign after addressing Karachi workers. According to him, he will make an important announcement on Sunday.

Imran said that he wants to make a Pakistan envisioned by father of the nation Quaid-e-Azam Muhammad Ali Jinnah where an ordinary Pakistani will be treated as VIP and not 'plunderers and fraudsters' who make the people slave through subjugation. PTI chairman said that he has stamina to spend even a year in his sit-in container in his fights for giving the people their due rights. He continued that 70 percent of lawmakers, who have made their way into parliament through illegal means, are tax evaders and criminals.

He said that the way Nawaz Sharif enjoys protocol as head of the party show how democratic he is, adding he was also chairman of PTI and ahs the government in Khyber Pakhtunkhwa but never thought of getting such perks and privileges. The way Nawaz Sharif is running the government, he added, reflects how democratic he is. "Now he [Sharif] is going to the US and his total expenditure for a four-day trip will be Rs 4.5 million, where he will enjoy his 'nehari, siree paye' etc at the taxpayers' money," he said.

"Even if I never become the prime minister of Pakistan I have done my job by sensitising the people to their democratic rights. The people now talk without any fear for their rights. The change, for which I have been striving since long, has come to Pakistan," he added. He said he would celebrate Eid-ul-Azha at his sit-in venue, adding that the preparations for sacrificial animals have already been made. "I'll spend all the Eid days here at the sit-in. I will also have my sacrificial he-goat slaughter here," he maintained. Imran lambasted the joint-sitting of parliament. But Imran ridiculed the MPs, using an Urdu idiom, "Chor Machaye Shor", saying the MP who cries more is the biggest thief.

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Scots vote on independence, UK's fate on knife-edge

September 19, 2014

Scotland voted on Thursday on whether to stay within the United Kingdom or end the 307-year-old union with England and become an independent nation in a finely balanced referendum with far-reaching consequences. From remote highlands and islands to the tough city estates of Glasgow, people were almost equally divided over a vote watched closely by Britain's allies, investors and restive regions at home and abroad.

Pre-voting opinion polls gave the "No" campaign - those in favour of remaining in the United Kingdom - a slight edge. Hundreds of thousands of people were still making up their minds as polling stations opened, but as the day wore on, the British currency and major share prices rose on expectations there would not be a split.

Tennis star Andy Murray sent a powerful last-minute message in support of the pro-independence "Yes" vote, tweeting "Let's do this" after months of silence on his views. Many people see the choice as one of "hearts or heads" - whether emotional stirrings and yearnings would outweigh pragmatic concerns over the risks and uncertainty that an independent state would face.

"I've waited all my life for this," said the first voter in Edinburgh's Waverley Court, a businessman who gave only his first name, Ron. "It's time to break with England. 'Yes' to independence." As he spoke, a couple of workers hurrying by in the morning mist and drizzle shouted "Vote No!" Those opposed to independence say a split could slow economic growth, affect the United Kingdom's defence capability, threaten the unity of other countries and tip the balance in favour of people who want Britain to leave the European Union.

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Dow, S&P hit records on momentum from Alibaba, Fed

September 19, 2014

The Dow and S&P 500 bolted to fresh records Thursday on continued momentum from Wednesday's Federal Reserve decision and enthusiasm ahead of Alibaba's expected initial public offering Friday. The Dow Jones Industrial Average jumped 109.14 points (0.64 percent) to 17,265.99, its second record close in a row. The S&P 500 gained 9.79 (0.49 percent) to 2,011.36, while the tech-rich Nasdaq Composite Index rose 31.24 (0.68 percent) to 4,593.43.

The record-high closes marked a continuation of the investor euphoria that set in Wednesday after the Fed signalled it would keep interest rates near zero well into 2015. Art Hogan, chief

market strategist at Wunderlich Securities, said investors were also charged up by the upcoming New York Stock Exchange launch of Chinese Internet giant Alibaba. The offering, potentially the biggest IPO ever, is expected Friday. The Alibaba IPO "feels as though it's going to be a success," Hogan said. Positive sentiment over the Fed and Alibaba offset caution surrounding Thursday's vote for Scottish independence from Britain. The market has been wary of the vote because of uncertainty about how Scotland would extricate itself from the centuries-old United Kingdom.

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THE RUPEE: rates slip

September 19, 2014

The rupee failed to sustain its overnight gains against the dollar due to strong demand for the greenback, dealers said on the money market on Thursday. The rupee slid in relation to the dollar, falling 10-paisa for buying at Rs 102.75 and it also depreciated by 12-paisa for selling at Rs 102.80, they said.

INTERBANK MARKET RATES: OPEN MARKET RATES: The rupee dropped by 15-paisa in terms of the greenback for buying and selling at Rs 102.45 and Rs 102.65 respectively; however, it lost 75-paisa versus the euro for buying and selling at Rs 131.75 and Rs 132.00, they said.

In the fourth Asian trade, the dollar hit a six-year high against the yen on Thursday after the Federal Reserve's guidance on interest rates highlighted the diverging pathways between the United States and other rich nations. The greenback raced to a high of 108.69 yen, its strongest level since September 2008. The dollar last traded at 108.58 yen, up 0.2 percent on the day.

The dollar was trading against the Indian rupee at Rs 61.11, the greenback was at 3.2410 in terms of the Malaysian ringgit and the US currency was available at 6.1443 versus the Chinese yuan. Interbank buy/sell rates for the taka against the dollar on Thursday: 77.40-77.40 (previous 77.40-77.40). Call Money Rates: 06.50-08.25 percent (Previous 06.25-08.25 percent).

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Open Bid Rs.102.45
Open Offer Rs.102.65

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Interbank Closing Rates: Interbank Closing Rates For Dollar on Thursday.

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Bid Rate Rs.102.75
Offer Rate Rs.102.80

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RUPEE IN LAHORE: The Pak rupee remained strong and appreciated its worth by 10-paisa in relation to the greenback on the local currency market on Thursday.

According to the currency dealers, the dollar commenced trading on a depressed note and could not

sustain in the absence of buyers' interest. At close of trading, the dollar was ended lower at Rs 102.55 and Rs 102.80 as its buying and selling rate against Rs 102.65 and Rs 102.90 of Wednesday, respectively, the dealers said.

On the contrary, the rupee failed to maintain upward slide and was declined against the British pound. The pound's buying and selling rates were improved from the overnight closing of Rs 166.00 and Rs 166.25 to Rs 166.25 and Rs 166.50, respectively, they added.

RUPEE IN ISLAMABAD AND RAWALPINDI: The rupee remained firm against the dollar on the open currency markets of Islamabad and Rawalpindi here on Thursday.

The dollar opened at Rs 101 (buying) and Rs 101.10 (selling) against same overnight rate. It did not observe further change in the second session and closed at Rs 101 (buying) and Rs 101.10 (selling) against.

Pound Sterling opened at Rs 168 (buying) and Rs 168.10 (selling) against same overnight value. It did not observe further change in the evening session and closed at Rs 168 (buying) and Rs 168.10 (selling).

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Review of suspended SRO351(I)/2014: FBR clueless about Dar-announced body

September 19, 2014

SOHAIL SARFRAZ

Despite Finance Minister Ishaq Dar announcement four months back to form a committee to review suspended SRO.351(I)/2014, the Federal Board of Revenue (FBR) is clueless of any notification on the constitution of the committee and stopped tax evasion proceedings against evaders under the said SRO. Sources told *Business Recorder* on Thursday that suspended SRO had granted assessment and recovery powers to the intelligence officials to recover evaded tax from the fraudsters.

Legally speaking, the SRO.351(I)/2014 is still in the field, but its enforcement has been suspended on the announcement of the minister. SRO.351(I)/2014 had superseded SRO 51(I)/2013. Legally, till SRO.351(I)/2014 is not rescinded or amended, it is still in the field. As far as powers available under fiscal laws, the SRO cannot be suspended, but it can only be rescinded or amended. The government can only administratively direct the FBR to suspend the applicability of the said SRO. The FBR had temporarily stopped implementation of the SRO.351(I)/2014 which is still applicable.

In May 2014, Finance Minister suspended the implementation of the SRO 351 of 2014 and formed a committee comprising representatives of traders associations, chambers of commerce and industry and FBR Chairman to review the fairness of the SRO. The said SRO came to the

notice of Finance Minister which was issued without his approval. After the passage of four months, no such committee has been notified to the FBR. Not a single meeting of the said committee has taken place. The said committee has not started any review of the suspended SRO.351(I)/2014.

The FBR is also not aware about the legal status of the earlier SRO 51(I)/2013 which was superseded through SRO.351(I)/2014. Through SRO.351(I)/2014, the FBR had empowered the Directorate General (Intelligence & Investigation), Inland Revenue (IR) to enforce filing of income tax returns, wealth statements and compulsory registration of new taxpayers, authorising the directorate to carry out assessment/provisional assessment and audit of the registered persons for recovery of taxes.

According to the suspended notification, the powers of agency's officials were enhanced including Director General I&I IR; Directors I&I IR; Additional Directors I&I IR; Deputy/Assistant Directors I&I IR and Inland Revenue Officers I&I IR. The officers of Directorate General (Intelligence & Investigation), IR were empowered to exercise powers under section 114 (return of income), section 116 (wealth statement), section 119 (extension of time for furnishing returns and other documents), section 120 (assessments), section 121 (Best judgement assessment), section 122 (amendment of assessments), section 122A (revision by the Commissioner), section 122C (provisional assessment), section 123 (provisional assessment in certain cases), section 124 (assessment giving effect to an order), 124A (powers of tax authorities to modify orders, etc), section 125 (assessment in relation to disputed property), section 126 (evidence of assessment), section 161 (payment of tax collected or deducted), section 162 (recovery of tax from the person from whom tax was not collected or deducted), section 174 (records), section 175 (power to enter and search premises), 176 (notice to obtain information or evidence), section 177 (audit), 178 (assistance to commissioner), section 179 (accounts, documents, records and computer-stored information not in Urdu or English language), section 180 (power to collect information regarding exempt income), section 181 (taxpayer's registration), section 182 (offences and penalties, section 205 (default surcharge), section 221 (Rectification of mistakes) and other sections mentioned in the notification.

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Treason trial: prosecution witness admits to relations with PML-N

September 19, 2014

KHUDAYAR MOHLA

The defence counsel for former President and army chief General Pervez Musharraf concluded the cross-examination of the last prosecution witness on Thursday in a treason trial case before a Special Court. Barrister Farogh Nasim, the counsel, cross-examined Khalid Qureshi, Additional Director of the Federal Investigation Agency (FIA), who led the investigating team in the matter of proclamation of emergency rule on 3rd November 2007.

A three-member bench led by Justice Faisal Arab and comprising Justice Tahira Safdar and

Justice Yawar Ali adjourned the hearing of case till 1st October; the bench would then take up a plea earlier filed by defence team. That plea had urged the court to dismiss the complaint against Musharraf, terming it defectively framed and filed in violation of certain constitutional provisions on the principle of selective prosecution. The defence has urged the court to return the complaint to the government with directives to re-file it after inclusion and addition of all persons or classes of persons relating to the matter.

Responding to defence's plea on Thursday, Prosecutor Mohammad Akram Sheikh urged the Special Court to dismiss Farogh Nasim's application on grounds that there was no evidence of any other individual's or individuals' involvement in the matter. If Musharraf steps into the witness box and deposes on the alleged aiders/abettors/collaborators and after his statement's veracity is tested through cross-examination only then can the matter be reconsidered, according to him.

The Prosecutor submitted that in light of the recording of Secretary Interior Shahid Khan's testimony, it had been established that there was no role of any other person as collaborator/co-accused and his entire testimony re-emphasised that no material was found during the inquiry against any other person. The prosecution further contended that Shahid Khan also stated that any alleged aiders/abettors/collaborators as mentioned in the last recital of the Proclamation of Emergency were the assertion of the accused.

"The accused must pay heed to his own actions which are the subject matter of the instant trial, irrespective of any co-accused being either arraigned with him or separately," stated in the reply. During the course of proceedings, Khalid Qureshi apprised the bench that a notice was not issued to Lieutenant General Hamid Javed, Chief of Staff to the then Army Chief Pervez Musharraf, to record his statement. He submitted that Ministry of Defence was approached for the purpose but he was informed that the required record was not found there.

Qureshi maintained that no one was held responsible for the missing record from the Presidency, adding that it was incorrect to suggest that the present proceedings had been initiated at the behest of Prime Minister Nawaz Sharif with a view to singling out Musharraf. "It is incorrect to say that I have falsely implicated Musharraf in the current matter and initiation of a case against Musharraf is illegal, partial and biased," Qureshi said during his cross-examination.

He, however, acknowledged his relationship with the members of the ruling PML-N government. "Is it correct that you have twisted all statements in the Benazir Bhutto murder case to implicate Musharraf," Defence Counsel Dr Farogh Nasim asked Qureshi. The latter denied the charge. The hearing of case was adjourned till 1st October.

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Air strikes kill 23 militants

September 19, 2014

Military said on Thursday it killed 23 militants in aerial strikes across North Waziristan tribal district in the restive north-west near the Afghan border. In a statement issued to the media, the military said: "Today in precise aerial strikes carried out on terrorists hideouts in Zerom, Ismail

Khel, and Datta Khel in North Waziristan, 23 terrorists were killed."

In June, the army began major offensives in North Waziristan aimed at clearing the area of insurgent groups, including the Taliban, after a bloody raid on Karachi Airport ended faltering peace talks. Residents have said many civilians have died in air strikes, but as the conflict zone is off-limits to journalists, there is no way to independently verify the number and identity of those killed.

North Waziristan has become a major base for the Tehreek-e-Taliban Pakistan (Pakistani Taliban), which rose up against the state in 2007. The United States has long called for action in the area because the militant groups have targeted Nato forces in neighbouring Afghanistan.

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Dasti, 70 supporters surrender in terrorism case

September 19, 2014

MNA Jamshed Dasti along with his 70 supporters on Thursday surrendered to police after they were booked under the Anti-Terrorism Act (ATA) for attacking a police team and interfering with official work. On Tuesday, police registered a case against Dasti and his 200 supporters under the Anti-Terrorism Act. An FIR was registered by the City police station on the complaint of the district police officer.

According to the complaint, Dasti and his men attacked police teams and interfered with official work. The accused allegedly damaged police vehicles and created terror and harassment. DPO Rai Zameerul Haq said Dasti had reached Thatta Sialan on Monday where some people were trying to plug a breach and he tried to stop them. Dasti on the other hand said he was innocent. He said he was rather attacked by local Pakistan Muslim League-Nawaz (PML-N) activists present at the breach site. It was the second FIR under the 7-ATA against Dasti. He was booked earlier in 2009 for attacking doctors of DHQ Hospital. After surrendering to Katcheri Police, Dasti said despite a 'fake FIR' registered against him, he was surrendering to police to uphold law. Security across the city has been put on high alert after the arrest.

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DRAP head: Supreme Court seeks report from AGP

September 19, 2014

The Supreme Court on Thursday sought by Friday (today) a report from Attorney General for Pakistan (AGP) Salman Aslam Butt on the reasons behind appointment of head of Drugs

Regulatory Authority of Pakistan (DRAP) and a delay in devising drug pricing policy. A three-member bench led by the Chief Justice Nasirul Mulk issued directives while resuming the hearing of an application filed by Deputy Attorney General for Pakistan Sajid Ilyas Bhatti on behalf of DRAP in a pending suo motu case. The bench adjourned the hearing of matter till September 19.

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Joint Economic Working Group meeting on October 9: Olson

September 19, 2014

US Ambassador to Pakistan, Richard G Olson called on Finance Minister Senator Ishaq Dar here Thursday. They had an in depth exchange of views on various facets of Pak-US ties on the occasion. The US Ambassador said Joint Economic Working Group meeting would be convened on October 9, on the eve of annual IMF/WB meetings in Washington. He also reiterated that the Coalition Support Fund would be disbursed on time.

-PR

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New DG Rangers Sindh takes over charge

September 19, 2014

Major General Bilal Akbar has taken over as the 12th Director General of Pakistan Rangers Sindh. A change of command ceremony was held here on Thursday, a spokesman of Rangers Sindh said. Major General Rizwan Akhtar handed over the Rangers flag to Major General Bilal Akbar to formally hand over the command of Pakistan Rangers Sindh.

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World population may hit 11 billion by 2100: study

September 19, 2014

The world population may grow larger than previously estimated, reaching 11 billion people by century's end, according to a UN-led analysis published Thursday. That would mean two billion more people on Earth than expected by 2100, largely due to high birth rates in Africa, said the report in the US journal Science.

"The consensus over the past 20 years or so was that world population, which is currently around seven billion, would go up to nine billion and level off or probably decline," said co-author Adrian Raftery, professor of statistics and of sociology at the University of Washington. "We found there's a 70 percent probability the world population will not stabilise this century," he added. The study uses the most recent United Nations population data, released in July, and employs Bayesian statistics to combine all available information to generate better predictions.

Previous estimates typically relied on expert opinions about how life expectancy and fertility rates would change over time. "Earlier projections were strictly based on scenarios, so there was no uncertainty," said UN demographer Patrick Gerland. "This work provides a more statistically driven assessment that allows us to quantify the predictions, and offer a confidence interval that could be useful in planning." The bulk of the growth was anticipated in Africa, where the population is expected to rise from one billion today to four billion by the end of the century. "There is an 80 percent chance that the population in Africa at the end of the century will be between 3.5 and 5.1 billion people," said the study.

While Africa is expected to boom in size, some populations are expected to peak or shrink, the study said. Asia, now at 4.4 billion, is projected to peak at around 5 billion people in 2050 and then start to decline. North America, Europe, and Latin America and the Caribbean are all expected to remain under one billion each. More people on Earth will likely exacerbate problems such as climate change, infectious diseases and poverty.

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'No evidence' Arab Bank supported terror, New York trial told

September 19, 2014

There is no evidence that Arab Bank executives supported terrorism, a defence lawyer told a US jury Thursday at the end of a month-long trial. The Jordan-based multinational went on trial in New York on August 14, accused of aiding terror by transferring support funds to the families of Palestinians who died in the conflict with Israel.

In more than three hours of detailed concluding arguments, lawyer Shand Stephens disputed that the institution made payments to designated terrorists and that those funds were used to bankroll terror attacks. "There's not one word of testimony in this case that would lead you to conclude that any one of those people deliberately supported terrorism. Not a word," he told a district court in Brooklyn.

The families of several Americans killed in attacks in the early 2000s allege the bank violated the 2001 Anti-Terrorism Act when it served as a conduit for money from a Saudi Arabian fund to the Palestinian families. But Stephens said Arab Bank provided routine, internationally approved banking services and that none of the charities, which the plaintiffs claim were Hamas fronts, were on any terror blacklist.

"None of them, not one, nada is on the US, UN or EU list during that very time. Not one," he said. The plaintiffs filed their suit in 2004, four years into the Second Intifada, a Palestinian uprising that left thousands dead. They said Arab Bank was the conduit by which the Saudi Committee for the Support of the Intifada Al-Quds fund sent money to the families of Palestinians who died, including suicide bombers. They also claimed that Hamas, which the US officially designates as a terror group, directed the distribution of the money from the Saudi fund. Stephens said that between 2000 and 2004 no government blacklisted the Saudi Committee for terror activity and that its payments to 15,000 people each month were public and approved by Israel. For example, families of Palestinians who died or were crippled received \$5,300.

The plaintiffs have questioned 180 of the payments to 24 families of purported Hamas operatives, or about one percent of payments totalling \$35 million, Stephens said. "It's not the bank's place to stop payments that have been approved by everybody involved," he said. "You do not punish the family of someone who commits a criminal act. We don't do that in the United States... and they don't do it in the West Bank and Gaza." He said there was no evidence to prove that any money transferred by Arab Bank had been used to finance terror attacks and that violence in the Israeli-Palestinian conflict had nothing to do with his client.

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China launches gold market to bolster fortunes of FTZ

September 19, 2014

China, one of the world's biggest gold consumers, on Thursday launched a new market for trading the precious metal, state media said, as it seeks to attract foreign investors to a year-old free trade zone (FTZ). The Shanghai Gold Exchange launched an international board in the city's FTZ in hopes that it might eventually challenge global gold markets like New York and London, the official Xinhua news agency reported.

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Ellison steps down as Oracle chief executive

September 19, 2014

Larry Ellison on Thursday stepped down as chief executive of Oracle, handing off the helm of the successful technology company he co-founded in 1977, the company announced. Ellison, who recently turned 70 years old, will be replaced as CEO by in-house executives Safra Catz and Mark Hurd. Ellison will continue to have a hand in the California company's operations as chief technology officer and executive chairman of the board.

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Bearish trend continues

September 19, 2014

The Karachi Share Market continued to post a negative trend as investors booked profits in selected stocks across the board on prevailing political uncertainty and the benchmark KSE-100 lost another 42 points on Thursday to close at 30,094 points compared to 30,136 points on Wednesday. Analysts said that the Karachi Stock Market witnessed a range bound activity after a positive start.

The ADBs' lower than expected commitments to projects in Pakistan and an anticipated delay in the IMF's fourth tranche hit sentiments, they added. Commenting on the market, Samar Iqbal, Assistant Vice President Equity Sales Topline Securities, said that consolidation was seen in overall market however a rally in mid cap stock continued.

"The market lost 42 points to close at 30,094 points level at the end of the day, while trading value declined to \$83 million or Rs 8.25 billion," she added. She said that an institutional activity was seen in UBL and the investors also bought Lafarge Pak in the expectation of post acquisition buy back. During the intra-day trading, the KSE-100 index also reached 30,192 points highest and 30,047 points lowest level. Despite the negative trend, the volume at the ready counter moved upward side and overall some 186.6 million shares were traded on Thursday against 153.4 million shares in the previous session.

The market capitalisation declined by Rs 8 billion to Rs 7.009 trillion down from Rs 7.018 trillion. The trading took place in 397 companies, of which 216 posted positive growth, whereas 160 closed with negative signs. Rates of 21 companies remained unchanged. Ahsan Mehanti, an analyst at Arif Habib Securities, said that the stocks closed lower amid cautious activity ahead of the SBP policy rate decision this week. Trade remained in the second and third tier stocks amid concerns for pending over Rs 230bn circular debt in energy sector, he added.

Cement stocks remained in limelight on rising local prices and expected reconstruction activities due to floods in Punjab. Higher banking spreads, reports on rising Urea off-take played a catalyst role in bullish activity at KSE, he said. Among top 10 volume leaders, five companies posted positive trend. Lafarge Pak topped the volume gainers with 41.46 million shares, up by Re 0.88 to close at Rs 17.07. Askari Bank stood the second, up by Re 0.08 to close at Rs 21.88 on 10.8 million shares. Bank Al-Falah ranked the third and closed at Rs 28.65, down by Re 0.19 on 8.5 million shares.

Pak Elektron Ltd posted a positive trend, moving up by Re 0.15 to close at Rs 29.34 on 8.1 million shares. Maple Leaf Cement with 6.6 million shares, rose by Rs 0.17 to close at Rs 27.98. Pioneer Cement gained Re 0.56 to close at Rs 53.03 on 6.2 million shares. TPL Trakker Ltd moved down by Re 0.28 to close at Rs 10.87 on 5.7 million shares. United BankXD declined by Rs 1.99 to close at Rs 190.41 on 5.2 million shares. With a trading volume of 4.6 million shares, DGK Cement closed at Rs 82.57, down by Re 0.65 and K-Electric Ltd lost Re 0.06 to close at Rs 8.23 on 4.2 million shares.

Rafhan MaizeXD and Siemens Pakistan were the top gainers with Rs 535.00 and Rs 49.88 to close at Rs 11,235.00 and Rs 1,078.56, respectively. Unilever Foods and Colgate Palmolive were

the top losers with Rs 57.50 and Rs 51.00 to close at Rs 8,350.00 and Rs 1,450.00, respectively. Analysts said that the cement sector charmed investors led by LPCL (+5.4%) and LUCK (+2.3%). Lafarge Cement was the volume leader today jumping to a 5 year high as the investors jumped in to avail an arbitrage opportunity to sell into an expected tender offer, they added.

The second day of provisional trading of Engro Powergen Qadirpur Limited saw the stock close at upper limit of Rs 47.28 with just 2,500 shares traded, they said. "We recommend a defensive strategy with a preference for high dividend yield stocks due to the uncertain political environment," they suggested.

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Business and Economy: *Pakistan*

Over \$672 million foreign inflows received so far

September 19, 2014

TAHIR AMIN

The country has provisionally received foreign inflows of over \$672 million during the current fiscal year against \$355 million for the same period of last financial year, it is learnt. The amount does not include the fourth tranche of \$556 million from International Monetary Fund (IMF), under the September 4, 2013 approved \$6.64 billion Extended Fund Facility (EFF) and \$371.4 million under the Coalition Support Fund (CSF).

The government has budgeted foreign assistance of \$7.4 billion including \$6.5 billion loans and \$808.3 million grants against \$5.7 billion budgeted estimate for the previous year. The country received \$663.15 million loans and \$6.87 million grants out of the total budgeted estimates of foreign assistance worth \$7.4 billion during the current fiscal year.

Sources revealed that the country received about \$102.23 million from Asian Development Bank (ADB) in the current fiscal year while a total of \$1.092 billion were budgeted estimates from the Bank for the current financial year. China has disbursed about \$295 million out of \$1.462 billion budgeted for the current fiscal year. International Development Association (IDA) disbursed \$27.7 million out of \$79.59 million budgeted estimates for financial year 2014-15.

It was budgeted that Germany would disburse \$52.61 million in the current year however Pakistan received \$5.68 million grant in the current fiscal year. Japan disbursed about \$35.8 million during this period against the budgeted estimates worth \$255.39 million for the year while Korea disbursed \$2.12 loan and Kuwait disbursed \$1.05 million. The United States of America (US) disbursed \$15.56 million to Pakistan in the current fiscal year out of the total budget estimates of \$357.5 million for the current fiscal year 2014-15.

The government has budgeted more than \$1.5 billion from Australia, Canada, EU, France, Global Alliance for Vaccines and Immunisation (GAVI), IDB [S-Term] , Italy, Norway, Oman, Opec, Saudi Arabia, UK, UNDP, Bond Holder and Consortium of Commercial Banks for the current fiscal year 2014-15; however no disbursement has been made under these heads so far, sources added.

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Forex reserves up by \$110 million

September 19, 2014

The country's total foreign exchange reserves rose by \$110 million during the last week. According to State Bank of Pakistan's (SBP) weekly report, the country's total liquid foreign reserves reached \$13.525 billion mark on September 12, 2014 as compared to \$13.415 billion on September 5, 2014.

During the week under review, SBP's Liquid forex reserves increased by \$102 million to \$8.795 billion as compared to \$8.693 billion end of the previous week. Foreign inflows have pushed SBP's reserves upward, as it received \$23 million from multilateral, bilateral, and other sources. While, during the period SBP made payments of \$25 million on account of external debt. Similarly, reserves held by the banks posted an increase of \$8 million to \$4.729 billion, as on September 12, 2014 when compared with \$4.721 billion as on September 5, 2014.

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Joint Economic Working Group meeting on October 9: Olson

September 19, 2014

US Ambassador to Pakistan, Richard G Olson called on Finance Minister Senator Ishaq Dar here Thursday. They had an in depth exchange of views on various facets of Pak-US ties on the occasion. The US Ambassador said Joint Economic Working Group meeting would be convened on October 9, on the eve of annual IMF/WB meetings in Washington. He also reiterated that the Coalition Support Fund would be disbursed on time.

-PR

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Former LCCI presidents appeal to vote for PIAF-Founders Alliance candidates

September 19, 2014

As many as 20 former LCCI presidents have appealed to the members of the Lahore Chamber of Commerce and Industry to lay foundation of a bright future by electing PIAF-Founders Alliance candidates in the LCCI elections being held on September 22 and 23.

A meeting attended by former LCCI presidents including Shahzada Alam Monnoo, Mian Anjum

Nisar, Mian Shafqat Ali, Mian Misbah-ur-Rehman, Syed Mohsin Raza Bukhari, Muhammad Ali Mian, Iftikhar Ali Malik, Irfan Qaiser Sheikh, Mian Muhammad Ashraf, Zafar Iqbal Chaudhry, Tariq Hameed, Shahzad Ali Malik, Salahuddin Ahmed Sahaf, Bashir Baksh, Sheikh Muhammad Asif, Sheikh Muhammad Arshad, Shahid Hassan Sheikh and Chaudhry Muhammad Ilyas said PIAF-Founders Alliance has selected enthusiastic candidates who have the abilities to turn the economy around.

Former LCCI presidents are running the election campaign of PIAF-Founders Alliance candidates and receiving very good response from the business community. Meanwhile, PIAF-Founders Alliance candidates for Associate Class Nasir Saeed, Syed Mahmood Ghaznavi, Khurram Lodhi, Raja Adeel Ashfaq, Rizwan Akhter, Assad Noor Pagganwala, Waqar Ahmed Mian and Sheikh Muhammad Fayyaz visited Badami Bagh Auto Market along with the group leaders Sheikh Muhammad Arshad and Sheikh Muhammad Asif where Vice President of SAARC CCI and former president of Federation of Pakistan Chambers of Commerce and Industry Iftikhar Ali Malik warmly welcomed the Alliance candidates. PASPIDA members were also present on the occasion.

Iftikhar Ali Malik said PIAF-Founders Alliance has written new stories of success from the platform of Lahore Chamber of Commerce and Industry and also strived to safeguard the interest of business community. Sheikh Muhammad Arshad appealed the business community to keep continue golden traditions and select PIAF-Founders Alliance candidates.

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DRAP head: Supreme Court seeks report from AGP

September 19, 2014

The Supreme Court on Thursday sought by Friday (today) a report from Attorney General for Pakistan (AGP) Salman Aslam Butt on the reasons behind appointment of head of Drugs Regulatory Authority of Pakistan (DRAP) and a delay in devising drug pricing policy. A three-member bench led by the Chief Justice Nasirul Mulk issued directives while resuming the hearing of an application filed by Deputy Attorney General for Pakistan Sajid Ilyas Bhatti on behalf of DRAP in a pending suo motu case. The bench adjourned the hearing of matter till September 19.

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LDA to complete computerisation of land records by April 2015

September 19, 2014

The Lahore Development Authority Chief Town Planner Chaudhry Muhammad Akram has said that land records are being computerised and will be completed by April 2015. He said this while addressing a meeting at the Lahore Chamber of Commerce and Industry (LCCI) on Thursday. LCCI President Sohail Lashari presided over the meeting while Vice President Kashif Anwar, Executive Committee Members Maqsood Ahmed Butt and Mian Muhammad Afzal were also present on the occasion.

Akram said that computerisation of land records will bring transparency in the system. He said that a proposal has been forwarded to Chief Minister Punjab Shahbaz Sharif that 50 percent rebate may be given to the educational and health institutions on their commercialisation fees.

He said all segments of society should follow the rules and regulations as violation of bylaws creating problems. He said people of western world strictly follow the rules and regulations but situation in our country is quite different. He said that we also need to promote such culture to come at par with the developed countries. He said that LDA is in the process of launching various schemes and trying to execute all projects in a best manner.

He informed the participants that LDA's one window operation is working efficiently and playing role of a facilitation center. He also informed that LDA is trying to approve building maps within 15 days. Speaking on the occasion, Sohail Lashari said that LDA has carried out various developmental projects and is making all-out efforts for the uplift of the city. Business community appreciates the efforts of this department for trying to facilitate the people for better services.

LCCI president said that none of the members of the business community are unwilling to pay taxes. In fact we are the ones who believe that the tax net should be broadened. He further said that at present the commercialisation fee is to be paid in four instalments. He suggested extending it to 12 installments as this would minimise the financial burden on the business community which is already under great deal of stress due to un-desirable business conditions prevailing in the country.

Lashari said that at present the temporary commercialisation fee is being paid in instalments for a certain time period. In case of default the already paid amount is forfeited and the incumbent is asked to pay the total amount of commercialisation fee. He suggested changing the existing clause by only charging the remaining amount of commercialisation fee instead of forfeiting the amount already paid.

LCCI President said the commercialisation fee on one kanal building has been increased to Rs 500,000 from Rs 110,000. Raise should be withdrawn charged the previous amount of Rs 110,000 to provide relief to the business community which is already confronting worst energy crisis, bad law and order condition and political unrest.

He said that LCCI is playing a role of bridge between public and private sector. He said that promotion of Public Private Dialogue (PPD) is need of the hour. He said that LCCI is striving to promote this concept to ensure letter and spirit implementation of all the economic policies. He urged the LDA officials to invite private sector representatives in the official meetings of LDA to get their feedback. LCCI Vice President Kashif Anwar stressed the need for construction of parking plazas in various areas of the city to resolve the issue of traffic mess. He said that official website of LDA should be updated on regular basis.

Call for resolving issues of up-country dry ports

September 19, 2014

Up-country dry ports played an important role in promotion of exports but there is lethargy in resolution of their issues/problems by concerned departments, Chairman Faisalabad Dry Port Trust Chaudhry Mohammad Siddique said in a meeting of All Pakistan Dry Ports Association (APDPA).

He said that exporters were not using up-country dry ports due to considerable delay in refund of rebate claims, as compared to duration of refund of rebate claims at Karachi Collectorates. He stated that imports at up-country dry ports were not treated equally with that of at Karachi ports in respect of custom duties and valuation. "Exporters are therefore reluctant to use up-country dry ports for their imports and exports," he added. Chaudhry Siddique called for similar application of customs procedures/ rules at up-country dry ports and desired that delay in export-refund claims should be eliminated.

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Activity at Karachi & Qasim ports

September 19, 2014

The Karachi Port handled 120,543 tonnes of cargo comprising 87,892 tonnes of import cargo and 32,651 tonnes of export cargo including 3,418 loaded and empty containers during the last 24 hours ending at 0700 hours on Thursday. The total import cargo of 87,892 tonnes comprised of 21,676 tonnes of containerised cargo; 42 tonnes of general cargo; 21,478 tonnes of bulk cargo: 6,953 tonnes of coal; 6,518 tonnes of wheat; 587 tonnes of DAP; 5,049 tonnes of soyabean meal; 2,371 tonnes of rape seed and 44,696 tonnes of oil/liquid cargo.

The total export cargo of 32,651 tonnes comprised of 25,539 tonnes of containerised cargo and 30 tonnes of general cargo and 7,082 tonnes of oil/liquid cargo. As many as 3,418 containers comprising 1,338 containers import and 2,080 containers export were handled during the last 24 hours on Thursday. The break-up of imported containers shows 723 of 20's and 259 of 40's loaded while 89 of 20's and 4 of 40's empty containers, whereas that of exported containers shows 704 of 20's and 199 of 40's loaded containers while 264 of 20's and 357 of 40's empty

containers were handled during the business hours.

There were eight ships namely Cosco Kawasaki, Kota Kasturi, Captain Costas, KMTC Mumbai, TDT-3, Ashahda, Ibis Bulker and Maha-B carrying containers, oil tankers, coal and general cargo respectively sailed out to sea during the reported period. There were four vessels viz. Posen, Ocean Star-1, Leader and Ikan Jenahar carrying containers, oil tankers and coal respectively currently at the berths. There were two ships namely Posen and El Gurdabia carrying containers and oil tanker respectively sailed out to sea on Thursday, while two ships namely Ocean Star-1 and Jin Bo carrying oil tanker and general cargo respectively are expected to sail on Friday.

There was one vessel viz. Nagoya Tower carrying containers due to arrive on Thursday, while seven vessels viz. UASC Ajman, CS Tina, Magic Victoria, Chemroute Sky, Vega Libra, Somerset and Amoy Progress carrying containers, oil tankers, cement and steel respectively are due to arrive on Friday.

PORT QASIM

A cargo volume of 81,237 tonnes comprising 50,753 tonnes of import cargo and 30,484 tonnes of export cargo inclusive 3,095 loaded and empty containers (TEUs) was handled at Port Qasim during the last 24 hours on Thursday. The total import cargo of 50,753 tonnes includes 4,861 tonnes of coal; 4,501 tonnes of wheat and 41,391 tonnes of containerised cargo. The total export cargo of 30,484 tonnes includes 6,448 tonnes of cement; 432 tonnes of rice and 23,604 tonnes of containerised cargo. There were two ships namely CV CMA CGM Corneile and CV Maersk Atlanta with containers sailed out sea on Thursday morning, while another ship namely MT RBD Anema-e-Core with furnace oil is expected to sail on the same day afternoon.

A total number of seven vessels viz. CV CMA CGM Corneile, CV Sealand Washington, MV Lito, MV Luxury SW, MV Ikan Salmon, MT Ever Mighty and MT RBD Anema-e-Core currently occupied berths to load/offload containers, rice, cement, wheat, coal and furnace oil respectively during the last 24 hours. As many as eight ships namely Saigon Express, Hungo Schulte, Mandrain Ocean, Hung Huan, Amsel, TR Niklas, Chem Road Echo and MT Lahore with containers, rape seed, iron ore, edible oil and furnace oil are currently at the outer anchorage of Port Qasim.

There were four vessels carrying containers and rice took berths at Qasim International Containers Terminal and Multi Purpose Terminal respectively on Wednesday. There are four ships namely CV Saigon Express, CV Hungo Schulte, MT Chem Road Echo and MT MT Lahore with containers, edible oil and furnace oil due to arrive on Thursday.

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IMC holds 22nd dealers' conference

September 19, 2014

RECORDER REPORT

Indus Motor Company (IMC) held its 22nd annual dealers conference recently at a local hotel here. Shinichi Yasui, Chief Engineer Toyota Corolla and Product Planning Group was the chief guest. The dealers' conference, themed as "Ultimate Excitement" was attended by the Dealership CEOs, guests from Toyota Motor Corporation, Toyota Tsusho Corporation, Toyota Motor Asia Pacific, senior management from House of Habib, business partners and the IMC management team.

Speaking on the occasion, Yasui presented the design concept behind the immensely popular new Toyota Corolla, explaining that the new Corolla is designed to meet the ever evolving expectations of the customers. He expressed his satisfaction over the overwhelming response to the new Corolla that Pakistani customers had given and thanked IMC and the dealers for making Toyota a household brand of Pakistan. Ali S Habib, Chairman, IMC, in his address, mentioned that the fiscal year 2013-14 was yet another challenging period for the domestic auto industry as the demand for locally manufactured vehicles declined as compared to the previous year.

The company acted innovatively and took various measures to excite the market such as introducing value-added variants that enabled the company to sustain itself in such testing times. He added that although challenges ahead are great, however, these too shall pass and with collective efforts, the IMC family has managed to excite customers yet again with the new model. Also for the future, the outlook remains challenging with persisting inflationary pressures, energy shortages and absence of long-term policy will continue to cause anxiety to businesses.

To recognise the dealers' efforts, various awards were presented during the conference to the best dealerships in the three regions. The Customer Relation award was won by Toyota Central Motors, the Service award by Toyota Mardan Motors whereas The Parts Sales award went to Toyota Southern Motors. The Nation-wide Sales Award and Best of the Best category Award was bagged by Toyota GT Motors.-PR

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PIA transports over 28,700 Hujjaj through 80 flights

September 19, 2014

PIA pre-Hajj operation is continuing successfully with on time departures and arrivals. PIA has so far till 21st day (Thursday) has transported more than 28,700 intending pilgrims from Pakistan to Saudi Arabia through 80 pre-Hajj flights.

PIA has carried 3,479 intending pilgrims from Karachi to Saudi Arabia through 11 flights, 5,190 from Lahore through 12 flights, 4,787 from Islamabad through 10 flights, 5,811 from Quetta with 19 flights and 5,745 intending pilgrims from Peshawar through 18 flights, 2,289 from Multan with seven flights and 1,498 intending pilgrims from Sialkot with three flights to Saudi Arabia. The airline's pre-Hajj operation of transporting intending Hajj pilgrims to Saudi Arabia will conclude on September 28.-PR

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Abu Dhabi-Karachi route: Etihad Airways to offer double daily service from November 18

September 19, 2014

Etihad Airways will add a new daily flight between Abu Dhabi and Karachi to offer a double daily service from November 18, 2014. The additional service will be operated by a two-class Airbus A320 aircraft configured to carry 136 passengers, with 16 seats in Business Class and 120 seats in Economy Class.

Adding 1,904 new seats per week to the Abu Dhabi-Karachi route, the new flights will enable Etihad Airways to provide its guests with more choice and greater flexibility when travelling to and from Abu Dhabi. Etihad Airways will now be able to offer 46 weekly return flights to four destinations in Pakistan, which along with Karachi, include Lahore, Islamabad and Peshawar.

The schedule for the double daily flights will allow new markets such as Rome, Zurich and San Francisco to gain two-way connectivity. The additional flights will also provide more than 700 weekly connections to key destinations in the GCC, Middle East, Europe and North America. Kevin Knight, Etihad Airways Chief Strategy and Planning Officer, said: "The addition of the new flights will strengthen Etihad Airways presence in the Pakistani market and foster the growth of commercial and cultural relations between Pakistan and the UAE.-PR

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Company News: *Pakistan*

Bank Alfalah poised for growth with IFC backing

September 19, 2014

IFC, a member of the World Bank Group, and Bank Alfalah Limited, one of Pakistan's leading banks, have reached an agreement on IFC's proposed \$67 million investment in Bank Alfalah by subscribing to 15 percent equity investment in the bank to help it to increase access to finance in Pakistan.

"We view this potential partnership with IFC as a long-term strategic collaboration which will strengthen our competitive position and allow us to increase our capital for growth both in Pakistan and international markets," said Atif Bajwa, President and CEO of Bank Alfalah. "It also represents a significant contribution to foreign direct investment in the country." The transaction is expected to close post execution of all transaction documentation/agreements and obtaining all necessary regulatory / shareholder approvals.-PR

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'Only education can provide a level playing field,' Chairman, Sabaq Foundation

September 19, 2014

Iqbal Mustafa Khan is the founder and chairman of Sabaq Foundation. Sabaq is a non-profit organisation based in Islamabad that offers free online video tutorials to Pakistani students at www.sabaq.pk. Iqbal is also the President of Alachisoft, a California-based software company that has its offshore office in Islamabad. He obtained his BS and MS degrees in Computer Science from Indiana University, Bloomington, Indiana, United States.

Following are selected excerpts from BR Research's recent encounter with Iqbal in Islamabad, where we discussed enablers of blended learning in Pakistan.

BR Research: What was the idea behind establishing Sabaq Foundation?

Iqbal Mustafa: I am a software geek and an entrepreneur by profession. I like to identify problems and come up with their solutions. When I returned to Pakistan in 2011 after spending 27 years in the United States, which included working in the Silicon Valley, I wanted to do something in education for Pakistan. My family has a background in education--my mother was a primary school teacher in a government school; my aunt was a principal at a village school.

Being a technologist, I was really impressed with Khan Academy, a US-based, free online tutorial website with 30 million monthly visitors from around the world. That portal simply fascinated me and I felt left with no choice but to initiate a similar project in Pakistan, a country marked by low literacy rate due to lack of state-of-the-art infrastructural and educational facilities in its far-flung areas.

My team and I first thought about translating Khan Academy's video tutorials into Urdu, but the idea was dropped due to the differences in culture, syllabus and teaching style of the two countries. I wanted to develop a portal whereby Pakistani students could get access to international standard teaching resources mapped according to the local syllabus in their mother tongue Urdu, free of cost. Thus, we initiated this project in 2012 by the name of Sabaq Foundation.

BRR: How did you envision this kind of project was needed in Pakistan?

IM: We thoroughly analysed Pakistan's education system. The under-developed, remote areas are completely deprived of quality education. And then there is the cancer of after-school tuition which has plagued our society. The parents are sick of it since it's cutting the strings off their purse. The children also hate it since it leaves them with no time for social and extra-curricular activities. However, the poor teaching standards in schools leave them with no choice. This is a clear indication of a failing Pakistani education system breeding in a whole new "after-school tuition industry". This industry is cunningly exploiting the students by filling in the gap created by our educational institutes.

Unfortunately, not enough attention is being paid by our government to fix this issue. Sabaq Foundation, however, has come up with its solution by providing free video tutorials on its website www.sabaq.pk. From our website, the students can access free video lectures 24/7 that compete with international teaching standards.

This solution also has special appeal for girls. Parents are often uncomfortable sending girls to tuition centers after school. Most of these videos are way better than the teaching at tuition centers, which base their value on getting their students good marks in board exams through solving guess papers and selected contents. What we say is that we will not only help students get good marks but also help them actually understand the concept so that they have better chances of succeeding in their academics and their careers.

BRR: Please tell us about the content of your video tutorials and the process that produces them?

IM: Our aim is to make world-class video tutorials, by combining state-of-the-art software tools and content rich conceptual lectures. To accomplish that, we have a highly qualified pool of faculty members. All of them are at least M. Sc. or M. Phil. from renowned universities. They are all paid employees and work full-time for Sabaq Foundation. The faculty members are provided a one-month vigorous training on how to produce a good quality video all by themselves. We have hired at least two faculty members for teaching every subject.

The whole process has a lot of intricacies. The first step is the topic-mapping for every subject. For that, the textbooks of the respective boards are followed. This is then followed by a comprehensive research of every topic. Various textbooks, including books from Matriculation/O Level as well as academic websites, are consulted to prepare every topic. Then

the lecture outline is prepared. Every video lecture needs to be conceptual, concise and yet content-rich. Hence, our videos incorporate fully-labelled, animated and colourful diagrams where needed.

The video-making process goes through multiple levels of evaluation, ie self-review, peer-review and then a final review and any video that does not come up to the standards is redone. Our aim is to become the household name in Pakistan for providing world-class video tutorials to students from grades five through 12.

Currently, we have two types of lectures: concept videos and problem solution. So far we have covered the Science subjects (Math, Physics, Chemistry and Biology), but we plan to cover other subjects soon. The video uploading for Matric Arts Math is also in the pipeline. As soon as we are done with F. Sc. courses and AS level, we plan to start working on making videos for primary and secondary level students. Although most of the topics of O-level and matriculation coincide, the reason for starting from matriculation is that it caters to a wider chunk of Pakistani students.

I must state that the matriculation curriculum in Pakistan has topics that are really advanced, but the textbook content is insufficient. Secondly, the textbooks don't teach the application of the knowledge in practical life. That is why: teachers find difficulty in explaining them. The quality of the science curriculum has improved in recent years, but they are still not up to the mark.

BRR: Do you have a feedback loop established with the students?

IM: We have not conducted a full-fledged survey so far, but there are a few numbers that suggest the website usage is growing. Since its launch, the website has delivered over 2 million lessons to students and just in the last year, over 200,000 students have watched Sabaq's video tutorials online. Most of this activity has been generated in the last 6-8 months. More than 2,000 students are visiting the website every day. This number is expected to increase when the school season goes into full swing. About 47 percent are returning students, and 53 percent are new users. Average user time spent on the website is about 12-14 minutes, which is the typical duration of two videos. Islamabad, Lahore and Karachi are the three-largest cities from where the major chunk of our visitors comes but students from all over Pakistan come to our website.

Currently! www.sabaq.pk. It is a read-only platform, but we plan to incorporate a comment/Q&A feature in it. That, however, will require a log-in. We also have an active Facebook page by the name of Sabaq Foundation to interact with our visitors. People can also send us emails. To help make the tutorials more effective, we are soon going to incorporate ratings (stars) on every video as well.

For independent evaluation of our work, we would like to acquire consultancy service for our assessment studies where the learning experience of about 10,000 students from different demographics is analysed. We do not have the capacity or finances for such study, so we would like some donor to take it up. We are not just interested in finding the efficacy of our tutorials; we also want to better understand what kind of problems students face.

BRR: How does the foundation operate? Where does the funding come from?

IM: So far it is self-financed. Sabaq Foundation is housed inside my software company's

building. Our goal is to keep our tutorials completely free no matter which channel we use. We are, however, devising ways to enable the foundation to bear its own costs at least. For that, we soon plan to launch DVDs of our video tutorials, only so that our foundation can sustain itself.

BRR: Please tell us a little more about the DVD channel?

IM: Our DVDs are priced at a break-even amount of Rs 300 for a set of two DVDs. They will cater to the far-flung regions of Pakistan that are devoid of internet facilities. Our DVDs encompass the afore-mentioned subjects for all five boards of Pakistan along with O and AS levels. Instead of launching our DVDs through bookstores, we are going for the more cost-effective cash-on-delivery method. For Rs 300, a student gets teaching material per subject for the entire year and saves up on hefty tuition fees.

In addition, we are also trying to convince the government to inculcate these DVDs in their syllabus along with the textbook.

BRR: Which governments have you talked to and what has been the response so far?

IM: We have spoken to federal government as well as the provincial governments in Khyber-Pakhtunkhwa, Punjab and Sindh. The response has been quite encouraging so far. In fact, the Punjab government has already incorporated our video in their e-learning website.

If every textbook has the tutorial DVD, government expenditure will be peanuts as compared to overall education budget. It will roughly cost Rs 200 million for the Punjab government to make these DVDs a part of their syllabus. We do not have the capacity to spend that money out of our own pocket. This is the slowest path but if it hits, it hits the jackpot.

BRR: What are other channels to push Sabaq's content?

IM: We are working with private school chains in both for-profit and non-profit organisations. We have signed a lot of MoUs recently. Tameer-e-Millat Foundation, Punjab IT Board and Read Foundation are among those. Education foundations reach a lot of students and form the education ecosystem in the country. We also plan to do the same with the leading education providers like The Citizen Foundation and Beaconhouse School System. These schools have appreciated our efforts for teacher training as well as student learning. The purpose of partnering with these schools is also to study the impact created by our videos and to get firsthand feedback from students.

We are continuously enhancing and improving our website's features. Moreover, we are also putting in our best effort to initiate vigorous social and print media marketing campaigns to spread our word as far as possible.

BRR: Since most of your content is online, how much of an issue is the limited internet usage in the country?

IM: We started online-only, but pretty soon we realised the problem of lack of internet facilities in Pakistan. But, there are solutions. You can plug- and-play the tutorials from DVD on the desktop PC. Since majority of students does not even have PCs, the DVD allows them to play the content on DVD players, which have become really cheap over the years--it costs about Rs

1,500 now.

Our videos are also compatible with mobile interface--we test that all the time. We are also trying to have an hour-long TV show on broadcast media, where people could watch a couple of tutorials for mathematics or physics as the subject topics progress in a pre-announced manner during the year. Through TV, we can reach out to a big chunk of our audience.

BRR: With the gradual rollout of 3G and 4G data services, what impact do you see on digital learning?

IM: We are actually very hopeful because broadband penetration will fuel digital learning. There is criticism that 3G rollout to rural areas has not been made mandatory. I feel that since there are not many computers in rural areas, the heaviest users of mobile broadband are going to be in rural areas. They don't have Wi-Fi availability, unlike the urban areas and that is a golden opportunity waiting on the mobile operators.

BRR: Where do you see Sabaq Foundation five years from now?

IM: Let me assure you that blended learning is the future for Pakistan. For that, schools must introduce multi-media learning material, which the students can take home as well. We are going to venture into other subjects and produce their video tutorials as well. At some stage, Sabaq will involve other partners, wherein Sabaq 2.0 may allow the platform to be used for, let's, say vocational training.

All our videos will remain free from our website because we plan to remain a non-profit organisation. Though, we might have to charge nominal price for our DVDs due to the cost involved in its distribution. I feel that education is the only thing in Pakistan that can provide a level-playing field to everyone. The abject poverty and the lack of infrastructural facilities in rural areas have already made education a distant dream and our aim is to make that dream come true.

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Taxation: *Pakistan*

Review of suspended SRO351(I)/2014: FBR clueless about Dar-announced body

September 19, 2014

SOHAIL SARFRAZ

Despite Finance Minister Ishaq Dar announcement four months back to form a committee to review suspended SRO.351(I)/2014, the Federal Board of Revenue (FBR) is clueless of any notification on the constitution of the committee and stopped tax evasion proceedings against evaders under the said SRO. Sources told *Business Recorder* on Thursday that suspended SRO had granted assessment and recovery powers to the intelligence officials to recover evaded tax from the fraudsters.

Legally speaking, the SRO.351(I)/2014 is still in the field, but its enforcement has been suspended on the announcement of the minister. SRO.351(I)/2014 had superseded SRO 51(I)/2013. Legally, till SRO.351(I)/2014 is not rescinded or amended, it is still in the field. As far as powers available under fiscal laws, the SRO cannot be suspended, but it can only be rescinded or amended. The government can only administratively direct the FBR to suspend the applicability of the said SRO. The FBR had temporarily stopped implementation of the SRO.351(I)/2014 which is still applicable.

In May 2014, Finance Minister suspended the implementation of the SRO 351 of 2014 and formed a committee comprising representatives of traders associations, chambers of commerce and industry and FBR Chairman to review the fairness of the SRO. The said SRO came to the notice of Finance Minister which was issued without his approval. After the passage of four months, no such committee has been notified to the FBR. Not a single meeting of the said committee has taken place. The said committee has not started any review of the suspended SRO.351(I)/2014.

The FBR is also not aware about the legal status of the earlier SRO 51(I)/2013 which was superseded through SRO.351(I)/2014. Through SRO.351(I)/2014, the FBR had empowered the Directorate General (Intelligence & Investigation), Inland Revenue (IR) to enforce filing of income tax returns, wealth statements and compulsory registration of new taxpayers, authorising the directorate to carry out assessment/provisional assessment and audit of the registered persons for recovery of taxes.

According to the suspended notification, the powers of agency's officials were enhanced including Director General I&I IR; Directors I&I IR; Additional Directors I&I IR; Deputy/Assistant Directors I&I IR and Inland Revenue Officers I&I IR. The officers of Directorate General (Intelligence & Investigation), IR were empowered to exercise powers under section 114 (return of income), section 116 (wealth statement), section 119 (extension of time for furnishing returns and other documents), section 120 (assessments), section 121 (Best judgement assessment), section 122 (amendment of assessments), section 122A (revision by the

Commissioner), section 122C (provisional assessment), section 123 (provisional assessment in certain cases), section 124 (assessment giving effect to an order), 124A (powers of tax authorities to modify orders, etc), section 125 (assessment in relation to disputed property), section 126 (evidence of assessment), section 161 (payment of tax collected or deducted), section 162 (recovery of tax from the person from whom tax was not collected or deducted), section 174 (records), section 175 (power to enter and search premises), 176 (notice to obtain information or evidence), section 177 (audit), 178 (assistance to commissioner), section 179 (accounts, documents, records and computer-stored information not in Urdu or English language), section 180 (power to collect information regarding exempt income), section 181 (taxpayer's registration), section 182 (offences and penalties, section 205 (default surcharge), section 221 (Rectification of mistakes) and other sections mentioned in the notification.

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KCAA elects office-bearers

September 19, 2014

Qamar Alam was elected as president of the Karachi Customs Agents Association (KCAA) unopposed for 2014-15. According to a press release issued here on Thursday, Nasim Askar was elected as Senior Vice President and Mirza Ather Baig Vice President, Kaisaf Khan Marwat as Assistant Vice President, Khurram Ijaz, General Secretary, Muhamamd Aamir, as Joint Secretary, Gohar Mehboob Information Secretary and Tariq Jawad Finance Secretary. All office bearers were elected unopposed.

-PR

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Sindh sugar mills: recovery of ST, IT and FED ordered

September 19, 2014

The Federal Board of Revenue (FBR) has ordered recovery of sales tax, income tax and federal excise duty (FED) from sugar mills of Sindh where audit objections of Auditor General of Pakistan (AGP) have been duly verified. Sources told *Business Recorder* here on Thursday that the FBR has directed Large Taxpayer Units (LTUs) and Regional Tax Offices (RTOs) to initiate recovery proceedings against the sugar mills where the AGP's Directorate General Audit, Inland Revenue (South), Karachi objections have been verified with the regional record of field formations.

According to the official, the FBR has written to the field formations to check the irregularities detected by the AGP's regional office and recover the due amount of sales tax, income tax and federal excise duty (FED) wherever applicable. The show cause notices would be issued for the

recovery of the admissible amount in the light of the study of the said directorate.

Sources said that the LTUs and RTOs would verify the audit objections and seek necessary record from the sugar mills for recovery of the real amount. The FBR has also confronted the Chief Commissioners of the LTUs and RTOs to explain that why the serious irregularities have not been detected by the FBR's field formations. The FBR is waiting for the response of the Chief Commissioners of the LTUs and RTOs on the study report of the said directorate.

The DG Audit Inland Revenue (South) Karachi had conducted a special study on levy of sales tax, FED and income tax on sugar sector for the year 2012-13 in respect of 29 taxpayers of LTU Karachi, seven taxpayers of RTO-III Karachi and one taxpayer of RTO Sukkur. The DG Audit Inland Revenue (South) Karachi has recommended to the FBR that the compliance of applicable provisions, under Income Tax Ordinance, Sales Tax Act and Federal Excise Act, should be ensured. The study highlights certain significant issues having far-reaching effects.

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Nine Lahore textile, dyeing units ST imposed on gas, power supply

September 19, 2014

The Federal Board of Revenue (FBR) has imposed sales tax on supply of natural gas and electricity to nine textile and dyeing units falling within the jurisdiction of Lahore, and started charging sales tax on such supplies. The FBR has issued three sales tax general orders (STGOs), in this regard here on Thursday.

The FBR has withdrawn sale tax zero-rating on supply of natural gas and electricity to nine textile and dyeing units of Lahore on the recommendations of the concerned Regional Tax Office. According to the STGO 73 of 2014, sales tax zero-rating facility has been withdrawn on supply of gas to four units falling within the jurisdiction of Regional Tax Office, Lahore.

The FBR has directed the Chief Commissioner, Regional Tax Office, Lahore to co-ordinate with SNGPL Authorities regarding implementation of aforesaid amendments in the general order for the respective registered person and to submit report for action taken/recovery made, if any, for misuse of the facility. The FBR has also asked M/s Sui Northern Gas Pipelines Limited (SNGPL) to start charging sales tax on the supply of gas in respect of above referred consumer numbers/ reference numbers, with immediate effect.

Through STGO 74 of 2014, the FBR has withdrawn sales tax zero-rating facility on supply of gas to one unit falling within the jurisdiction of Regional Tax Office, Lahore. Under STGO 72 of 2014, the FBR has withdrawn sales tax zero-rating on the supply of electricity to four units falling within the jurisdiction of Regional Tax Office, Lahore.

The FBR has directed the Chief Commissioner, Regional Tax Office, Lahore to co-ordinate with LESCO regarding implementation of aforesaid amendments in the general order for the respective registered person and to submit report in respect of action taken/recovery made, if

any, for misuse of the facility. The FBR has also asked the Lahore Electric Supply Company (LESCO) to start charging sales tax on the supply of electricity in respect of above referred consumer numbers/ reference numbers, with immediate effect.

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MoU signed HMRC-UK to provide assistance to FBR

September 19, 2014

Her Majesty's Revenue and Customs (HMRC) UK will provide technical assistance to the Federal Board of Revenue (FBR) over the next three years to help build its capacity and improve tax collection to support economic integration, stability and growth.

Chairman FBR Tariq Bajwa signed a memorandum of understanding (MoU) with HMRC, UK in the presence of British High Commissioner Philip Barton and Finance Minister Ishaq Dar in Islamabad here on Thursday. British High Commissioner to Pakistan Philip Barton CMG OBE said, "The Government of Pakistan has committed itself to meeting ambitious targets for increasing the revenue it raises from taxation. The British Government welcomes this commitment. A State's ability to collect taxes and its citizens' willingness to pay them - in return for public services - are hallmarks of democracy. I am delighted that HMRC is providing practical assistance to the FBR to help the government meet its targets."

The UK will provide technical assistance to the FBR over the next three years to help build its capacity and improve tax collection to support economic integration, stability and growth. This technical assistance - supported by the UK's Department for International Development (DFID) - will be provided by HMRC.

The FBR and HMRC will work together to help Pakistan achieve its tax targets by helping to develop skills, knowledge and other resources essential for improving its performance in tax collection. HMRC will also advise the FBR on innovative solutions and measures to improve tax enforcement and reduce opportunities for tax evasion. Specific areas of assistance include off-shore taxation, strategic communications and the use of information technology - particularly forecasting and analysing available information and assessing risk.

The UK is committed to working with the government of Pakistan - at both the federal and provincial levels - to deliver on their ambitious plans to tackle poverty by creating more jobs, transforming education, increasing the tax base, stimulating growth, and providing better services to millions of children, women, and men across Pakistan.-PR

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SDMA chief fined for failure to appear before court

September 19, 2014

The Sindh High Court (SHC) on Thursday summoned reports from the Board of Revenue (BoR) and Sindh Disaster Management Authority on their efforts for rehabilitation of families that were displaced by floods in 2010. The two-member bench led by Chief Justice Maqbool Baqar imposed a fine of Rs 25,000 on head of SDMA over his failure to appear in court and file a report on rehabilitation of people displaced by 2010 floods despite court directives.

The court once again directed him to appear in court on next hearing along with a fine of Rs 25,000 to be deposited in SHC library fund or else contempt of court proceedings shall be initiated against him. The petitioner, Flood Relief Camp Committee, which is a representative organisation of thousands of flood-affected families, moved the court for rehabilitation of displaced people.

Counsel for petitioner submitted that thousands of families that were displaced by 2010 floods were given temporary shelter in Labour Square, Gulshan-e-Maymar where they were given all utilities and their children were getting education in the schools set up by the authorities concerned. He informed the apex court the provincial government wanted to take away possession from them of that temporary accommodation without providing them an alternative place. In this regard, he said, Sindh Workers Welfare Board had published an advertisement inviting applications for the allotment of flats to industrial workers.

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Cotton and Textiles: *Pakistan*

Mills sidelined after PCGA report

September 19, 2014

Mills showed little interest in fresh buying after Pakistan Cotton Ginners Association's (PCGA) fortnightly report, dealers said on Thursday. The official spot rate was unchanged at Rs 5,550, they added. In the session, over 7,000 bales of cotton changed hands between Rs 5575 and Rs 5700, they said. In Sindh, rates recovered some lost ground, gaining Rs 150 to Rs 2700 and Rs 2800, in Punjab prices posted fresh gain of Rs 200 to Rs 2500 and Rs 2750, they said.

Market sources said that phutti arrivals figures issued by the PCGA at 2.76 million bales, showing higher against the last year. Cotton analyst, Naseem Usman commenting on the higher-than-expected figure, said that ginners and growers expect that rates may not fall sharply in times to come.

According to reports, China has issued details of a trial subsidy programme for farmers in Xinjiang that will pave the way to replace a system of stockpiling that has roiled global prices. Citing a government document, the China Cotton Association said that if market prices fall below a target of 19,800 yuan (\$3,225) per tonne, the government will top up the difference based on farmers' planting area and volume sold to cotton ginners.

Reuters adds: Cotton futures edged higher on Wednesday in a narrow trading range and light volumes as rains in key growing regions raised concerns over potential crop damage in the United States, the world's top exporter. The most-active December cotton contract on ICE Futures US closed up 0.13 cent, or 0.2 percent, at 65.68 cents a lb.

The following deals reported: 800 bales of cotton from Shahdadpur at Rs 5575-5600, 800 bales from Tando Adam at Rs 5575-5600, 200 bales from Vindar at Rs 5600, 400 bales from Nawabshah at Rs 5600, 600 bales from Bahawalnagar at Rs 5600, 200 bales from Bakhar at Rs 5600, 200 bales from Gaggo Mandi at Rs 5650, 200 bales from Fort Abbas at Rs 5650, 200 bales from Sahiwal at Rs 5650, 200 bales from Mamo Kanjan at Rs 5650, 400 bales from Vehari at Rs 5650-5675, 200 bales from Burewala at Rs 5675, 400 bales from Mianwali at Rs 5700, 1000 bales from Mian Chano at Rs 5700 and 800 bales from Chichawatni at Rs 5700, they said.

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The KCA Official Spot Rate for Local Dealings in Pak Rupees

FOR BASE GRADE 3 STAPLE LENGTH 1-1/32"

-----MICRONAIRE VALUE BETWEEN 3.8 TO 4.9 NCL

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Rate	Ex-Gin	Upcountry	Spot Rate	Spot Rate	DifferenceFor	Price	Ex-Karachi	Ex. KHI. As
37.324 Kgs	5,550	150	5,700	5,700	NIL			

Equivalent

 40 Kgs 5,948 160 6,108 6,108 NIL

Cotton arrival shows 4.73 percent increase

September 19, 2014

Pakistan Cotton Ginners Association (PCGA) released its second cotton arrival figures on Thursday. The PCGA's fortnightly report shows that around 2,750,563 cotton bales were sourced to the country's ginners by September 15th. This year the cotton arrival has shown an increase of 4.73 percent.

PCGA Chairman Mukhtar Ahmed Baloch briefed the media persons about seed-cotton (phutti) arrivals, sales and unsold stock of cotton. He said that 2,314,837 cotton bales were sold to the textile units, while the exporters bought 97,615 bales. Thus, overall 2,412,452 bales had been traded so far.

He said that PCGA was expecting less crop output because of the recent floods that had played havoc in Southern Punjab, which was the country's cotton zone. Baloch said that total 580 out of 1,200 ginning factories were operational in Sindh and Punjab. He said that Punjab contributed 1,190,680 bales, Sindh 1,559,883 bales and Balochistan 20,200 bales. After the total trading of 2,412,452 bales, there were 338,111 bales available with the ginners as unsold stock, he added. He said that cotton trading remained firm amid strong physical price and higher cottonseed prices.

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Firmness prevails on cotton market

September 19, 2014

DR ZAFAR HASSAN

Though the domestic mills were making some enquiries for cotton and even purchased some quantities, the tone of the market was barely steady. In fact seed cotton prices have come down and lint prices have also reportedly decreased in about one week's time.

Earlier in the day there were reports that the growers were unwilling to sell at lower rates. Yarn sales were also reported to have made a modicum of improvement. Lint prices reportedly fell by about Rs 200 per maund (37.32 kgs) this week from their earlier levels. Due to lower returns and cheaper prices of cottonseed (Binola/Kakra) and oilcake (Khali), the ginners were also reported to be unhappy.

The seed cotton prices in Sindh on Thursday reportedly ranged from Rs 2,700 to Rs 2,800 per 40 kgs, while in the Punjab they are said to have ranged from Rs 2,400 to Rs 2,750 per 40 kgs. Lint

prices in Sindh were said to have ranged from Rs 5,575 to Rs 5,600 per maund (37.32 kgs), while in the Punjab they are said to have ranged from Rs 5,600 to Rs 5,650 per maund.

According to the Pakistan Cotton Ginner's Association (PCGA), seed cotton arrivals for the current season (August 2014/July 2015) till the 15th of September 2014 were 2,750,563 lint equivalent bales from which the domestic mills have lifted 2,314,837 bales. Exporters have picked up 97,615 bales while the ginneries are still carrying 338,111 unsold bales with them.

Domestic yarn business is said to be slightly better so mills activity may improve. However, the ginneries remain unsatisfied with their performance. Reports reaching from the cotton belt from Punjab and Sindh indicate that till now the cotton crop has been saved any sizeable damage from ravaging rains and floods which till the present reckoning is being described as manageable. However, wet weather and waterlogged fields in some areas still exist which could conceivably damage the output or quality later on.

Cotton output for the current season could thus still range from 13.5 to 14 million bales (155 kgs) while the domestic mills may need 15 to 15.5 million bales. Cotton exports could range from 400,000 to 500,000 bales while the mills may import between 1.5 to 2 million bales of cotton.

Ready cotton sales in Sindh include 1,000 bales from Mirpurkhas at Rs 5,575/Rs 5,600 per maund (37.32 kgs), 400 bales from Hala and 1,200 bales from Shahdadpur at Rs 5,600 per maund, 600 bales from Rohri and 1,000 bales from Khairpur at Rs 5,625 per maund.

In the Punjab, 200 bales each from Chichawatni and Bahawalnagar and 400 bales from Ahmadpur East all sold at Rs 5,600 per maund, 600 bales from Harunabad sold at Rs 5,600/Rs 5,625 per maund, 600 bales from Mian Channu sold at Rs 5,600/Rs 5,650 per maund, while 800 bales from Khanewal sold at Rs 5,700 per maund.

On the global economic and financial front, two main features influenced the equity markets broadly. First, European stocks prices increased for the second day in a row following the comment by the US Federal Reserve chair Janet Yellen that interest rates are not being increased any time soon. As a corollary, the American stocks rose reportedly.

The other important news of global significance was the polls being held in Scotland which will decide whether they will stay in the United Kingdom. Though the referendum is scheduled on Thursday September 18, 2014, the results will only emerge later on Friday following the counting. In case Scotland opts out of the UK, it will send serious economic and political signals around the world. The world's financial and economic build-up will change drastically and dramatically.

With regard to the loose monetary policy of various central banks as in USA, the Eurozone and China, it has often been a debated issue. Now the Bank for International Settlements (BIS) has warned various governments around the world that flooding the monetary markets with excessive cash is simply an "illusion of permanent liquidity" which is unduly prompting the investors to take unconsidered risks which inflates the prices of assets unreasonably.

According to BIS, there is a fear that "Markets will not be liquid when that liquidity is needed most." BIS has also warned the investors to be abundantly prudent and extra careful before rushing headlong into the seemingly bullish markets. BIS, popularly known as "the bank of

central banks", recalled that a number of central banks around the world have kept their interest rates at record low levels with the object to forestall the dangerous recession which hit the world in 2008 and later on to boost the faltering economic growth so pervasive around the globe.

As it is, China's industrial production fell recently to only 6.9 percent against the original estimate by the bourses at 8.8 percent. This fall has been reported to be China's lowest level of growth since the 2008/2009 financial crisis. In the Eurozone, economic recovery has come to a standstill and the inflation rate has reached zero point. In any case, now the economic sickness in Europe has travelled from the peripheral countries like Greece, Spain and Portugal to the core countries like France and Germany. Thus it is difficult at this point to seek a redeeming feature which can energise the deeply stricken global economy.

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Punjab-based textile mills: APTMA chief voices concern over rise in loadshedding

September 19, 2014

APTMA Chairman Punjab S M Tanveer has expressed concerns over increase in electricity loadshedding for Punjab-based textile industry, consequent to closing down of one shift operations of textile mills on independent feeders. He said in view of the current low temperature, maximum hydel generation and reduced demand due to the unfortunate inundated flood areas of the province and to some extent in the KP and Sindh, it was difficult to understand the motive behind increase in loadshedding for Punjab-based textile industry.

S M Tanveer said Punjab-based textile industry was grateful to the Federal Minister for Water and Power Khawaja Muhammad Asif and the Federal Minister Textile Industry Abbas Khan Afridi for reducing electricity loadshedding to eight hours a day a few days back. It had enabled the industry to improve productions for valuable increase in exports of the country. However, the textile millers were surprised over an increase in loadshedding to 10 hours a day once again, he added.

According to him, withdrawal of two hours per day electricity will have nominal impact on other consumers but it will lead to one shift closure for the Punjab-based textile industry. Chairman APTMA Punjab has appealed to the government to enable the industry to perform up to the optimum level and contribute to the national economy in a befitting manner. He has expressed the hope that the government will restore electricity supply immediately to the textile industry. He further appealed to the Federal Minister for Water and Power to completely exempt 58 textile mills on independent feeders solely dependent on electricity supply so as to restore of their viability.

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Agriculture and Allied: *Pakistan*

UN urged to take notice of water aggression by India

September 19, 2014

Indus Water Council (IWC) Chairman Muhammad Salman Khan and Kisan Board Pakistan (KBP) Central President Sardar Zafar Khan have urged the United Nations to take notice of water aggression by India against Pakistan and ask India to install a telemetry system at all dams built by it at controversial locations. In a joint statement issued here on Thursday, the IWC chairman and KBP president said that the UN was established to maintain peace and justice in the world but its performance remained unsatisfactory.

They said the world was crying that the wars of the future would be fought over water but both the UN and the so-called civilised world had never taken a serious notice of this problem. They said if not taken seriously water issue might trigger a war between two nuclear neighbour which would be a threat not only to South Asia but to the whole world. The UN should realise the gravity of the situation and meet all the requirements of justice to resolve this issue. They alleged unjustifiable treatment was meted out to Pakistan in the Indus Water Treaty of 1960 whereby Pakistan was fully deprived of three eastern rivers. As a result of which aquatic and wildlife in rivers Ravi, Beas and Sutlej had vanished.

They said, however, as per that the agreement India could not build a big reservoir over Indus, Jhelum and Chenab rivers but the role of India remained very regrettable. It was stopping water to Pakistan, causing an irreparable loss to agriculture and pushing the country towards food shortages. They said India's dishonesty could not be ruled out in recent floods in Chenab and Jhelum.

They said the UN should take the notice of Indian water aggression and ensure India install a telemetry system over its dams to remove misunderstandings between the two neighbours. It will help Pakistan to get timely information about any increase or decrease in inflows of rivers while usage of excessive water by India in violation of the Indus Water Treaty could also be monitored.

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Water level at Guddu Barrage continues to rise

September 19, 2014

Water level at Guddu barrage is rising constantly and it was 352,186 cusecs on Thursday afternoon. People were evacuated from their homes in Panu Aqil and Khairpur to safer places. Land communication of areas submerged by floodwater has completely been cut off. Flooding is also affecting Kashmore whereas water also entered many settlements in Khairpur and Naushahro Feroze.

According to Deputy Commissioner, people from affected areas are being shifted to safer places with the help of more than 30 rescue boats. Relief camps have been set up at Tori band in Jacobabad and Toti Zardari village in Nawabshah. Water level at Punjnad Headworks is declining constantly but a large area of Southern Punjab is still under water whereas the situation in Rahimyar Khan, Rajanpur, Khangarh, Shujabad and Sultan city is still critical. Dozens of villages in Thatta Sial, Muradabad and Bhattapur are still under water.

A rupture in Noorwala Zimidara dyke in Uch Sharif has flooded 20 settlements. According to Flood Forecasting Division, the flood torrent will continue raging past Guddu and Sukkur barrages for three days and will fall into the sea after a week. Meanwhile, Pak Army personnel were busy in relief and rescue work in flood-hit areas of Multan and Muzaffargarh on Thursday, ISPR reported. According to a press release, Pak Army has rescued 55,967 people so far while 181.6 tonne ration has been distributed among the flood victims. Army has also established 2,418 medical camps where 17,182 patients have been treated up till now. Over 1,000 villages have been badly affected and more than 325,000 acres of crops have been damaged.

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Daily trading report of PMEX

September 19, 2014

On Thursday at Pakistan Mercantile Exchange (PMEX) value traded was recorded at PKR 3.668 billion up 2.87 percent as compared to yesterday. The number of lots traded was 13,949 and PMEX Commodity Index closed at 2,989. Major business was contributed by crude oil amounting to PKR 2.662 billion, followed by gold amounting to PKR 929 million - up 90 percent and silver at PKR 77 million - 94 percent.

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Potato growers asked to complete sowing till October 20

September 19, 2014

Punjab Agriculture Department (PAD) has advised the potato growers to start sowing of their crop from October 01 and complete till October 20 for attaining a higher per acre yield. A spokesman of the department said that potato is sown over 400,000 acres of the province per annum with an average per acre yield of 243 maund.

The annual production remains 366,490 tons; the spokesman added and said it is an important crop of Pakistan having more per acre yield than any other crop. Agricultural experts have advised the growers to keep ratio of seeds from 1200 kilograms to 1500 kilograms per acre after selecting approved disease free varieties.

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Poor law, order situation: people may turn to social bodies to offer 'qurbani'

September 19, 2014

IQBAL MIRZA

The city which is in grip of endemic law and order situation is forcing people to turn to social welfare organisations for performing 'qurbani' on their behalf to save themselves from the hassle of being robbed. This is the safest way and a great facility being provided by organisations like 'Saylani' and 'Alamgir Welfare Trust International,' (AWTI), on behalf of the harassed people.

Shakeel Dehlvi, Secretary General, told *Business Recorder* that besides law and order several other factors have forced people to take advantage of the facility that was unheard of in the past. While law and order is indeed poor, with the approach of Eidul Azha, the focus of criminals is more on cattle markets set up in the city.

Asia's biggest cattle market set up on Super Highway to facilitate people in buying sacrificial animals for the auspicious occasion faces the same challenge where cattle thieves and miscreants find their way to fleece general public. The Sohrab Goth Cattle Market has been set up on 650 acres with a total of 21 blocks out of which blocks one, two, three and six are VIP blocks. Except for the VIP blocks and a few roadside plots, no additional fee is being charged for huge space provided to the sellers. The cattle merchants have been given space as per the availability on first come first serve basis. However the miscreants find easy money in fooling people around for space, water, food and other services which the administration has taken as a challenge and have apprehended some of them through effective vigilance.

'Around half a dozen people involved in animal theft and other illegal activities, have been

captured by administration of Maweshi Mandi so far. We are taking strict measures for security of animals, merchants and customers,' said Administrator Mandi Sohrab Goth Rana Imran in an exclusive chat with *Business Recorder* on Thursday.

He said one could only speculate as to how much money changes hands in a day in this cattle mandi as purchase of animal is just major act happening but there is animal feed, food business for visitors and other business activities in addition to some bulk buying by both cattle owners and general public. This huge business activity needs to be protected with utmost care and foolproof security arrangements.

He advised people to inform management or complaint cell regarding any harassment from miscreants. "We have proper arrangement to deal with such people while Rangers and police are also patrolling in and outside the mandi." He further added that we have requested Sindh Police and Rangers to make special arrangements for patrolling in nearby areas of Cattle Market.

The Herculean task of maintaining all kind of harmony in a given space which few days back was filled with wild bushes while some addicts were also finding it safe haven, the removal of all kinds of unwanted elements and objects took a lot of time and money, he mentioned while we had full support from Malir Cantonment Board.

Rana Imran said that complaint cell in Mandi is operational round-the-clock and takes immediate actions on the complaints from people. He added that all the shops and canteen owners have been instructed to ensure clean and hygienic food and beverages and it should be well maintained.

Moreover, a team of administration is randomly checking the quality of food and prices of the goods so that people could get them on the same price as available in other markets of the city. The administration of Maweshi Mandi has also penalised shopkeepers who were overcharging from customers and expelled one of them from the mandi for selling goods on higher price than the rates fixed by the administration.

To facilitate people Habib Metro and Tameer Bank have set up their branches at the Cattle Market while some banks are in process of installing their ATMs. Besides this, he added, the administration for the first time is providing free parking to all non-commercial vehicles to facilitate customers and visitors, while extensive security arrangements have been made with a security firm handling the internal security of the Cattle Market and special teams of police and Rangers patrolling the nearby areas.

"Moreover, free of cost medical facilities and medicines are being provided to the sacrificial animals at the cattle market to ensure that the animals remain healthy and do not spread diseases to other animals and humans," said Rana Imran. "It is our prime responsibility to keep the Asia's biggest cattle market safe for both the customers and sellers which is why we are ensuring the health of all animals to preempt any disease spread through animals," he added.

"Ten veterinary doctors along with ten para veterinary staff have been assigned by Sindh Livestock and Animal Husbandry Department who are working round-the-clock in two shifts to ensure the animals' health," he added. "In addition, a mobile medical camp by Sindh Livestock and Animal Husbandry Department has also started working in the Maweshi Mandi visiting different blocks on daily basis and treating the animals for free," he added. Rana Imran said that

the Maweshi Mandi administration has also taken proactive measures for fire outbreak or any other calamity and a fire tender and an ambulance is present 24 hours in the mandi.

"Sufficient water supply in the mandi has been arranged and around 150 water tankers of 2000 gallons each are being provided daily to merchants free of cost for their animals' consumption to ensure the animals remain safe from diseases that arise from water shortage," said Rana Imran, Administrator of Maweshi Mandi, Sohrab Goth.

He said that despite the increasing number of sacrificial animals in mandi, water supply is more than demand. Special arrangements have been made by the Cantonment Board Malir to resolve the water shortage issue and unlimited drinking water for animals is being provided free of cost now. Cantonment Board Malir has also provided water drums to cattle merchants for the storage of free water and it is now the responsibility of the cattle merchant to keep their animals healthy by giving them sufficient drinking water and not utilise the free water for other purposes.

He added that every day the number of visitors and customers are increasing and it is expected to touch the highest numbers in the days to come. "The momentum of the Mandi will be seen when millions of people are coming to see and buy the animals. Keeping this in mind, we have established a number of facilities for the visitors at the Cattle Market so that people can easily shop around without any sort of hassle," added Imran.

He said that famous cattle farms including Afridi Cattle, Sindh Dairy and Cattle Farms, and Surmawala have set up their farms at the Cattle Market. "Hundreds of families besides other customers are coming to the Cattle Market, especially at night as more than one thousand searchlights have turned the night into day and it has become a safe and affordable entertainment for the public," added Rana.

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Families of arrested fishermen struggle to make ends meet

September 19, 2014

Scores of Pakistani fishermen's families have been struggling to make their ends meet as their bread-earners have been languishing in India jails on the charges of crossing the 'imaginary' sea border. The Indian maritime authorities often capture Pakistani fishermen on the charges of doing fishing on their side of the sea. Fishermen on Saturday said that "the families of a large number of jailed seafarers have been passing through mental agonies and facing severe financial crisis".

Talking to *Business Recorder*, Chairman Pakistan Fishermen Sujag Forum, Muhammad Bux Jath said the families of fishermen, who are languishing in Indian jails, are unable to feed themselves for want of finances. "No-one has reached out these families and, as such, they have no choice but to suffer hunger, miseries," he deplored, saying these families have been facing serious financial crisis since their bread-earners were captured by Indian naval force."

Last Sunday, the forum and a number of fishermen families staged a demonstration in front of Karachi Press Club to demand better living and working conditions and a good return on their seafood catch. The protesters urged the government to reach out the aggrieved seafarers' class that is forced to lead life under economic repression. They shouted slogans against different fishermen's organisations and associations and accused them of not providing economic assistance to the seafarers' community.

Jath said the different organisations which receive 'huge' financial aid from global donors in the name of poor fishermen have never contributed towards their economic revival. "The money coming from world donors in the name of fishermen has never been used for fishermen's social and economic uplift," he alleged. He also accused Fishermen Co-operative Society and Pakistan Fisherfolk Forum of not providing economic protection to the fishermen community. Inviting Sindh government's attention towards the plight of poor fishermen, he said: "Fishermen's children are out of schools and they need official patronage."

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Fuel and Energy: *Pakistan*

MoF providing Rs 25 billion monthly subsidy to power sector

September 19, 2014

ZAHEER ABBASI

Finance Ministry provides a Rs 25 billion monthly subsidy to the power sector to bridge the shortfall between the power cost and the recovery of billed amount of distribution companies. Sources in the Finance Ministry told *Business Recorder* that a Rs 50 billion subsidy has been provided to the power sector during the last two months. The subsidy to the power sector at current pace would touch Rs 300 billion mark against Rs 185 billion budgeted for the current fiscal year.

The poor performance of distribution companies in terms of recoveries has been conspicuously reflected by power sector's outstanding amount against public and private sector consumers. An official added that the power sector receivables against public and private consumers have touched Rs 500 billion and the situation paints a bleak picture of the sector, as PSO does not have funds for fuel supply to Independent Power Producers (IPPs) for electricity generation.

Sources in the Finance Ministry added that the power sector remains in crisis due to low recovery by distribution companies and government's inability to implement the notified tariff. He added that as far as tariff differential on account of notified and implemented tariff is concerned, the gap has been reduced substantially to Rs 3 per unit, but the problem of circular debt remains a major challenge largely because of high line losses.

They added that the government is purchasing power from the generation companies, but the

recovery of power distribution companies against each 100 units purchased has declined to 67 units, which simply reflects poor performance of power sector. The government's inability to bring about reforms in the power sector has cost over Rs 2 trillion during the last five year, sources in the Finance Ministry claimed. They held Ministry of Water and Power responsible for the poor performance of power sector despite the fact that successive Finance Ministers from Hafeez Sheikh to Ishaq Dar spearheaded the power sector reforms. The government has estimated Rs 220 billion subsidies on account of tariff differential and the amount was revised upward to Rs 310 billion due to a failure to implement the envisaged reforms.

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Increase in LPG prices: LHC seeks reply from ministry, Ogra

September 19, 2014

The Lahore High Court here on Thursday sought reply from Petroleum ministry and Oil and Gas Regulatory Authority (Ogra) by September 22 about unjustified increase in prices of Liquefied Petroleum Gas (LPG) allegedly without approval of lawful authority. A bar member Noshab Khan contended that LPG marketing companies increased price of the gas without issuance of notification from Ogra, the competent authority.

The lawyer said the price of the LPG should be decreased keeping in view reduction of 25 dollars per ton in international market but the situation in local market was different. He further argued that the Ogra announced no new prices for the LPG, therefore, the recent hike in the prices was illegal. He prayed to the court to set aside the new prices for the gas fixed by the marketing companies.

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SSGC's Task force disconnects 2,200 illegal gas connections

September 19, 2014

SSGC's task Force conducted a raid in Hassan Ali Panwar Goth, National Highway on 17 September 2014 and disconnected 2,200 gas connections which were using gas illegally. Despite the bad law and order situation prevailing in the area, Task Force conducted the raid under the supervision of Syed Nawab Ali Shah, Manager (Customers Relation Department) under the cover of company's security department. Madni Siddiqui, In charge DSM (East) supervised the raid.

Task force disconnected all illegal gas connections, which were using gas from SSGC's 6 inch dia main service line. The team removed all the material that being used to steal gas from the

pipeline. According to an estimate the illegal users of gas were stealing about 124,168 million cubic feet gas amounting to Rs 32.22 million per anum.-PR

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Nepra clarification

September 19, 2014

Apropos a news item, "Nepra Act 1997 violated, accepts Khilji" carried by *Business Recorder* yesterday, National Electric Power Regulatory Authority (Nepra) has made the following clarification:

"It may be clarified here that Transparency International Pakistan approached Nepra initially vide their letter dated 26.05.2014 conveying certain reservations/complaints regarding upfront tariff for coal power plants. A detailed reply covering all aspects was conveyed to Transparency International vide nepra letter No NEPRA/R/TRF-100-UTC/95378-39 cclearly indicating the legal regime under which Nepra functions and the reasons/justifications fro arriving at the decision referred to. However, again on 15.09.4014 Transparency International has sent a letter raising certain issues on the same subject. Before Nepra could even respond to these ill-founded and baseless allegations the same defamatory statements have been leaked to the press for reasons best known to the Transparency International. "Nepra therefore, strongly refutes all these allegations and reiterates that all the allegations are mere distortion of facts and devoid of any legal justification nor are the same corroborated by facts of the case."

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KE not collecting fuel adjustment charges: spokesman

September 19, 2014

K-Electric (KE) has rebutted a news item which quoted some misinformed sources claiming that KE has been charging "Fuel Adjustment Charges" from its consumers which have led to KE turning profitable. KE's profitability has not increased due to unfair means and neither does the company undergo unfair practices, as the company is regularly audited by well-renowned firms.

According to KE spokesman, "Profitability is directly related to the reduction in losses, which KE has accomplished quite well. Our losses before the Abraaj-led take-over, were standing at a haunting figure of more than 40 percent, we curtailed them through timely investment and strategic planning. These losses are below 26 percent now whereas our fleet efficiency has improved by 21 percent over the last five years".

As far as bank charges are concerned, KE has repeatedly rebutted such false claims, as made in the report. Bank charges are collected by KE but these charges are forwarded to the bank. These

charges are also shown separately on KE bills unlike other Discos that keep these charges hidden. On the other hand further claims by the source stated that KE sends excessive bills to the consumers, which is again a flawed perception. A security deposit however takes place when after a survey it is decided that the connected load of a particular place has surpassed the sanctioned load. This security deposit is merely a deposit which belongs to the consumer and is returned to the consumer when the meter is dismantled. The security deposit amount is clearly visible on the consumer's bill as well.-PR

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Fuel and Energy: *World*

Oil falls on supply glut and strong dollar

September 19, 2014

Crude oil fell on Thursday, pressured by ample supply, concerns about demand growth and a stronger US dollar. Traders pinned much of the fall on the US dollar's rally to its highest in more than four years against a basket of currencies. The dollar drew support from a fall in US jobless claims and Federal Reserve interest rate forecasts that were higher than those predicted in June.

The decline in the global benchmark Brent price was limited by a drop in Libya's output and talk of Opec production cuts. Brent hit a 26-month low on Monday after data showing a slowdown in China's factory output raised demand concerns. A stronger dollar makes dollar-priced commodities such as oil more expensive for buyers using other currencies.

"I think currencies are the focus," said Richard Ilczyszyn, chief market strategist and founder of iitrader.com LLC in Chicago. "The bottom line is that with the stronger dollar and dollar index basket rally... you can just take 10 percent off the top of commodity prices across the board. With all the geopolitical risk escalating overseas, oil should be popping. But (the falls are) all currency as far as I'm concerned." Brent fell \$1.27 to settle at \$97.70 a barrel. Prices have declined around 15 percent from a nine-month peak of \$115.71 reached in June.

A setback in Libya's output, which has fallen by about 200,000 barrels per day, has put threats to supply higher on investors' list of concerns. Still, market fundamentals remain weak due to fears of an economic slowdown coupled with plentiful oil flows, according to Gene McGillian, an analyst at Tradition Energy in Stamford, Connecticut. "We continue to have more than ample supply in US production of crude and in the Atlantic basin. That's why the market has dropped as sharply. The realization that there's a considerable slowdown in demand will continue to fuel more selling pressure."

US crude fell \$1.35 to settle at \$93.07 a barrel a day after dropping on government data that showed US crude inventories rose 3.7 million barrels last week. "To me, the market is playing off a little more of yesterday's bearish inventories. There's no shortage of oil anywhere," said Sal Umek, an analyst at Energy Management Institute in New York. "People are starting to square books off and roll over into the next month. We're in the final dribs and drabs of short-covering." Investors were also wary of Thursday's referendum on independence in Scotland, home to most of Britain's North Sea oil reserves. Analysts say the result could affect oil prices.

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Banking & Finance

Pak forex figure \$ 13.52502bn

Thursday, 18 September 2014 18:28

Posted by Imaduddin

KARACHI: The total liquid foreign reserves of the country figure dollars 13.52502 billion, said State Bank of Pakistan. According to SBP's weekly statement on Thursday, the foreign reserves held by State Bank on September 12, amounted to dollars 8.79505 billion and the net foreign reserves held by banks were dollars 4.72907 billion.

During the week ending Sept 12, SBP's liquid foreign reserves increased by \$ 103 million to \$ 8.796 billion compared to \$ 8.693 billion in the previous week.

Over the period, SBP received \$ 23 million from multilateral, bilateral and other sources. SBP made payments of \$ 25 million on account of external debt during the week.

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Markets

ISE-10 index stays bearish

Thursday, 18 September 2014 18:35

Posted by Imaduddin

ISLAMABAD: The Islamabad Stock Exchange (ISE) on Thursday witnessed bearish trend as the ISE-10 index was down by 4580.28 points to close at 4572.41 points.

A total of 17,600 shares were traded, which showed a negative growth of 8,600 shares, when compared with previous day's trading of 26,200 shares.

Out of 156 companies, share prices of 80 companies recorded increase while those of 76 companies decreased and 0 company remained stable in today's trading.

The share price of Seimens Engineering increased by Rs.49.43 while that of Mari Petroleum decreased by Rs.12.43 per share.

Lafarge Pakistan Cement, Bank of Punjab, K- Electric remained the top trading companies with 10,000, 5,000 and 5,000 shares respectively.

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BR Research: *All*

Treasury market: madness continues

September 19, 2014

BR Research

You sow what you reap. Government wanted to improve the debt maturity profile in the name of improving long-term yield curve. And it got just that. Investors completely neglected the T-bills on offer, as the latest auction fetched a paltry sum of Rs4.7 billion, against the target of Rs100 billion. Needless to say, whatever little participation there was, it came in 3-month paper, while the 12-month paper had no takers.

Disconnect-between inflation and government bond yields-has never been so obvious in recent memory. The idea for participants is simple.

Flock to the PIBs which offer mouthwatering risk-free returns, with a healthy spread of two percent. No rocket science then that the T-bills would not attract many when they offer hardly 10 percent return.

The government seems pretty content with raising debt at such hefty rates and the big bosses would not

be too displeased about it either.

"As long as there are excessive risk-free returns on offer in PIBs and spreads are good versus the T-bills, this trend would continue. The market expects status quo in the next 2-3 rounds of MPS," said a market participant from a leading bank.

This sums up the markets mood. Expect the banks asset portfolios to take major shifts as crowding out of the private sector is now fast becoming a reality-and no more just a threat.

The governments desperation for money and more money is so obvious that the banks do not need a second invitation to answer the debt call.

Not that the banks had started lending aggressively to corporate in the recent past, but the ongoing madness will ensure they move further away from private-sector lending.

And it makes sense, too, for the banks. Not even the best of corporate lending can yield returns as lucrative as 13.5 percent, and that too, on sovereign risk. The banks might as well beef up the treasury departments. Internal rotation from corporate lending departments would not be a bad idea.

After all, it is better to use your resources, than to sit idle.

EU-bound exports after GSP+

September 19, 2014

BR Research

The initial statistics for Pakistans trade with the EU are telling a different story.

The PML-N government was successful in bagging the GSP+ status from the European Union (EU). According to the Ministry of Commerce, between Jan-May 2014, Pakistans exports to the 28-member block registered a year-on-year growth of 16.53 percent (or \$433.13 million). The GSP+ award started in January this year.

EU is one of Pakistans most significant trading partners. Between 2009 and 2013, the Pakistans CAGR of exports to the EU was 6.23 percent, whereas exports to EU member states totalled \$6.21 billion in 2013.

The sector-wise division of exports shows that Pakistani exports to the EU are subjugated by textiles as well as leather goods. Pakistans exports of textiles to the EU amounted to \$2.15 billion, during the first five months of 2014, signifying an additional \$360.09 million. According to the European Commission, the textile products (garments, home textiles and intermediary goods) continued to be the chief beneficiary of the GSP+ facility with an annual growth rate of 8.1 percent.

As per industry analysts, exports are anticipated to increase in the coming months owing to the depreciation of rupee against the dollar due to the political unrest. Moreover, SBP is ostensibly not interfering in the market to depreciate the local currency to enhance exports.

However, an APTMA member stresses that GSP+ arrangement may get to wash its hands of the advantages due to prevalent political instability. Moreover, mismatch in electricity and gas availability to Punjab-based textile industry has compelled them to limit production as they suffer from losses on commitment failure with foreign buyers.

Furthermore, hefty sum of sales tax refunds are pending since one and a half years, depriving the textile industry of an equivalent amount of liquidity that could be used up in business.

The January to May 2014 EU trade figures are impressive. But, in order to double the textile exports, it is essential that textile players should opt for increased usage of man-made fibers, enhance brand development and follow international trends to materialise the maximum benefits from the GSP+ award.

Up in the air

September 19, 2014

BR Research

Pakistan is ranked number one on something, but thats nothing to be proud of. In the latest ranking by World Health Organization (WHO), Pakistan tops the chart in being the country with the worst air pollution. It leads all its rivals in South Asia and Middle East on that count.

The WHO's latest Ambient Air Pollution database measures the air pollution levels of 1,600 cities across 19 countries by estimating mean annual exposures of the urban population to fine particulate matter like PM10 or PM2.5. Where PM2.5 measurements can directly be linked to estimates of health risks and is a better indicator as it is more detrimental, PM10 measurements first need to be converted to PM2.5, but are more easily measured especially in low- and middle-income countries.

The report highlights that at least 80,000 hospitalisation cases with compromised respiratory system are reported each year in Pakistan due to the countrys pollution level. Many a times, these pollutants also turn fatal, killing thousands each year.

A developing country like Pakistan is resource-constrained and combating air pollution certainly ranks low on policy priorities. Even the most pressing problem issues of security breakdown and law and order have struggled to attract the required funding and policy focus. No wonder then that social sector issues like healthcare and education have remained under-financed, what to talk of environment protection.

Earlier this year, the World Bank (WB) had also described Pakistans urban air pollution as the most severe and damaging problem for the countrys environment and economy. Until corrective measure with collaborative interventions are taken the future is gloomier. WB has also predicted that the level of pollutants in the air will get worse with time as industrialisation, motorisation and urbanisation continue to grow unchecked.

The latest WHO rankings should not be taken by surprise as WB had also warned in its study that ambient concentrations of health-damaging particulate matters are on average more than four times above levels recommended in WHO guidelines in Pakistan.

Pakistans productivity challenge

September 19, 2014

BR Research

Its not a good time for Pakistan on international ranking charts. Now the country is ranked as the second least-efficient country on the Economist Intelligence Units Creative Productivity Index (compiled for the ADB). Among the 24 Asian economies covered, Pakistan is ranked 23rd when it comes to measuring efficiency in converting inputs to outputs.

The Creative Productivity Index takes into account six key elements that determine the efficiency of any country to become competitive, particularly human capital, infrastructure, competition, firm dynamics, financial institutions and governance. Vulnerabilities in these crucial areas have tossed Pakistan in an unfavourable spot.

In terms of human capital, Pakistan secured the lowest ranking. With the education system being out of reach for the low-income group, that is hardly surprising. According to the report, the mean years of schooling in Pakistan is 5.5 years compared with 11.3 years in Taipei, China, which secures the finest ranking in this domain.

As for infrastructure and competition, Pakistan is again poorly ranked at 20. Snags in the regulatory mechanism, high entry barriers, and low productivity of state-owned enterprises have been attributed as the key reasons behind the troublesome infrastructure capacities and unfit competitive positioning of the country.

But, there is some level of comfort. In the context of firm dynamics, financial institutions and governance, Pakistans ranking relatively better, at 9th, 12th and 17th respectively. To add, the country scores better for the soundness of university-industry collaboration and the enrolment ratio of tertiary students in science.

However, with the lack of global recognition of these institutions and limited educational outreach to underprivileged people, Pakistan achieving a better ranking in the near future seems difficult. Building a firm educational system, focusing mainly on primary and secondary schooling should top the list of governments priorities.

This fragile standing of the country in relation to other Asian economies is not surprising. A lot has been said and written on the subject. Its high time that the government re-evaluated its priorities and fixed the loopholes to make better use of the countrys resources and deploy technological solutions to social issues.

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Creative Competitiveness Index
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(Rankings of 5 least efficient Asian economies)
=====Overall   Input   Output
=====
Bangladesh    20     22     21
Fiji          21     18     20
Myanmar       22     24     23
Pakistan      23     16     22
Cambodia      24     19     24
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Crime News

200 liquor bottles seized in Rawalpindi

RAWALPINDI: 200 bottles of alcohols have been recovered while the accused has been arrested. According to details, Saddar Beroni police during a raid recovered 200 bottles of liquors, took the car in to custody and arrested an accused.

SHO Inspector Raja Shakeel has told that, information was received that heavy amount of alcohol is here in area of **Losharfo** which would be sent to market, following that police surrounded the area and a suspicious vehicle **LOC 621** carrying heavy amount of alcohol has been taken into custody along with a driver and **FIR** has been launched against driver.

2 militants arrested in Peshawar raid

PESHAWAR: Two suspected militants were arrested during a raid in the rural villages close to **Khyber Agency** on Wednesday.

It was learnt that the police conducted the raid in **Adezi village** in the limits of **Matani Police Station** and rounded up two suspected militants. The arrested militants, **Wilayat** and **Misri Khan**, are said to be involved in attacks on the **Amn Lashkar** in the recent years. They were shifted to an unknown place for interrogation. The police said the suspects had links with the banned **Tehrik-e-Taliban Pakistan**.

2 arrested with explosives in Charsadda

CHARSADDA: The **Khyber Pakhtunkhwa Police** on Wednesday arrested two people with a cache of explosives. The **Station House Officer Ijaz Khan Abazai** said that the police, during snap checking, stopped a vehicle in **Sardheri police area**.

The vehicle had **80 dynamites**, **40 detonators** and **90 safety fuses**. The police arrested the accused, identified as **Maroof Shah** and **Haya Khan**, coming from **Nooran** area of **Mohmand Agency**.

Hangu: 7 held for attack on Pesco official

HANGU: A relative and personal secretary of **MPA Shah Faisal** was among the seven arrested on Wednesday for attacking an official of the **Peshawar Electric Supply Company (Pesco)** a few days back, the police said.

Pesco Executive Engineer Kifayatullah had reported to the police that a nephew of **MPA Shah Faisal**, **Majid Saleem**, personal secretary **Shah Alam**, **Zakaullah**, **Muzzamil Shah**, **Anwar**, **Naik Badshah** and **Kamran Ghani** had ransacked his office. The police registered the case under the **Pakistan Penal Code**. **District and Sessions Judge Muhammad Farhatullah Khan**

cancelled the **bail before arrest (BBA)** of the **accused** and they were **arrested** from the **court premises**.

Toba Tek Singh: Girl gang-raped for 7 days

TOBA TEK SINGH: A **15-year-old girl** was **gang-raped** for **seven** days in **Faisalabad**. **Manzoor Ahmad**, a resident of **Gojra's Nishat Colony**, said that his daughter **Sidra Firdous** was **kidnapped** by **Yasir Jat, Jamil and Manzoor** at **gunpoint seven days** ago.

He said that the **accused raped** her. The **police** have **registered a case** and got a **medico-legal certificate** from the **Gojra THQ Hospital**.

Miscellaneous News

National issues: Circular debt envelops PIA, PSO

By Saad Hasan

Published: September 19, 2014

KARACHI:

Pakistan State Oil (PSO) is highly unlikely to meet fuel requirements of the national flag carrier from next week, officials told *The Express Tribune*, after the National Refinery Limited (NRL) suspended supply of jet fuel to the cash-strapped oil market company.

The crippling repercussion of the inter-corporate circular debt is now banging on the door of Pakistan International Airlines (PIA) at a time when it is operating key Hajj flights, they said.

“The D-day for PIA will either be September 23 or 24,” said an industry official, explaining that the airline owes PSO around Rs10 billion in overdue payments against jet fuel supply.

“In July 2013, PIA’s outstanding bill was only Rs1 billion, which has now swelled.

Dealing with PIA – which is under a debt of Rs270 billion – has become a major problem for PSO. “The airline is not even ready to pay financial charges on outstanding amounts. PSO has been forced to supply the product to PIA on credit.”

“Due the rising liabilities of country’s largest fuel supplier, this cannot continue,” the official said.

PSO owes various refineries over Rs16 billion in overdue payments. The fuel supplier itself is waiting for billions to be paid by power plants.

Independent power producers (IPPs), responsible for meeting most of the country’s electricity demand, are once again stuck in the quagmire of circular debt, which starts from state-run power distribution companies sitting over months’ old payables to IPPs.

The situation has reached a point where the IPPs have started placing advertisements, appealing to the government to clear its dues of Rs230 billion.

Many of the power plants have started scaling down production because of their inability to purchase fuel oil, most of which is supplied by PSO, industry people say.

The problem of circular debt has resurfaced in little over a year since the PML-N government settled the issue by releasing hundreds of billions of rupees to the IPPs soon after coming to power.

A PIA official played down the development. “This is a matter of routine now. We exchange a lot of letters with PSO back and forth on the subject. But it is not like our operations will come to a halt.”

He said that it was normal for companies to face delays in receiving payments when the business is done on credit.

PSO moves 8,000 to 9,000 tons of jet fuel worth around Rs1 billion to Rs1.1 billion to Karachi airport every month.

Clouds of uncertainty related to the recurring circular debt have hovered over Pakistan’s energy sector for years now. Industry people say that it has also discouraged investment despite the lucrative returns offered by the government to IPPs.

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IFC to invest \$67 million in Bank Alfalah

By Our Correspondent

Published: September 19, 2014

KARACHI: The International Finance Corporation (IFC) has agreed with Bank Alfalah to invest in the latter’s equity to the extent of approximately 15% of its total paid-up capital, according to a notice sent to the Karachi Stock Exchange on Thursday.

Depending on regulatory approvals, the bank will issue shares in consideration of the IFC investment at Rs28 per share, which will result in an investment of \$67 million.

The IFC, a member of the World Bank Group, will also have the option to purchase an additional equity of approximately 5% by December 31, 2015.

The IFC finances and provides advice for private sector ventures and projects in developing countries in partnership with private investors and, through its advisory work, helps governments create conditions that stimulate the flow of both domestic and foreign private savings and investment.

According to Iqbal Dinani of BMA Capital Management, the transaction will increase Bank Alfalah’s paid-up capital by Rs6.7 billion (with issuance of an additional around 238 million shares).

“The raised amount will be utilised (to pursue) the overall growth strategy of the bank wherein it has envisaged increasing its branch network to 700 by calendar year 2015 while maintaining a payout ratio of about 60%,” he said.

Considering 15% of the paid-up capital issue, BMA Capital potentially saw an earnings dilution 2014 onwards, Dinani added.

Bank Alfalah, owned and operated by the Abu Dhabi Group which started operations in November 1997, has at present over 500 branches across the country.

In the first quarter of 2014, the bank's after-tax profit stood at Rs1.13 billion compared to Rs1.01 billion in the corresponding period of 2013, reflecting a year-on-year increase of 11.6%.

The bank's share price fell Rs0.19 to close at Rs28.65 at the Karachi Stock Exchange on Thursday.

Published in The Express Tribune, September 19th, 2014.

Pakistan, India: New trade routes will give a push to ties, says diplomat

By Our Correspondent / Creative: Talha Ahmed

Published: September 19, 2014

KARACHI:

Indian High Commissioner Dr TCA Raghavan has called on Delhi and Islamabad to talk about opening more trade routes including the Khokhrapar-Monabao border point in a bid to give a push to business ties between the two countries.

Speaking to businesspersons at the Karachi Chamber of Commerce and Industry (KCCI) on Thursday, he stressed that Pakistan and India needed a peaceful neighbourhood, a must to overcome the challenges being faced by the two countries.

Raghavan suggested that in order to improve interaction between the commercial section of the Indian High Commission in Islamabad and the KCCI, the possibility of providing a video-conferencing facility could certainly be considered.

The high commission's visa section could be linked with the KCCI via video-conferencing, which would improve interaction between officers of the commercial section and KCCI representatives on a fortnightly basis, he pointed out. "It will help in instantly resolving issues being faced by the business people in Karachi."

India will also arrange a visit of representatives of Pakistan's chambers of commerce and industries to its Attari border to allow the businessmen see the customs and trade infrastructure and give suggestions.

Apart from this, the high commission is planning to organise an event titled "Doing business in India" in an effort to highlight the trade policy adopted by the new Indian government.

Former KCCI president Siraj Kassam Teli underlined the need for addressing political, economic and other issues between the two countries. "Though a host of positive developments have taken place, we have not been able to realise the true potential and move forward," he said.

Teli asked business communities of the two sides to press their governments to address the political issues, particularly the Kashmir and water disputes and other pressing issues, without any delay. “We must come up with a feasible strategy on how to overcome the challenges.”

He pointed out that businessmen and industrialists of India and Pakistan were keen to enhance trade ties, but the governments and bureaucracies were not allowing it to happen.

Businessmen Group Vice Chairman Zubair Motiwala stressed that in order to strengthen trade relations, both sides must make efforts to segregate politics and economy. “This will provide the business communities the liberty to decide how they want to do business with each other.”

KCCI President Abdullah Zaki praised the support extended by the Indian government and the high commission during his recent trip to New Delhi for taking part in the “Alishan Pakistan” exhibition.

“This important event provided us an opportunity to promote Pakistani goods, hold business-to-business meetings, identify potential sectors and strengthen trade and investment ties,” he said.

Commenting on commerce between the two sides, Zaki said trade balance had remained in favour of India. Pakistan exported goods worth \$422.94 million to India in fiscal year 2013-14 against exports worth \$328.62 million a year earlier.

On the other hand, goods imported by Pakistan amounted to \$1.758 billion compared to imports valuing \$1.673 billion in 2012-13.

He blamed trade hurdles for unbridled informal trade through smuggling along with gross misuse of personal baggage scheme.

Zaki suggested that trade promotion initiatives could give a boost to bilateral ties with the signing of institutional agreements for developing check posts and sea and trade routes. An easy visa issuance process and setting up of swift customs clearance systems would also aid in enhancing the trade volume.

Published in The Express Tribune, September 19th, 2014.

Tapping the growing tablet market

By FARJAD KHAN / Photo: Farjad Khan

Published: September 19, 2014

KARACHI: Targeting a major chunk of the market segment with affordable tablets, Intel Corporation’s first consumer-based coalition with a local mobile phone company endeavours to grab the share of a growing industry.

Addressing the participants of the event, held in a local hotel yesterday, Intel Country Manager for Pakistan Naveed Siraj said that medium-priced tablets, which offer the durability of an Intel

processor, was not a novel concept. He said that the strategy could be pursued to deliver more affordable tablets.

“There is a quality drawback in low-priced Chinese tablets,” he said. “A lot of people go for these cheap tablets but complain at the lack of value and durability later on after using the product.

“Powered by Intel, a medium-ranged tablet can attract a larger market due to its jack-of-all-trade features with a reasonable price tag.”

G-right – a local company based in Pakistan – is using Intel’s coveted Z250 Atom processor for its HD7i and HD8i tablets, focusing more on performance than affordability in a very demanding market.

Speaking to *The Express Tribune*, Siraj said that despite no research and development facility in Pakistan – something Intel will look out for in the future – the share in the Android-based tablet market is worth capturing.

Published in The Express Tribune, September 19th, 2014.

ABAD irked by current political scenario

By Our Correspondent

Published: September 19, 2014

KARACHI: Current political unrest in the country has adversely affected Foreign Direct Investment (FDI) in the housing and construction industry and it is currently one of the biggest hurdles to its revival, Association of Builders and Developers of Pakistan (ABAD) Chairman Mohsin Sheikhani said.

He said Pakistan had already suffered enormously during the last few weeks, and investors are hesitant and skeptical about making investment decisions. “Everything is literally at a standstill, things are so vague. People are waiting for the situation to get clear on the political front before making major decisions,” he stressed.

Construction companies from the UAE, Singapore, China and Turkey had shown interest in investing in Pakistan, but the current political upheaval has caused problems for them.

“Some companies from UAE had been keen on investing in the country, with even bigger investments expected from Singaporean, Chinese and Turkish companies, but now things seem dubious.”

Representatives of ABAD, an association of over 700 builders and developers all over the country, are confident that changes in various laws will bring about positive changes for the sector.

Game changing domestic developments

While external factors are not encouraging for the housing and construction industry, the ABAD chairman said that there are some positive developments on the domestic front that have helped boost the confidence of investors.

The foremost development is the formation of a special board in Sindh comprising of utility companies, law enforcing agencies and builders to take important decisions for the construction industry.

The legislation for this board is expected to be completed within the next two months with the help of Sindh Building Control Authority. The board will identify lands in slums (katchi abadis) where high-rise buildings can be built to provide housing to slum dwellers and reduce congestions in big cities.

“The builders and developers in Karachi can reduce housing backlog by building high rise buildings. This will not only provide respectable living to slum dwellers but will also eliminate the shanty towns which have lately been the breeding ground for criminals and criminal activity,” Sheikhani said. Another important development is the swift action of police in Sindh especially in Karachi against land grabbers, he said.

Published in The Express Tribune, September 19th, 2014.

For the common man: Speakers decry inequality in land reforms

By Our Correspondent

Published: September 19, 2014

KARACHI: Speakers at a seminar alleged that the government prefers not to address the critical issues faced by the common man, including land reforms, food security and environment.

“Land management is a political issue and it seems as if it is impossible for a civilian government to take back thousands of acres of land from landlords,” said Jami Chandio, a writer and civil society activist.

Addressing the participants of the seminar, titled ‘Land Governance’, organised by the Society for Conservation and Protection of Environment (Scope) and Oxfam NOVIB at the Beach Luxury Hotel on Thursday, speakers discussed how unequal distribution of land has created food insecurity in Pakistan.

Chandio was of the view that even though land reforms need to be made, reforms through the parliament are not possible. “In the past, land reforms have only been carried out for vested interests and the changes in the laws have not benefited the common people,” Chandio explained.

Scope CEO Dr Tanveer Arif also discussed the priority of politicians and said that ‘neo-feudalism’ will emerge in the country as ‘outsiders’ are being allotted hundreds of acres of land in various parts of the country. “This is not a favourable situation for those who have no land,” he said. “The ones who have been given these vast pieces of land have the power and do not want implementation of land reforms.”

Taj Marri, a peasant movement’s activist, said that struggles to provide farmers their due rights will not succeed until political parties come forward and take responsibility, feeling that non-governmental organisations cannot bring about change on their own. “The peasants have to unite themselves as well,” he added.

According to data provided by Scope, five per cent of landlords possess 64 per cent of total farmland, and 65 per cent of small farmers own a mere 15 per cent of land between themselves. The data also claimed that around 67 per cent of the country’s households do not own any piece of land. The landless are mostly engaged in informal activities that absorb a large majority of unskilled, uneducated – or less educated – poor individuals.

The data added that 40 per cent of the land is owned by only 2.5 per cent of the households, and 24 per cent is owned by only 0.4 per cent of the households. Women own less than three per cent of the land, while their share in agricultural activities is around 70 per cent.

Environment journalist Amar Guriro claimed that climate change is a major contributor to food insecurity in the country. “We have to address environmental issues as they create a number of problems that are directly linked with the common people,” he said.

Published in The Express Tribune, September 19th, 2014.

Orders given: Inquiry into government land fraud

By PPI

Published: September 19, 2014

LARKANA:

Larkana Division additional commissioner of revenue is conducting an inquiry into government land fraud and has directed the Ratodero mukhtiarkar to send information about all tapedars posted to Deh Ratodero since 2004.

He also asked the mukhtiarkar to serve notices to relevant parties as per the revenue records to appear before him at the commissioner’s office, and requested the Larkana assistant commissioner to send him the land acquisition proceedings of the matter through an official, conversant with the issue.

He also told the Ratodero sub-registrar to send him the correspondence and vouchers relevant to the problem.

Revenue officials from the mukhtiarkar's office were found involved in fraud in government land belonging to the Ratodero taluka hospital, where a doctors' and paramedics' colony was constructed four decades ago.

The Ratodero assistant commissioner had conducted an inquiry and named the tapedars involved, who were subsequently suspended. Further action is awaited against them.

Published in The Express Tribune, September 19th, 2014.

Week-on-week: Forex reserves increase 1.2%

By Our Correspondent

Published: September 19, 2014

KARACHI:

Foreign exchange reserves held by the State Bank of Pakistan (SBP) recorded a week-on-week increase of 1.2% on September 12, according to data released by the central bank on Thursday.

SBP's liquid foreign exchange reserves increased by \$103 million to \$8,796 million compared to \$8,693 million in the previous week.

During the week, the SBP received \$23 million from multilateral, bilateral and other sources. The central bank made payments of \$25 million on account of external debt during the week.

Total liquid foreign reserves held by the country, including net foreign reserves held by banks other than the SBP, stood at \$13,525.2 million while net foreign reserves held by banks amounted to \$4,729.7 million on September 12.

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FBR, DFID join hands to improve tax system

By APP

Published: September 19, 2014

ISLAMABAD: The Federal Board of Revenue (FBR) and UK Department for International Development (DFID) signed a memorandum of understanding (MoU) on Thursday to improve the taxation system in Pakistan.

DFID Pakistan head Richard Montgomery and FBR Chairman Tariq Bajwa inked the MoU. Federal Finance Minister Ishaq Dar and British High Commissioner to Pakistan Phillip Barton were present on the occasion.

Talking to the media, Dar said the agreement was designed to improve management in tax divisions, undertake reforms and enhance collection and tax-to-GDP ratio for socio-economic development in the country.

“As per the understanding, regular interaction will be held between the two organisations and the FBR will take benefit of the UK taxation system and technology,” he said. “The government is also considering taking benefit of Turkish system, which achieved a growth of 10% to 26% in the tax-to-GDP ratio.”

The finance minister said despite a call for not paying taxes to the government, the FBR managed to collect Rs319 billion in the first two months (July-August) of the current fiscal year, which was 14.5% higher than the collection of Rs279 billion in the same period of previous year.

Replying to a question, Dar said the government had for the first time initiated a process to bring back the country’s money stashed in Swiss banks. “We will try to speed up the process and if we succeed in bringing the money back, it will be a big success.”

Barton said following the signing of the MoU, Pakistan would be able to enhance its revenues by improving the system. “We were very impressed when the PML-N government, which came to power last year, showed a strong commitment to enhancing tax revenues and the tax-to-GDP ratio,” he added.

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APTMA chief laments load-shedding

By Our Correspondent

Published: September 19, 2014

LAHORE: All Pakistan Textile Mills Association (Aptma) Chairman S M Tanveer has expressed concern over the increase in electricity load-shedding that has plagued the Punjab-based textile industry.

As a consequence, one shift operations of the mills on independent feeders has closed down. He said that with the current low temperature, maximum hydel generation and reduced demand, it is difficult to understand the reason behind the increase in load-shedding.

“A few days ago, the load-shedding was reduced to eight hours a day,” Tanveer said. “It enabled the industry to improve production that contributed towards the valuable increase in exports.”

However, the textile millers are surprised over an increase in load-shedding to 10 hours a day once again, he added.

He said the increased load-shedding will have a nominal impact on other consumers but would lead to a one shift closure in textile mills.

The Aptma chairman appealed to the government to enable the industry so that it could perform up to the optimum level and contribute to the national economy. He expressed hope that electricity supply would be immediately restored.

He further appealed to the water and power ministry to completely exempt 58 textile mills on independent feeders solely dependent on electricity supply so as to restore their viability.

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Land records being computerised

By Our Correspondent

Published: September 19, 2014

LAHORE: Lahore Development Authority (LDA) Chief Town Planner Chaudhry Mohammad Akram announced that land records are being computerised and the process will be completed by April 2015.

Addressing a meeting at the Lahore Chamber of Commerce and Industry, the official said the computerisation will bring transparency in the system. A proposal has been forwarded to the Punjab chief minister quoting a 50% rebate to be given to the educational and health institutions on their commercialisation fees.

“All segments of society should follow the rules and regulations, as violations of bylaws results in problems,” he said. “People of the western world strictly follow legislations but unfortunately the situation in our country is contrary. We need to promote a disciplined, law abiding culture to come at par with developed nations,” he said.

He said that Lahore Development Authority is in the process of launching various schemes and trying to execute projects in the best manner possible. “LDA’s one-window operation is working efficiently. It is playing the vital role of a facilitation centre and is trying to approve building maps within 15 days.”

“The LDA is an important department, carrying out various projects and making efforts for the uplift of the city. Business community appreciates its efforts to facilitate people,” said Lahore Chamber of Commerce and Industry President Engineer Sohail Lashari on the occasion.

Talking about tax payment Lashari said, “None of the members of the business community are unwilling to pay taxes. In fact, we are the ones who believe that the tax bracket should be broadened, but unfortunately the policies are not well implemented.”

He suggested the commercialisation fee, which is to be paid in four installments, should be extended to 12 installments. This would minimise the financial burden on the business community which is already under a great deal of stress due to unfavourable trade conditions prevailing in the country.

“At present, the temporary commercialisation fee is paid in installments for a certain period of time. In case of default, the amount paid is forfeited as well and the incumbent is asked to pay the full amount.” He suggested changing the existing clause by only charging the remaining amount of the commercialisation fee.

LCCI president disapproved of the increase in commercialisation fee and called it unjust. He insisted that the increase should be withdrawn as the business community is already confronting the worst energy crisis, bad law and order condition and political unrest.

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Tax returns: Businessmen oppose new tax rules

By APP

Published: September 19, 2014

KARACHI:

Federation of Pakistan Chambers of Commerce and Industry (FPCCI) President Zakaria Usman has opposed the imposition of new rules for filing tax returns until December and called for extending the last date for filing income tax returns to the end of the year.

In a statement, Usman said the Federal Board of Revenue (FBR) had just finalised the return form for tax year 2013 and taxpayers would have less than 12 days to file returns, which was not practically possible.

He recalled that in the past the FBR had introduced new tax return forms many times, but it had to take them back because of its failure to take the business community into confidence.

Commenting on the persisting political deadlock, Usman said the uncertainty was ruining the economy and had damaged Pakistan’s image internationally. Furthermore, he said industrial production in Punjab had been widely disrupted by severe power outages.

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Platform: Trade portal near completion

By APP

Published: September 19, 2014

ISLAMABAD:

A project to develop Pakistan's first trade portal is near completion that would integrate end-to-end domestic and international trade of the country on a single electronic platform.

The basic objective of this electronic single window was to assimilate all the crucial elements of supply chain like transport, terminals, shipping, banks, legal firms, brokers and traders available through the internet and mobile, thus capitalising on the telecommunication boom in the country.

Ministry of Information Technology and Telecommunications (MoIT) initiated the Mobile and Electronic Trade for Pakistan (MEETPK) project at a cost of Rs38.2 million in collaboration with UTrade Limited, Islamabad. Official sources said the portal would also help reduce the cost of doing business by facilitating businessmen. At the same time, it will provide online services suitable for trade.

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Sea-front office: Residents' society, security task force row over office space

By Faraz Khan

Published: September 19, 2014

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KARACHI:

Karachi Corps Commander has directed the personnel of the Rangers Special Task Force (RSTF) to evacuate the office premises of the Sea View Residents Society (SRS) as soon as possible.

The RSTF, set up to deal with incidents of extortion and kidnapping, came under fire soon after its formation for allegedly illegally occupying an office premises that housed the employees and volunteers of the SRS.

The office premises in question, is a 200-square-foot block that houses five rooms. It was commissioned and built in 2006 and is located adjacent to the police check post on main Sea View Road. The very next year, the society invited the Citizens Police Liaison Committee (CPLC) and the police to share the office space with them.

Later in the year, however, the police and CPLC were asked to evacuate the premises due to internal rifts. The society also took back most of the equipment such as motorcycles that it had given to the police personnel to patrol the area.

Since then, the residents' society had been running the office on their own, looking after the security and upkeep of the apartment blocks. This continued until July this year, when personnel of the Rangers Task Force appeared in the office one day and have encamped there since.

The residents' society took the matter to the Karachi Corps Commander, asking for his help to get the office evacuated. They explained to the army official how they had gone door-to-door to collect funds to build the wall that provided a layer of security to over 4,000 residents.

“This office was part of the setup, providing security to the residents living there,” Aziz Suharwardy, the SRS convener told *The Express Tribune*. The Corps Commander has assured them that the Rangers will relocate themselves to some other place and their office will be vacated soon.

Sea View Residents Society

The SRS came into prominence after its members lobbied for a wall to be built from B-Street to Khayaban-e-Bahria, encircling the around 900 apartments in the Sea View Township. The decision to construct the wall was taken in meeting between the then DHA administrator, Brigadier Asif Ghazali, and members of the SRS. The aim was to add a layer of security for the residents of the Sea View Township.

The wall was duly built and from then on, the society has taken upon itself the responsibility of providing security to the residents. In return, the residents pay a fixed monthly charge – funds that are spent on salaries of guards and other expenses.

Rangers Special Task Force

The special force was established in the wake of the surge in incidents of kidnappings for ransom and extortion in last Ramazan. It has a director, two deputy directors, 15 assistant directors and 10 other employees. Former officials and employees of the CPLC, who had quit the committee over internal disputes, had joined hands with the Sindh Rangers to set up the task force. The CPLC's former employees are helping with the technical side of the force's operations while the Rangers are looking after the operational side.

“We have no objection to vacating the premises and do not want to be part of any conspiracy,” RSTF director Najeeb Dana Wala told *The Express Tribune*. “We did not forcefully occupy the office and were using it temporarily,” he said, adding that they had received instructions from the Corps Commander to vacate the premises. “We are just waiting for the Rangers DG to allot the new premises for our relocation.”

Published in The Express Tribune, September 19th, 2014.

Breathing problems: Baby with two heads dies

By Our Correspondent

Published: September 19, 2014

KARACHI:

A baby with two heads died a day after his birth at the National Institute of Child Health (NICH), where he was brought in a normal condition on Wednesday afternoon.

The wife of Mohammad Ali, a primary school teacher residing in Korangi Crossing, gave birth to a boy with two heads in a private hospital. Doctors at the hospital immediately told the family to take the baby to the NICH.

“He was quite normal and was crying like normal children do,” the baby’s uncle, who wished not to be named, told *The Express Tribune*. He said that the baby’s condition had become serious on Thursday morning and he died within a few hours. The doctors had already said that his chances of survival were very low, he added.

The doctors also informed the family that the baby was having difficulty breathing, since his unusual body structure was making the flow of oxygen irregular.

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In protest: KU suspends academic activities for three days

By Our Correspondents

Published: September 19, 2014

KARACHI/HYDERABAD:

Karachi University vice-chancellor Dr Muhammad Qaiser announced the suspension of all academic and administrative activities for three days to protest the killing of Dr Muhammad Shakil Auj.

Earlier, KU teachers’ association head announced that the teachers will not partake in any academic activity till the police arrest the murderers.

The teachers’ associations of NED University, Sindh University, Mehran University and Sindh Agriculture University also announced a day of mourning on Friday. *Published in The Express Tribune, September 19th, 2014.*

OPEN MARKET FOREX RATES

Updated at: 19/9/2014 6:35 AM (PST)

Currency	Buying	Selling
Australian Dollar	91.75	92
Bahrain Dinar	269.75	270
Canadian Dollar	92.85	93.1
China Yuan	16.5	16.65
Danish Krone	17.5	17.65
Euro	131.5	131.75
Hong Kong Dollar	13.1	13.2
Indian Rupee	1.65	1.67
Japanese Yen	0.96	1.06
Kuwaiti Dinar	356.5	356.75
Malaysian Ringgit	31.65	31.9
NewZealand \$	83.5	83.75
Norwegians Krone	15.85	16
Omani Riyal	264.25	264.5
Qatari Riyal	27.65	27.9
Saudi Riyal	27.2	27.45
Singapore Dollar	80.5	80.75
Swedish Korona	14.25	14.4
Swiss Franc	109.25	109.5
Thai Bhat	3.16	3.18
U.A.E Dirham	27.8	28.05
UK Pound Sterling	166.25	166.5
US Dollar	102.55	102.8





INTER BANK RATES

Updated at: 19/9/2014 6:35 AM (PST)

Currency	Bank Buying TT Clean	Bank Selling TT & OD
Australian Dollar	91.77	91.95
Canadian Dollar	93.01	93.19
Danish Krone	17.7	17.73
Euro	131.73	131.99
Hong Kong Dollar	13.21	13.24
Japanese Yen	0.9422	0.9440
Saudi Riyal	27.3	27.36
Singapore Dollar	80.66	80.82
Swedish Korona	14.29	14.32
Swiss Franc	108.76	108.97
U.A.E Dirham	27.88	27.93
UK Pound Sterling	166.58	166.91
US Dollar	102.4	102.6

Bullion Rates (Gold Prices) in Pakistan Rupee (PKR)

As on Fri, Sep 19 2014, 03:00 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold 24K	XAU	40,343	47,006	125,483	
Palladium	XPD	27,463	31,999	85,421	
Platinum	XPT	44,530	51,884	138,505	
Silver	XAG	610	711	1,898	

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
 Australian Dollar	AUD	438	511	1,364	
 Canadian Dollar	CAD	430	501	1,338	
 Euro	EUR	304	354	946	
 Japanese Yen	JPY	42,891	49,974	133,407	
 U.A.E Dirham	AED	1,442	1,680	4,486	
 UK Pound Sterling	GBP	238	277	740	
 US Dollar	USD	393	457	1,221	

* These rates are taken from International Market so there may be some fluctuation from Local Market.