

PAK LAW PUBLICATION

NEWS

UPDATES

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Top Stories

CJP sends across strong message

September 09, 2014

KHUDAYAR MOHLA

While addressing the opening ceremony of the new judicial year 2014-15, Chief Justice Nasirul Mulk Monday said that no person or institution is above country's Constitution. The Chief Justice reiterated that the judiciary will maintain its loyalty to the Constitution, ensuring that all other state functionaries follow the suit.

-- According to Justice Mulk, a path which deviates from

-- constitutionalism regresses into an age of apathy where no rule of law exists

"The rule of law can only prevail in our country when judiciary remains faithful to the dictates of Constitution. Let us renew our pledge to the same principles, as we embark on the journey of another judicial year. Let this year we realise the aims and dreams set forth by us. Let this year be another milestone in the illustrious history of this court and our country," the Chief Justice said.

He maintained the primary obligation of every judge is "to preserve, protect and defend the Constitution, which should be carried out without fear or favour, affection or ill-will. "No consideration or obligation can rise above the loyalty of the judges to both the text and spirit of the Constitution. Judges do not merely interpret the words of the Constitution but also have the duty to preserve and protect it against any move designed to defeat the scheme of Constitution."

He added that the Supreme Court has demonstrated its determination to preserve and protect the written Constitution, thereby protecting and promoting democracy and good governance in Pakistan. He further said the Supreme Court and the judiciary shall forever endeavour to dispense justice to all, without being affected by any interest or extrinsic considerations, adding that a path which deviates from constitutionalism regresses into an age of apathy, where no rule of law exists. "As a democratic society, it is incumbent upon all citizens to collectively promote respect for and obedience to the Constitution. The various facets of justice such as economic, political and social are correlated to the progress of Constitutionalism in our country," the Chief Justice added.

He said that progress, security and development cannot take place in the absence of safeguards provided in the Constitution. "Rights and duties are like two sides of the coin; one cannot exist without the other. It is the task of the judiciary to ensure that rights in a democratic society are balanced with counter-imposed duties. Judiciary has to play a progressive role in the creation of such a peaceful society by endeavouring to promote adherence to the Constitution," Chief Justice Mulk maintained. The Chief Justice said that the judicial year started with a carry-over balance of 19,932 cases; a total of 17, 491 new cases were instituted in the Supreme Court, out of which 13,872 have been disposed of. He added that due to the carry-over backlog of cases from the

previous years, the balance of pending cases before us is a colossal 22,089. "Although, we have had a very high disposal rate, our efforts still require further vigour," Justice Mulk expressed. He also said that in the last six months, the top court had already decided more than half of the criminal cases of which the backlog would be completely wiped out by summer 2015.

"A similar effort is being planned for tackling the backlog of Constitutional, Civil, Service, Revenue and other cases; the results of which would soon become apparent in the coming months. Work continued as usual during summer vacations till recently when all judges answered to the call of duty and the court started work at full strength a week earlier," the Chief Justice said. The CJ also said that judgement in the Peshawar church bomb blast case remains a testament to the court's commitment to the idea of justice and equality for all without any socially created encumbrance.

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PPP suggests six-point formula: Imran's demand for Prime Minister's resignation inappropriate: Ghouri

September 09, 2014

NAVEED BUTT & ZAHEER ABBASI

The Pakistan People's Party (PPP) has said that there was a need to hold a face to face in-camera dialogue between civil and military establishments to address the simmering issues in the perennial tussle and remove their differences and pull the country out of current political crisis. PPP spokesman Senator Farhatullah Babar expressed these views while addressing the on-going joint session of parliament on Monday.

He urged "the Pakistan Muslim League-Nawaz government to hold eyeball to eyeball and face to face dialogue with the military establishment to address their issues and remove their differences". Farhatullah Babar has proposed a six-point 'way forward' to resolve the stand-off between the government and the protestors in D-Chowk of the federal capital.

While giving proposals on the current political situation, Babar said: "Let us hold a face-to-face in camera dialogue between the civilian-political leadership and the representatives of the defence establishment to address the simmering issues in the perennial tussle between the two since the creation of Pakistan." Babar urged National Assembly Speaker Sardar Ayaz Sadiq that task of dialogue by the civil establishment would be given to the Parliamentary Committee on National Security headed by Senator Raza Rabbani or the Senate Defence Committee headed by Senator Mushahid Hussain Sayyed. He proposed that this committee be headed by Senator Mushahid or Senator Raza Rabbani who previously headed the parliament committee on national security.

He said that calling the army under Article 245 of the Constitution was not only a grave mistake but it also failed to achieve its stated purpose and urged the government to withdraw the

notification issued in this regard and send troops back to the barracks. Third, he said parliament must declare that the protest outside parliament was not a political demonstration but a manifestation of a deeper malaise involving distorted relationship between the civil and the military establishment. Parliament must condemn it unanimously for the sake of record, if nothing else, he said.

Fourth, he called for a meaningful and expeditious electoral reforms and giving the chairmanship of the reforms committee to the opposition and even to Imran Khan who has rightly agitated the issue of election rigging. Fifth, he said time had come to implement Articles 32 to 35 of the Charter of Democracy which deal with addressing issues in civil-military relations but implementation of which had been put off on the request of Mian Nawaz Sharif at the time of the 18th Amendment.

Sixth, he said that the Geo stand-off was also part of the perennial conflict and information committees of the Senate and the National Assembly should discuss the same and make solid recommendations for resolving it. Finally, he said parliament should beseech with folded hands script writers, if any to, fold the circus.

He said it was parliament's responsibility to understand the nature of the crisis and develop a response. This is yet another manifestation of the perennial conflict for ascendancy within our power elite. During the 1990s, "we had 58(2b); a pliant judiciary; and forward blocs were used to establish the ascendancy of the establishment. But the old script of the 90's has now changed. Article 58(2b) is gone; Article 63-A stops 'lotocracy', a national consensus has developed against turncoats, parliament and political forces have demonstrated unprecedented unity and a commitment in the Charter of Democracy is bearing fruit. That is why even while Nawaz Sharif donned black coat and went to the SC against the PPP he did not solicit the support of the establishment", he said. Farhatullah Babar said the PPP government also faced stand off on issues like control of ISI and the hullabaloo over the Kerry-Lugar Bill but President Asif Ali Zardari led the nation to safety and steered clear and moved forward even though in the process he sacrificed the PPP Prime Minister and our ambassador in the US, Hussain Haqqani. He said: "Genesis of the conflict may be traced to the Musharraf trial, new ideas on foreign policy issues towards India and the continued ban of Geo."

He said that if parliament had not shown unity Nawaz Sharif might have already gone. Now no judge is prepared to be remembered as a PCO judge, the political leadership has come of age and not one seems to harbour dangerous ambition of packing the whole system but manipulations cannot be ruled out for greater share in power and policy formulation.

The Muttahida Qaumi Movement (MQM) said on Monday that parliament must not give an impression that it was against any institution or the forum was being used against armed forces, judiciary or protestors. Taking part in the debate in the joint sitting of parliament on the prevailing political situation, Senator Babar Ghouri of MQM referred to some parliamentarians' speeches and urged that "we must not create an impression that parliament is against or being used against any institution, armed forces, judiciary or the parties sitting outside". Situation of confrontation must not be created that any institution like armed forces think that parliament is being used against them, Ghouri added.

He said the prevailing political crisis could have easily been avoided by the government if it had engaged the Pakistan Tehreek-e-Insaf chief in dialogue as soon as the 'long march' was

announced by him and had lodged the Model Town FIR immediately after the incident. He said the PTI chief demanded that the Prime Minister should resign was inappropriate and not in conformity with the laid procedure in the Constitution. He said Imran Khan needs to follow the laid down procedure for the resignation as there was a dignity attached to the office of the Prime Minister. He said if the government has accepted their other demands, why these were not being made public. He said the country can not afford the prevailing crisis because the people have to bear the burden of the economic losses in the form of taxes and inflation. He suggested that parliament must give concrete proposals to improve the system because existing one was borrowed and implemented after making some changes to make it suit the feudal and limited class, which has failed to deliver.

Babar said the local government system, which was the essence of democracy, has been missing and the local government election did not held in Punjab, Khyber Pakhtunkhwa and Sindh. He underlined the need for a sacrifice for the cause of democracy and said that this can not longer continue to call whatever "we like democracy and whatever we don't like as undemocratic". The Speaker of National Assembly has dismissed MQM Senator Nasreen Jalil's demand that the House should be prorogued to enable parliamentarians to go to their constituencies to help the flood affected people. He added that proceeding of the House would continue as per plan and the members can speak about flood affected people during discussions. The House also passed a resolution to call upon the federal and provincial governments for taking emergency measures to provide education to every child in the country.

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September 12 to 15: Toba, Khanewal, Lyyah, Muzaffargarh, Multan face grim prospects

September 09, 2014

WASIM IQBAL

Flash floods triggered by heavy rains have wrought havoc across large catchments areas of River Chenab and Jhelum, causing 203 deaths and inundating 1173 villages mainly across Punjab and AJK as well as in Gilgit-Baltistan, according to National Disaster Management Authority (NDMA) on Monday. The Prime Minister, Nawaz Sharif, has directed NDMA to coordinate with concerned provincial authorities to ensure immediate rescue/relief activities.

According to a flood warning issued by the Met Office, River Chenab at Punjnad is likely to attain 6,00,000 to 7,00,000 cusecs 'exceptionally high flood' from September 12 to 15. According to the forecast, "under this condition Districts Toba Tek Singh, Khanewal, Layya, Muzaffargarh and Multan are likely to be inundated".

In its another flood warning its states that due to second flood peak in River Chenab, peak at Trimmu will likely to persist for another 24 to 48 hours with a maximum flow of up to 8,00,000 cusecs. Exceptionally high flood may continue till September 12. Under this condition, Districts Sargodha, Khushab, Jhang and Toba Tek Singh are likely to be inundated. The monsoon weather situation report suggested the concerned authorities to take all necessary measures to avoid any

loss of life and property.

The data released by NDMA states that 128 people have lost their lives in heavy rains in Punjab; 11 in Gilgit-Baltistan, whereas the death toll has risen to 64 in Azad Kashmir where the number of injured has soared to around 384. Crops on 326,495 acres of land have been completely destroyed in Punjab and Azad Jammu and Kashmir, affecting about 0.49 million people. The data also reveals that a medium amount of flood water has accumulated in the Qadirabad headworks on River Chenab (807,000 cusecs) whereas the Trimmu Barrage is receiving 645,000 cusecs water of River Chenab.

According to details, the position of the river inflows and outflows at Tarbela, Mangla and Chashma along with the reservoirs levels and the barrages Monday is: Indus at Tarbela: Inflows 113,000 cusecs and outflows 91,000 cusecs; Kabul at Nowshera: inflows 16,000 cusecs and outflows 15,800 cusecs; Jhelum at Mangla: inflows 103,000 cusecs and outflows 89,800 cusecs; Chenab at Marala: Inflows 127,500 cusecs and outflows 124,500 cusecs.

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Athara Hazari town vacated

September 09, 2014

People of hundreds of villages have been evacuated along the course of the rivers Chenab, Jhelum and Ravi and shifted to safer places. More than 1,000 villages have been submerged in the flash flood water, dozens have been vanished. The district administration of Jhang has decided to breach the Athara Hazari protective embankment in case the flood enters Jhang city. Light traffic has been stopped on the Jhang Sargodha road. Athara Hazari town has been vacated and flood alert has been issued.

The protective embankment would be blasted in any kind of emergency. Pakistan Army relief and rescue operations continue in the flood hit areas of northern Punjab. Army troops have also been moved to Multan, Dera Ghazi Khan, Layyah, Sahiwal, and Trimmu Headworks to mitigate the crisis, ISPR said in a press release.

The army announced that it rescued 1500 people from flood hit areas in Jalalpur Bhattian, Pindi Bhattian, Hafizabad, Wazirabad, Vanike Tarar, Rasoolnagar, Chiniot, Kot Momin and Mandi Bahauddin. It also dropped food packs for people still stranded. Since start of relief efforts, army troops have rescued more than 17000 stranded people to safer places, the press release said. Helicopters, troops and other emergency personnel have been deployed in flood-hit areas for rescue and relief operations.

HYDROLOGICAL SITUATION: River Chenab at Khanki & Qadirabad, River Ravi at Balloki is in High Flood Level. River Jhelum at Rasul, River Ravi at Shahdara is in Medium Flood Level. River Jhelum at Mangla, River Chenab at Marala & Trimmu, and River Ravi at Jassar are in Low Flood Level.

Punjab govt decides to make co-ordinated efforts for relief of flood affectees. Provincial departments would make co-ordinated efforts for evacuation of marooned people and provision

of relief to the flood affectees. For this purpose Punjab Disaster Management Authority (PDMA) will be the focal department in this regard.

It was stated by the Chief Secretary Punjab Naveed Akram Cheema while chairing a high level meeting to review the flood situation, relief activities and steps taken for the evacuation of marooned people, on Monday. Besides, Provincial Ministers, Bilal Yasin, Colonel Shuja Khanzada (Retd) and Chaudhry Muhammad Shafique, Syed Zaeem Qadri, Additional Chief Secretary Aamir Sohail Mirza, Secretary to CM Punjab Imdadullah Bosal, Senior Member Board of Revenue, secretaries / additional secretaries of the concerned departments, DG Health, DG Rescue-1122 and officers of Pak Army and police attended the meeting.

Chief Secretary ordered ban on leave of officers/officials of government departments till further orders. He directed that all concerned departments especially Health, C&W and Irrigation should depute at least one grade-19 officer round the clock in flood control room. Naveed Akram Cheema said government will utilise all its resources for relief and rehabilitation of the flood affected people and the Chief Minister has provided all financial and logistic resources. He further directed that anticipatory plan should be chalked out for combating expected flood in other areas of the province in view of more rains in the catchments areas of the rivers.

While addressing the meeting, Minister Environment Colonel Shuja Khanzada (Retd) said that public representatives and government functionaries should work as a team with dedication and devotion to come up to the expectations of Chief Minister Muhammad Shahbaz Sharif. He said that Chief Minister will not rest content till complete rehabilitation of flood affectees.

Punjab Food Minister Bilal Yasin appreciated the officers and officials working in the field for providing relief and succour to their brothers and sisters. Bilal Yasin further said that government would provide compensation for the loss of crops and property for which a survey would be conducted after receding of flood water. All officers apprised the meeting regarding rescue activities for flood affectees by their departments. DG Health Dr Zahid Pervez informed that Health Department's medical teams have provided medical cover to eight thousand patients so far and lives of 80 snake bite incidents have been saved.

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Prime Minister assures all-out help to AJK flood victims

September 09, 2014

Prime Minister Nawaz Sharif Monday visited the flood-hit areas of Rawalakot in Azad Kashmir to get a first-hand account of the devastation, caused by torrential rains and to review the ongoing rescue and relief operations. President AJK Sardar Muhammad Yaqoob Khan, Prime Minister AJK Chaudhry Abdul Majeed and former Prime Minister for AJK Raja Farooq Haider accompanied the Prime Minister during the visit to affected areas.

Nawaz Sharif after attending a meeting where he was updated about the flood situation, said he had a great concern about the people who were affected by floods and added that it was the

responsibility of the state to take care of them. He said every nook and corner of the country was important for him and the government would reach out to all afflicted people. He mentioned that besides AJK, the Punjab had also suffered a big loss of lives and property due to floods and prayed to Almighty Allah to protect the province of Sindh from floods. He said the nation should not lose heart during such challenges of natural disasters. Nawaz said the nation had rejected the politics of sit-ins and considered it a serious impediment to economic progress of the country.

"The sit-ins [in Islamabad] are an unsuccessful attempt to derail economic development, but we will continue our journey of progress and prosperity," he said. He mentioned that visit of Chinese President Xi Jinping to Islamabad was postponed due to political situation. The Chinese President was due to enter into agreement on several mega development projects in Pakistan, he added. The Prime Minister proposed working out a 20-year development roadmap for AJK in all areas including communications and agriculture and said the federal government would assist the AJK government in this regard. He said AJK would be provided electricity as per its requirements.

He said the project of Pindi-Muzaffarabad railway track would be completed in two years. He also expressed desire for construction of the Murree-Muzaffarabad Expressway on priority. He said there was a huge potential of development in Azad Kashmir and vowed to make this area a big tourist attraction. President AJK Sardar Yaqoob said the people of Kashmir were grateful to Prime Minister Muhammad Nawaz Sharif for paying attention to them during the hour of distress.

He thanked the Prime Minister for giving 12 mega projects to AJK and for keeping in close touch with authorities and for providing all necessary resources to meet the challenging situation of floods. He termed the sit-ins in Islamabad a conspiracy against the country and assured the Prime Minister of full support of AJK government over the issue. Prime Minister of AJK, Chaudhry Abdul Majeed said the people of AJK support the political stability in Pakistan.

President Azad Jammu Kashmir Sardar Yaqoob Khan, Prime Minister Azad Jammu Kashmir Chaudhry Abdul Majeed, besides former PM AJK Raja Farooq Haider accompanied the Prime Minister. Chief Secretary AJK Khizar Hayat Gondal briefed the Prime Minister about the damages caused by landslides and rains. It was informed that the torrential rains triggered large landslides, causing massive damage to infrastructure and private houses besides blockage of major link roads and damage to bridges.

The rains caused high-level flood in River Jhelum, Poonch and Neelum and the AJK government mobilised the district administration, Rescue 1122 personnel and army troops for rescue efforts. The Prime Minister was informed that the affected families were being provided tents, food and non-food items. Power has been restored in all the rain-affected areas and the National Disaster Management Authority and NGOs were providing assistance to the affected people.

The Prime Minister was informed that the floods have forced displacement of 24,000 people, 64 were killed and 109 injured, whereas 1800 houses have been fully damaged, 4000 partially damaged besides damage to 185 shops. The torrential rains also caused damage to 12 bridges and water supply schemes, electricity transmission lines and nine power projects. Later, Prime Minister Nawaz Sharif distributed cheques among the affected people and expressed solidarity with them.

PTI's two points still under discussion: Dar

September 09, 2014

ZULFIQAR AHMAD, WAQAR LILLAH & TAHIR AMIN

Despite high hopes of a major breakthrough in Monday's round of talks between PTI and government negotiating teams, Senator Ishaq Dar said that both sides agreed to all other points except two. Talking to reporters after holding talks, he refused to elaborate further on the two points which remained as the bones of contention between the parties, putting the future of the talks at stake.

"We've agreed to almost all the points but two points are still under discussion. One of the six proposals put forth by PTI is completely non-negotiable while the other will be responded to after consultation with the party and the allies," he added. He said that in the next round of talks the government will inform PTI about the two points which are still pending after consultation with our party leadership and the allied political parties.

Shah Mehmood Qureshi of PTI said that PTI has informed the government negotiating team about the party's final stance about the agreement. He added that PTI has shown maximum flexibility and now it was up to the government how they respond to the two pending points. Qureshi said that negotiation process has now been concluded and its success depends upon the government as the ball is in their court, so let us see how it handles the whole situation.

Earlier in the 12th round of dialogue held Monday Qureshi, who is heading PTI's committee for talks with the government said that there is consensus on some points with the government while some points still need to be addressed. He said that both the committees will meet again after joint session of the parliament. Later Qureshi said that both the committees are moving ahead with a positive mood, adding PTI has shown enough flexibility.

He said that Ishaq Dar would brief Prime Minister Nawaz Sharif about the talks. He said that it was not the right time to share the details with the media and the documents will be shared once there will be some serious thing to share. "We want to resolve the matter today", he said. "Things have moved forward positively and we hope that the matter will soon be resolved", he added.

At the conclusion of the 12th round of dialogue, the government team comprising Ishaq Dar and Zahid Hamid left without sharing anything with the media. However, Qureshi said his party was willing to break the stalemate. He said two-three matters still remain to be sorted out. He claimed that progress was made on some of the issues his party took up with the government.

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IMF talks inconclusive owing to turmoil, power tariff rise

September 09, 2014

Discussions between Pakistan and the International Monetary Fund (IMF) on the fourth review of \$6.64 billion Extended Fund Facility (EFF) remain inconclusive ostensibly due to prevailing political situation and a delay in the implementation of power tariff increase. The IMF in a press briefing on August 28 stated that the mission has had fourth review discussions under the EFF.

"Those discussions on Pakistan were held in Dubai, have been constructive, and will continue via videoconference from Washington and we would expect to update you at the conclusion of these discussions," the IMF noted on its website. An official quoted Finance Ministry official as saying that 80 percent of review has been concluded. He, on condition of anonymity, said that the Fund may be concerned about the implementation of the agreed reforms agenda under the EFF especially after a call of civil disobedience by Pakistan Tehreek-e-Insaf (PTI).

Sources in the Finance Ministry said that discussions were scheduled to conclude on August 15 but were extended for another two days. However, officials in the Finance Ministry could not be reached to confirm the status of the fourth review. Finance Ministry officials reportedly visited Dubai on Sunday and held brief discussions with the IMF staff level mission before they came back on Monday. Talking to a private channel, the Finance Minister stated the IMF mission has cancelled the planned visit to Pakistan due to prevailing political situation as the Fund authorities had issued a travel advisory to its delegation. "The IMF delegation has been stopped from visiting Pakistan," he said, adding that the announcement of civil disobedience by the PTI chief was a very serious matter and it could result in grave consequences for the country.

The government has committed to the IMF that the notified tariff would be increased with the objective of reducing electricity subsidy. Sources said the government can not afford to increase power tariff in the prevailing political scenario as it would fuel public discontent. About the SBP autonomy, they added that the government has moved SBP (Amendment) Bill 2014 in the National Assembly (for change in the SBP Act 1956) to comply with an agreed IMF condition. The proposed law is pending with the National Assembly's Standing Committee on Finance.

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Scramble to 'save' UK after Scotland referendum shock

September 09, 2014

Supporters of the United Kingdom fought back on Monday to stop Scotland voting for independence in next week's referendum after an opinion poll put the separatists ahead for the first time. The shock survey put the "Yes" campaign two points ahead, with the pound slumping

to a 10-month low on fears that a break-up of the 300-year-old union was now a real possibility.

Senior politicians from the opposition Labour party hit the campaign trail amid signs that growing support among their voters for independence is driving the narrowing of the polls. In a speech urging Scots to vote to stay in the union, former Labour prime minister Gordon Brown set out a timetable for granting the Scottish parliament more powers if independence is rejected.

"A 'No' vote on September 18 will not be an end point, but the starting gun for action on September 19, when straight away we will kick off a plan to deliver the enhanced devolution that we want," Brown said. Brown said draft laws to grant further powers over taxation and spending, which are broadly backed by the three main parties in Westminster, would be ready by January. But the pro-independence campaign said the promises could not be guaranteed by the opposition party and contained nothing new.

First Minister Alex Salmond, the leader of the pro-independence Scottish Nationalist Party (SNP), warned of "panic" in the unionist camp. His deputy, Nicola Sturgeon, said on Monday that the pro-independence campaign was still "the underdog in the referendum, but there's no doubt the momentum is towards 'Yes'." The poll has shaken up a campaign that until just a few weeks ago looked almost certain to end in defeat for the independence campaign.

The YouGov poll in The Sunday Times newspaper gave the "Yes" camp 51 percent support compared to the "No" camp's 49 percent, excluding undecided voters. The two-point gap is still within the margin of error but Peter Kellner, the president of the YouGov pollsters which carried out the survey, said it was a major development. "The 'Yes' campaign has not just invaded 'No' territory; it has launched a blitzkrieg," he wrote in a blog posting. The poll finding was front-page news in British newspapers on Monday, with many running the same headline: "Ten days to save the union."

The development sent the pound tumbling amid continued uncertainty about the effect that independence would have on the British economy. The SNP say Scotland would keep the pound, but the unionist parties in London say this will not be possible. Britain's currency slid to a 10-month low point of \$1.6128 - before rebounding slightly to \$1.6147 - and dropped to 80.24 pence against the euro, the lowest for three weeks.

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India-Pakistan flood disaster prompts frantic rescue bid

September 09, 2014

Authorities in India and Pakistan made frantic efforts Monday to pluck tens of thousands of people to safety from floods which have killed at least 350 as desperate residents huddled on rooftops. With phone lines down and roads cut off, the full scale of the disaster in the held Kashmir region and in Pakistan's Punjab province was still to emerge but video footage shot from army helicopters showed entire villages under water, with only tin roofs visible.

As Pakistan's premier toured some of the worst-hit areas, India deployed naval commandos as part of a massive relief effort. Some of the famous shikara wooden boats, which ferry tourists across the Dal Lake in occupied Srinagar, were pressed into service to reach isolated homes.

Divers toiled to help bring people to safety while residents on both sides could be seen waving from rooftops as vehicles and livestock were washed away by surging waters below them. Disaster officials say at least 350 villages have been submerged on the Indian side of the de facto border in held Kashmir by monsoon rains, making it the deadliest flooding there in over half a century. Thousands of troops, police and other emergency personnel, backed by helicopters and boats, fanned out across the state to deliver relief supplies, including protein biscuits and bottles of drinking water. Others were being fed in mass volunteer-run kitchens set up by mosques. The home ministry said around 20,000 people had been rescued so far but the head of the army's northern command said many more remained marooned.

"For the next 48 hours, our focus remains on occupied Srinagar and South Kashmir because there are still large numbers of people who are stranded and who are without any food and water," General D.S. Hooda told reporters. "It's our idea to get them out as soon as possible. We will continue ... until everyone is pulled out of this situation." An Indian Navy spokesman said teams of divers were working "day and night" to rescue survivors. Occupied Srinagar airport was cut off from the city by heavy flooding just 700 yards outside the terminal, according to an AFP correspondent.

Delhi resident R. S. Gandhi was stuck at the airport after flying up from the capital to rescue his in-laws. "The last time I was able to speak to them was yesterday and they had already moved up to the second floor of their building. Twelve feet of water had come into their building in just three hours," he told AFP. "Now that I am here I don't know what to do next, how I can help or get them back to Delhi."

Communications were lost Sunday when the rain-swollen Jhelum river flooded large parts of occupied Srinagar. Vinod Vishen described on Facebook how he had moved his entire family to the top of their home in the Karan Nagar neighbourhood. "Water rising relentlessly," Vishen wrote, expressing fears that houses in the area could collapse. "Very very grim situation." Srinagar's main hospital and army barracks were among the buildings badly hit. There was no fresh rainfall Monday and forecasters said only light drizzle was likely in the next few days. But Indian officials warned the death toll of 150 was bound to rise.

In Pakistan officials said the number of dead on their side now stood at 205, with most killed in Punjab province. Helicopters, troops and other emergency personnel have been deployed, according to National Disaster Management Authority. Relief officials say more than 27,000 people have been affected in Pakistan-administered Kashmir. Around the town of Jalalpur Bhattian, north-west of Lahore, some 200 villages were inundated as the Chenab river burst its banks. Kausar Bibi, 35, said she had been living in a tent with her family since the waters came on Saturday.

"Many of our family members have taken refuge on rooftops in Jalalpur Bhattian because they did not want to leave their animals behind," she told AFP by phone. Army boats and helicopters were taking part in the rescue effort in the area, while the Jamat-ud-Dawa (JuD) organisation - seen as a front for the banned Lashkar-e-Taiba militant outfit - was also helping out.

ICA against Prime Minister, interior minister dismissed

September 09, 2014

A division bench of Lahore High Court here on Monday dismissed an Intra Court Appeal (ICA) that had challenged the dismissal of a petition seeking disqualification of Prime Minister Nawaz Sharif and Interior Minister Chaudhry Nisar Ali Khan. It observed that proceedings of the parliament were immune to action by any court of law. The petitioner prayed to the court to disqualify the respondents for allegedly lying to the parliament about army's role of an 'arbitrator' in the prevailing political impasse in country.

The bench headed by Justice Ijazul Ahsan took up the petition and observed that the appeal was not maintainable. Insaf Lawyers Forum-Punjab senior vice president Gohar Nawaz Sindhu filed the appeal. The petitioner pleaded that the PM and the Interior Minister had violated the Constitution by lying to the nation that the government did not invite Chief of Army Staff (CoAS) to play the role of a mediator.

He stated the ISPR denied government's version. He pleaded that the government tried to give an impression that the CoAS intervened on the request of Pakistan Tehreek-e-Insaf and Pakistan Awami Tehreek. The lawyer said the Constitution envisages disqualification of a member of parliament who defames or ridicules army. He therefore, urged the court to disqualify both PM and interior minister.

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THE RUPEE: firm trend

September 09, 2014

The rupee managed to keep its week-end levels against the dollar and euro on the money market on Monday, dealers said. The rupee held the overnight levels versus the dollar for buying and selling at Rs 102.15 and Rs 102.18 respectively, they said.

INTERBANK MARKET RATES: OPEN MARKET RATES: The rupee inched up to show an increase of 10-paisa in its value in terms of the dollar for buying and selling at Rs 101.80 and Rs 102.00 respectively, but it did not show any change in relation to the euro for buying and selling at Rs 132.00 and Rs 132.25 respectively, they said.

In the first Asian trade, the sterling weakened to its lowest in nearly 10 months amid worries about political uncertainty after an opinion poll showed supporters of Scottish independence from Britain taking the lead for the first time since the referendum campaign began. With less than two weeks to go before the vote, a YouGov survey for the Sunday Times newspaper put the

"Yes" to independence campaign at 51 percent against the "no" camp at 49 percent.

The dollar was trading against the Indian rupee at Rs 60.23, the greenback was available at 3.1710 in terms of the Malaysian ringgit and the US currency was at 6.1412 versus the Chinese yuan. Interbank buy/sell rates for the taka against the dollar on Monday: 77.40-77.40 (previous 77.40-77.40). Call Money Rates: 05.00-06.75 percent (Previous 05.50-06.75 percent).

=====
Open Bid Rs 101.80
Open Offer Rs 102.00
=====

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

=====
Bid Rate Rs 102.15
Offer Rate Rs 102.18
=====

RUPEE IN LAHORE: The Pak rupee remained under pressure and lost 10-paisa in relation to the US dollar on the local currency market on Monday.

According to the currency dealers, the dollar resumed trading on a positive sign and registered gain following rising demand. At close, the dollar was ended at Rs 102.00 and Rs 102.25 as its buying and selling rates against Rs 101.90 and Rs 102.15 of last Saturday, respectively.

On the contrary, the rupee remained strong and was improved against the pound sterling. The pound's buying and selling rates were slide down from last week closing of Rs 166.00 and Rs 166.25 to Rs 164.75 and Rs 165.00, respectively, the dealers said.

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

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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Shopping malls: FBR tells RTOs to compulsorily register retailers

September 09, 2014

Expressing serious concern over sales tax registration of only 83 retailers in July-September (2014-15), the Federal Board of Revenue has directed all Regional Tax Offices (RTOs) to compulsorily register retailers, resisting special teams of tax officials in shopping malls/commercial centres across Pakistan. In this connection, the FBR has issued instructions to the Chief Commissioners of RTOs on sales tax registration of tier-I retailers.

On the conclusion of a meeting held at the FBR House on Monday, the FBR noted with serious concern over the pathetic performance of certain RTOs regarding sales tax registration of retailers (tier-I retailers) during first quarter of 2014-15. Out of total identified over 7,500 potential retailers for registration by the RTOs, the total registration stood at 83 during first quarter of 2014-15.

Some of the RTOs which failed to even register a single retailer (tier-I retailers) July-September (2014-15) are RTO Islamabad, RTO-II, Karachi, RTO-III, Karachi, RTO-Hyderabad and RTO Quetta during first quarter of 2014-15, sources said. According to the FBR, following is the RTO-wise retailers registered during July 1, 2014 to September 2: RTO-I, Karachi, registered 13 retailers; RTO-II, Karachi zero registration; RTO-III, Karachi, zero registration; RTO-I, Lahore, registered 12; RTO-II, Lahore, registered 5; RTO-Hyderabad zero registration; RTO, Sukkur, registered 10; RTO, Quetta zero registration; RTO, Multan, registered 14; RTO, Faisalabad, registered 4; RTO, Gujranwala, registered 1; RTO, Sialkot, registered 2; RTO, Rawalpindi, registered 1; RTO, Islamabad zero registration; RTO, Abbottabad, registered 5; RTO, Peshawar, registered 2; RTO, Sargodha, registered 3 and RTO, Bahawalpur, registered 11 retailers during first quarter of 2014-15.

The FBR has directed the RTOs that refer to the Sales Tax & Federal Excise Budget Instructions dated 01 .07.2014, specific instructions as well as Sales Tax General Order No 66/2014 and to say that in the meeting held in FBR, a very serious view was taken of the performance of the RTOs with reference to sales tax registration of Tier-I retailers.

The statement showing RTO-wise registration of retailers during the period from July 1, 2014 to September 2, 2014, which shows that in many RTOs having jurisdiction over major commercial centres, the pace of registration is very slow. On the other hand, the RTOs themselves have identified over 7,500 potential retailers for registration.

In view of this, the RTOs are, therefore, required to expedite their efforts, send teams to the shopping malls and commercial centres, hold meeting with the concerned associations or trade bodies, gather information, persuade the retailers and ultimately register them within the shortest possible time. Retailers who avoid or resist sales tax registration are to be registered compulsorily under section 14 of the Sales Tax Act, 1990 read with rule 6 of the Sales Tax Rules, 2006.

The updated RTO-wise position of registered retailers will be considered by the Board in the

next meeting. It is, therefore, requested to take all necessary steps to present a better position by then, FBR's instructions added.

Under new tax regime, the first tier comprises of retailers of the categories specified in rule 4 of the Rules as indicated, who are required to be registered, shall charge sales tax at the standard rate (or on other prescribed rates such as those provided in SRO 1125(1)/2011), and otherwise observe the provisions of the normal regime of sales tax. These included a retailer operating as a unit of a national or international chain of stores; a retailer operating in an air-conditioned shopping mall, plaza or centre, (excluding kiosks); a retailer who has a credit or debit card machine; a retailer whose cumulative electricity bill during the immediately preceding twelve consecutive months exceeds rupees six hundred thousand and a wholesaler-cum-retailer, engaged in bulk import and supply of consumer goods on wholesale basis to the retailers as well as on retail basis to the general body of consumers. The remaining retailers fall within the second tier, and shall be charged sales tax at rates specified in section 3(9) of the Act through their electricity bills.

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Banks, DFIs: NPLs down by Rs 10 billion in 1HCY14

September 09, 2014

RIZWAN BHATTI

The Non-Performing Loans (NPLs) of the banking industry showing a very optimistic trend posted a decline of Rs 10 billion during the first half of this calendar year (CY14) mainly due to lower interest rate and improved economic activities. "Following the directives of State Bank of Pakistan, banking industry has taken several steps to curtail the rising NPLs and as part of these steps, the financial institutions particularly banks have further tightened their loan policies, besides making efforts for recovery of already stuck-up advances," bankers said.

The current momentum of the NPLs is a positive sign for the fastest growing banking industry and will help grow further and improve their margins, they added. In order to clean books from the huge burden of NPLs, banks have also rationalised their loan priority and policies. Now, they are focusing more on lending to government instead of the private sector, bankers said.

"Ahead of rising budgetary borrowing demand from the government side banking industry also prefers to invest in government securities, which it considered more secure compared to private lending," they added. Bankers said during the past few years the higher interest rate, energy crisis and poor law and order disturbed businesses, resulting in higher NPLs, which were at peak level of Rs 654 billion in CY12. According to State Bank of Pakistan (SBP), NPLs of the entire banking industry (including all banks and DFIs) declined by Rs 10.595 billion or 2 percent to Rs 612.226 billion as on June 30, 2014 compared to Rs 622.861 billion as on December 31, 2013. During the period under review, a major fall was witnessed in the category of all banks' NPLs, while Development Financial Institutions (DFIs) also posted a slight fall.

The NPLs of all banks weakened by Rs 10.507 billion during January-June of CY14. With the current decline, NPLs of all banks fell to Rs 595.298 billion in June 2014 compared to Rs 605.805 billion in December 2013. During the period under review, NPLs of DFIs slumped by Rs 87 million to Rs 16.968 billion down from Rs 17.055 billion.

A detailed analysis revealed that since the beginning of this calendar year, the NPLs of banking industry are on the decline; however, a major decline was witnessed in the second quarter of CY14. During the first quarter (January-March) of CY14, NPLs posted a decline of Rs 3.298 billion to Rs 619.563 billion as on March 31, 2014. While, during the second quarter (April-June) of CY14, it fell by Rs 7.293 billion to Rs 612 billion.

Bankers said now banks are more cautious about lending for the consumer financing and most of the banks have almost stopped lending under consumer financing as previously, a major default had occurred in consumer loans. The NPLs of foreign banks and specialised banks' category posted some upward trend during the period under review. Specialised banks' NPLs witnessed an increase of Rs 4.7 billion to Rs 36.829 billion in June up from Rs 32.084 billion in December 2013. Similarly, with an increase of Rs 464 million, NPLs of Foreign banks reached Rs 6.7 billion. In addition, net NPLs to net loans ratio also reached 3.01 percent in June 2014 down from 3.73 percent in December 2013.

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FBR proposes study to explore CGT potential

September 09, 2014

The Federal Board of Revenue (FBR) has proposed a study on Capital Gains Tax (CGT) to explore real potential of the CGT to be collected from stock exchanges. Sources told *Business Recorder* here on Monday that the said activity has been proposed by the FBR. Capital Market has significant share in Gross Domestic Product (GDP) of Pakistan, but revenue generation from this sector is less than its real potential.

To properly gauge the potential of revenue and the identification of measures through which this potential can be tapped, a detail study on the subject has been proposed. Terms of Reference (ToRs) have been developed and communicated to the international donor agency for approval of the said study.

Through Finance Act, 2014, securities held for a period between 12 and 24 months have also been made taxable under the Income Tax Ordinance, at a rate of 10 percent. However, securities held for a period of more than 24 months shall continue to be taxed at 0 percent. Under Finance Act 2014, the CGT rates have been revised and for securities held up to one year capital gains shall be 12.5 percent, and for securities held between 12 and 24 months, the rate shall be 10 percent.

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Iran says Afghan, Pakistani IS volunteers arrested

September 09, 2014

Afghan and Pakistani nationals who were planning to join the ranks of Islamic State jihadists fighting in Syria and Iraq have been arrested in Iran, a government minister announced Monday. "People from Afghanistan and Pakistan wanted to cross Iran but we prevented them passing and we have arrested others," Interior Minister Abdolreza Rahmani Fazli said, linking them to IS.

The report, carried by the official IRNA news agency, did not specify how many arrests had been made or where the detentions occurred. Iran shares a border with Pakistan and Afghanistan to the east and Iraq to the west. "Our forces are particularly vigilant in the border areas given that they face threats from terrorist groups," the minister added.

US troops left Iraq in 2011 but the rapid advance of IS into Iraq from Syria in June forced Washington to send military advisers to Baghdad and co-operation has since expanded to air strikes on militant targets. Iran has also sent military assistance to Iraq but has denied that it has any troops on the ground.

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Bugti murder case: hearing adjourned till October 13

September 09, 2014

An Anti-Terrorism Court (ATC) on Monday ordered former military ruler General Pervez Musharraf (Retd) to appear before the court under any circumstances in the next hearing of Nawab Akbar Bugti murder case. Musharraf's guarantor Mumtaz and Nazir appeared before the court seized with Akbar Bugti murder case. The former president's counsel told the court that Musharraf failed to appear in the court due to his ailment.

The lawyer also asked the court to try his client separately. Musharraf's counsel also submitted medical certificates of his client after which the court ordered the guarantors to produce the former president before the court in the next hearing. The court adjourned hearing till October 13.

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PTI candidate wins Dera Ismail Khan by-poll

September 09, 2014

Pakistan Tehreek-e-Insaf (PTI) candidate won by-poll in PK-68 Dera Ismail Khan as election results are still pouring in on Monday evening. According to unofficial results, PTI candidate Etisham Javed so far secured 27,412 against his close rival independent candidate who could secure 23,990.

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Prime Minister's response to Modi's letter

September 09, 2014

September 8:

"Excellency,

I gratefully acknowledge your letter of 7 September, conveying deep sympathies for the people affected in Pakistan by unprecedented monsoon rains and consequent flooding. The offer for assistance in our relief efforts is equally thoughtful. Such solidarity in the face of adversity is indeed valuable.

I was anguished to see the scale of human suffering and physical destruction as I toured affected areas of Kashmir the other day. I am aware that the Kashmiris on the other side of the Line of Control have also faced heavy loss of life and material damage. Our thoughts and prayers are with the bereaved families in this difficult time, and we remain prepared to extend a helping hand, in whatever way possible, to the efforts for their relief and rehabilitation.

It is an unfortunate reality that South Asia remains one of the most disaster-prone regions of the world. As we chart a course to advance our common goals of peace and stability, we must also focus on addressing the deeper causes of recurrent floods and on strengthening the preparedness and resilience of our communities against natural calamities. I believe closer collaboration in disaster management should be a part of our agenda of peace and development in the region. Please accept, Excellency, the assurances of my highest consideration.

(Muhammad Nawaz Sharif)His Excellency Mr Narendra Modi, Prime Minister of the Republic of India, New Delhi."

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Modi to speak only with elected government: Swaraj

September 09, 2014

India on Monday did not rule out a meeting between Prime Minister Narendra Modi and premier Nawaz Sharif on the sidelines of a UN General Assembly session later this month, with External Affairs Minister Sushma Swaraj saying the government will respond according to the situation that develops. Talking to media persons here on 100 days' work of her ministry, Sushma Swaraj said the government will not go to the UNGA session with a predetermined mindset concerning talks with Pakistan.

Answering a query, the minister said the government will speak only with an elected government in Pakistan. The minister said there were no full stops in diplomacy. "We will respond as the situation develops. We are not going with a predetermined mindset," she said in response to a query.

India called off the Foreign Secretary-level talks with Pakistan last month after Islamabad's High Commissioner here Abdul Basit met pro-freedom Kashmiri leaders. The talks were scheduled to be the precursor to the bilateral meeting between Modi and Sharif in New York. Responding to a question concerning cancellation of talks, Sushma Swaraj said there was no flaw in India's policy concerning Pakistan.

She said the Pakistan envoy had himself called Hurriyat conference members for the meeting. "What did he achieve by it," she said, asking if it was wrong to expect that the envoy does not interfere in India's internal affairs. Answering a query about cease-fire violations on the Line of Control, Sushma Swaraj said that the Director General's Military Operations on the two sides will talk when needed.

Sushma Swaraj also said that Pakistan's response to Modi's offer of help for flood-victims in Azad Kashmir was good. Modi, who visited flood-affected regions of occupied Jammu and Kashmir yesterday, had written to Sharif offering assistance in relief efforts. Pakistan also expressed its sadness over loss of life in Kashmir and offered help.

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Army destroys explosives dump, kills 10 militants

September 09, 2014

Military said Monday it had killed 10 militants and destroyed an explosives cache in fresh air strikes as part of a major offensive against the Taliban in the north-west. "Army aviation gunship helicopters struck in area ahead of Boya Degan in North Waziristan. In a precise strike on a

terrorist hideout, gunship helicopters destroyed one explosive dump and five vehicles and killed 10 terrorists," the military said in a statement.

The conflict zone is off-limits to journalists, so there is no way to independently verify the number and identity of those killed. Air strikes, artillery, mortars and ground troops have all been used to retake territory in North Waziristan, which had become a haven for fighters with the Tehreek-e-Taliban Pakistan (TTP) and other militant outfits.

The military has said the major towns of Miranshah and Mir Ali had now been cleared of insurgents, along with a 90-kilometre (55-mile) road through North Waziristan. The latest attacks came a week after the army announced it had killed more than 900 militants and lost 82 soldiers since the start of the operation. After one set of air strikes in the Shawal Valley in July, multiple accounts by residents said 37 civilians were killed, including 20 women and 10 children.

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Leading economies stuck on 'stable' growth path: OECD

September 09, 2014

Growth is stuck on a stable path in advanced economies, with the United States, Canada and Britain on a steady rise but Germany and Italy are showing signs of slowing down, the OECD said on Monday. There is widespread concern that the 18-member eurozone economy is flagging at a level of weak growth, and the latest leading indicators from the Organisation for Economic Co-operation and Development showed that the single currency zone is stuck on this growth path.

This will be seen as disappointing since governments and economists are looking for signs that the weak eurozone recovery is picking up speed. The lack of overall signs that the world economy, and notably the most advanced economies, are gathering speed will also be seen as disappointing. Christine Lagarde, the head of the International Monetary Fund which produces benchmark forecasts, hinted in the Les Echos newspaper in Paris on Monday that the organisation could lower its outlook for world growth this year.

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Key security posts unfilled: Iraq MPs approve partial cabinet

September 09, 2014

Iraqi MPs approved Haidar al-Abadi's proposed cabinet Monday, making him the new premier, but key security posts remain unfilled even as the country battles to regain ground from militants.

Abadi has asked for a week to fill the missing posts, including interior and defence, during which time he will run the ministries in an acting capacity.

The previous Iraqi government also began with various posts unfilled, and acting ministers served for the next four years. Iraq has been under heavy international pressure to approve a broad-based government to unite the various communities against a sweeping offensive led by the Islamic State (IS) jihadist group that has overrun swathes of Iraq since June. The outgoing government has faced criticism that by alienating the Sunni Arab minority, it helped create conditions that revitalised Sunni militants including IS.

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Modi to visit White House on 29th-30th

September 09, 2014

Indian Prime Minister Narendra Modi, who was for years barred from visiting the United States, will meet President Barack Obama at the White House on September 29-30, US officials said Monday. The meeting will mark Modi's first visit to Washington since his Hindu nationalist Bharatiya Janata Party (BJP) swept to a crushing victory in May's elections.

Modi was told in 2005 by the previous administration of president George W. Bush that he would be refused a visa to visit the United States after being accused of not intervening to stop riots by Hindu extremists against minority Muslims when he was chief minister of Gujarat state. "The two leaders will discuss a range of issues of mutual interest in order to expand and deepen the US-India strategic partnership," said a White House statement.

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Seven hurt in Chile metro blast

September 09, 2014

A bomb rocked a Santiago metro station on Monday, injuring seven people in a blast Chile's government called a "terrorist act." The explosive device that ripped through the food court at Escuela Militar (Military School) station was made with a fire extinguisher and a clock that were planted in a trash can, officials said.

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Stocks edge up

September 09, 2014

Sentiment at the Karachi share market remained positive amid dull trading activity Monday. The benchmark KSE-100 index gained 72 points to close at 29,586 points, up from 29,514 points. Analysts said the market inched up on first trading day of the week paring intraday gains as negotiations between the government and the protesting political parties progressed at a snails pace.

"The unexpected continuation of the political deadlock in the Capital and floods caused by heavy rainfall hurt investor confidence as caution prevailed," they added. During the intra-day trading, the market moved in green zone and the KSE-100 index touched 29,729 points highest level. However, volume at the ready counter remained on the lower side and overall some 90 million shares changed hands compared to 152 million shares in the previous session.

Market capitalisation moved up by Rs 10.3 billion to Rs 6.952 trillion compared to Rs 6.942 trillion Friday. Trading took place in 396 companies, of which 191 closed in green zone, 183 in red while 22 remained unchanged. Ahsan Mehanti, Director at Arif Habib Corp said stocks closed higher amid thin trade on easing political concerns following floods across Punjab.

Strong cement sales data for August 2014 depicting 23.2 percent growth YoY, late session support in select oil, cement and fertiliser stocks played a catalytic role in positive close at KSE as investor counted on positive impact of GIDC removal, refunds, rising global fertiliser prices and expected cut in the SBP policy rate this month, he added.

Among top 10 volume leaders, five recorded a positive trend. TRG Pak (R) emerged the volume leader with some 11.2 million shares, gaining Re 0.93 to close at Rs 2.51. Faysal Bank stood second, up Re 0.57 to close at Rs 17.14 on 7.7 million shares. TRG Pak Ltd ranked third with 6.7 million shares to close at Rs 12.01, up Re 0.43. With a trading volume of 5.1 million shares, Pak Elektron Ltd lost Re.0.41 to Rs 33.03.

Maple Leaf Cement declined by Re 0.03 to close at Rs 28.93 on 3.3 million shares. Some 2.3 million shares of Engro Fertilizer Ltd were traded and the scrip closed at Rs 53.60, down Re 0.19. Pak Int Bulk lost Re 0.49 to Rs 21.65 on 2.2 million shares. Fauji Cement moved up by Re 0.20 to Rs 19.77 on 2.1 million shares.

With a trading volume of 2.1 million shares, Lafarge Pak fell by Re 0.13 to close at Rs 15.41 and Fauji Fertilizer closed at Rs 115.00, up Re 0.77 on 1.7 million shares. Unilever Foods and Wyeth Pak Ltd were the top gainers with Rs 385.00 and Rs 199.92 to close at Rs 8,385.00 and Rs 4,198.40, respectively. Rafhan Maize and Bata (Pak) were the top losers with Rs 172.50 and Rs 121.72 to close at Rs 10,390.00 and Rs 3,228.28, respectively.

Samar Iqbal, Assistant Vice President Equity Sales Topline, said a dull activity was seen at Karachi Stock Exchange as volumes remained low in the absence of any major news. The KSE-100 index gained 72 points to close at 29,586 points. Volumes declined sharply to 89.8 million shares and the value also decreased to \$45 million (value Rs 4.5 billion). However, she said some support was seen in OGDC, POL and PPL while investors trimmed positions in LUCK and DGKC, she added.

According to JS, rumours of an increase in drug prices pushed the pharmaceutical sector upwards as Abbott Lab +4.8 percent, GlaxoSmithKline +3.9 percent and Ferozsons Laboratories +5.0 percent rallied on Monday. The insurance sector also saw an upsurge with growth in core

underwriting business pushing stocks like Askari General Insurance +4.9 percent and Atlas Insurance +1.4 percent up.

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BRIndex30 sheds 8.52 points

September 09, 2014

On Monday, BRIndex30 opened at 16,261.36 points. It touched an intraday high of 16,396.93 points and an intraday low of 16,205.04 points and closed at 16,252.84 points, which was -8.52 points or -0.05 percent lower than previous close. Total volume was 44,442,200, which was 49.48 percent of KSE All Share volume and 90.59 percent of KSE 100 volume. The KSE All Share volume was 89,824,900 and KSE 100 volume was 49,058,320.

BR Commercial Banks Index closed at 6,901.45 8.52 points with a net positive change of 14.88 points or a percentage change of 0.22 and a total turnover of 15,762,600 shares. BR Cement Index closed at 3,173.46 8.52 points with a net negative change of -13.56 points or a percentage change of -0.43 and a total turnover of 11,999,000 shares.

BR Oil and Gas Index closed at 4,166.32 8.52 points with a net positive change of 14.43 points or a percentage change of 0.35 and a total turnover of 3,843,100 shares. BR Tech and Comm Index closed at 914.94 8.52 points with a net positive change of 4.6 points or a percentage change of 0.51 and a total turnover of 10,026,500 shares. BR Power Generation and Distribution Index closed at 4,726.46 8.52 points without any change from previous close. Total turnover was 2,344,500 shares.

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Business and Economy: *Pakistan*

Sixth Export Trophy Awards ceremony: differences are not resolved on roads: Mamnoon

September 09, 2014

President Mamnoon Hussain on Monday said differences are not solved on the streets and the disagreements are settled through dialogue in the elected parliament. He hoped that the annoyed people will return to the parliament because the objective of the politics is to restore confidence and satisfaction, it does not mean chaos.

He was addressing the 6th Export Trophy Awards 2012-13, ceremony organised by Rice Exporters Association of Pakistan (REAP), at a hotel here. He said rice is one of the favourite crops throughout the world, and Pakistan also generates 10 percent of its total foreign earnings from the export of rice produce. Pakistan's foreign earnings can be further increased, if modern and research-based methods are followed in rice production, the President added.

He called for paying attention to research in rice production so as to overcome the weakness in specific areas and said the REAP can play a significant role by establishing research cells. President said that research is not a static process and the organisations like REAP should provide their feedback to the research institutions. He expressed pleasure that Pakistan exports rice to 103 countries and suggested that more markets should be explored.

He said the present government has launched various projects for generation of electricity to cater the domestic and commercial needs of the consumers. As the development projects are completed, the situation will surely be much better and all of us should cooperate with the government in development and betterment of the country, he said. He termed political stability and law and order imperative for development of any country.

Pakistan Army and the government are making all out efforts to maintain peace across the country, he noted. He said that we are in a state of war and Pakistan Army is successfully targeting terrorists in the ongoing "Zarb-e-Azb" operation. "There is a need to stand firm behind our army," he said. President Mamnoon said the central government is providing all out support to the Sindh government to maintain peace and control law and order in Karachi.

He said that he has been told that overall law and order situation was much better in Ramazan-ul-Mubarak and business activities were also excellent as compared to the previous year. He also advised the women to pursue their careers in the professions of their choice but keep their cultural values and traditions in minds. He was of the view that the problems do exist in every society but we should realise our own responsibility to play our role in development of the country.

The President suggested that all segments of the society should strive together to eliminate the

corruption. Earlier, the President distributed trophies and gold medals among the winners of REAP's 6th Export Trophy Awards. Addressing the occasion, Chief Executive Officer (CEO), Trade Development Authority of Pakistan (TDAP), S M Munir congratulated to the REAP and rice exporters for achieving the dollars two billion mark of rice export.

Acting Chairman REAP, Chela Ram Kewlani said the rice exporters are facing different problems due to law and order situation. He also requested that the rice exporters should be facilitated through a one window operation for processing of their trade documents. One window operation will help to save the time and eliminate corruption, he said. Ex-chairman REAP and Convenor REAP's 6th Export Trophy Awards, Abdul Rahim Janoo said that the REAP is the second largest body of exporters with 1600 members in all provinces of Pakistan.

He said the REAP has envisioned to achieve the target of dollars four billion of rice exports by 2016. He also suggested that two members of REAP should be taken by the government on its foreign tours as it will help to explore new markets for rice export. Later, Matco Rice Processing (Pvt) Limited and Garibsons (Pvt) Limited were awarded gold medals and Hassan Corporation, M M Commodities, Iqbal Rice Mills, Meskay and Femtee (Pvt) limited, White Pearl Rice Mills Limited and others were presented trophies by President Mamnoon Hussain.

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Punjab government approves 4 uplift schemes

September 09, 2014

The Punjab government approved four development schemes with an estimated cost of Rs 786.711 million including Comprehensive Water Supply Scheme Kamalia City District Toba Tek Singh (PC-II) at the cost of Rs 443 million here on Monday. These schemes were approved in the 11th meeting of Provincial Development Working Party of current fiscal year 2014-15 presided over by the Punjab Planning and Development Board Chairman, Muhammad Irfan Elahi.

Chief Economist Dr Khalid Mushtaq, members of the Planning and Development Board, Provincial Secretaries concerned and other senior representatives of the relevant provincial departments also attended the meeting.

According to P&D spokesman the approved development schemes are:

Appointment of a consultant for Balochistan Institute of Cardiology, Quetta, (PC-II) at the cost of Rs 26.936 million, development of master plan for Jallo Park Lahore (PC-II), urban sewerage and drainage scheme Pirmahal Toba Tek Singh district (PC-II) at the cost of Rs 313.021 million and comprehensive water supply scheme Kamalia City, Toba Tek Singh district (PC-II) at the cost of Rs 443.754.

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'Economic achievements be projected to attract foreign investment': Dar tells HCs designate to Australia, UK

September 09, 2014

The government will direct ambassadors in different countries to project economic achievements and medium-term plan of Pakistan to build a strong case for attracting foreign investment in the country. Minister for Finance Senator Mohammad Ishaq Dar expressed these views while talking to Pakistan's High Commissioners-designate to Australia and United Kingdom, Naela Chohan and Syed Ibne Abbas respectively who called on him here on Monday.

The Finance Minister directed both the envoys to make efforts to attract investors from their respective countries of assignment as it was the policy of the PML-N government to promote foreign investment in the country. The Finance Minister said "we would like to strengthen our ties with Australia by promoting co-operation through trade and investment."

He said Pakistan would like to utilise their technical assistance in mining and agriculture so that the output could be maximised in these sectors. The Finance Minister said "we would like to welcome the Australian exporters who have shown interest in LNG export to Pakistan as solving the energy crisis is the top priority of PML-N government." He said at present the rehabilitation of the IDPs, affected by Pakistan's struggle against terrorism, was a high priority of the PML-N government.

"The relief and reconstruction efforts will require around \$1.5 to \$2 billion and we will ensure that this work is performed with highest level of transparency and commitment", he added. He said "we would like to establish a committee to look after the reconstruction activities and we have already allocated Rs 100 million as seed money for this purpose."

He said "we would also like other countries to participate as Pakistan is waging a war for the sake of peace of the entire globe." The PML-N government, he said, was striving hard to achieve macro-economic stability. He said economy had shown positive results despite setback due to the current political situation of the country, and added "we would soon recover and would be on the road to progress again."

He said "our government is committed to tolerance and respect for the legal rights of the people of this country." "This is why we are trying to disperse the protesters without using any force. We hope that things will be normal very soon and this is our message to the international community," said the Finance Minister. The meeting was also attended by the senior officials of the Finance Ministry.

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KCCI delegation participates in 'UK-Pakistan Trade Festival'

September 09, 2014

The Karachi Chamber of Commerce and Industry (KCCI) Senior Vice-President Muffasar Atta Malik has said that the chamber's delegation successfully participated in the 'UK-Pakistan Trade Festival' organised recently by Consulate General of Pakistan at The Great Hall in Manchester Town Hall.

The KCCI's delegation which was led by Muffasar Atta Malik, comprised of Muhammad Idrees, Vice-President and Naveed Farooki, Chairman, Fairs, Exhibitions & Trade Delegations Sub-Committee. Besides KCCI, other chambers including Rawalpindi Chamber, Sialkot Chamber, Khairpur Chamber and Azad Jammu & Kashmir Chamber also participated in the exhibition. Sharing details of the visit to the UK, Malik said that 35 stalls were set up at the exhibition in which Pakistani products of different sectors including textiles, leather, garments, food & beverages, consultancy services, gems & artificial jewellery, woven fabrics and textile made-ups were exhibited.

The KCCI's team also participated in the flag hoisting ceremony on the occasion of Independence Day held at the Consulate General of Pakistan in Manchester, which was attended by Dr Zahoor Ahmed, Consul General of Pakistan; Amir Thahim, Commercial Consular; Maulana Tariq Jameel, renowned religious scholar; MP Yasmeen Qureshi; MP Erick Ollerenshaw; members of the Parliament, Fida Hussain and Majid Khan, Lord Mayor & Deputy Lord Mayor of Oldham & Stoke-on-Trent; Amir Khan, famous boxer and several renowned businessmen of Pakistani origin.

Furthermore, he said that an executive dinner reception was also attended by the KCCI delegation in which an award was presented to KCCI by Gordon Birtwistle, member of the UK Parliament, in recognition of the chamber's support and co-operation to make the event a success. During the UK-Pakistan Trade Festival, the KCCI delegation also held detailed discussions with Lyn Shaw Miexx, Director, UK Trade & Investment North, who was particularly briefed about the role of KCCI in facilitating its members and efforts being made to enhance bilateral trade and investment between the two countries.-PR

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US pre-clearance: Pakistan travellers enjoying CBP facility at Abu Dhabi Airport

September 09, 2014

Air travellers from Pakistan, flying with Etihad Airways to the United States, are increasingly enjoying the benefits of arriving in the United States having pre-cleared US Customs & Border Protection at Abu Dhabi International Airport, which enables them to arrive in the US as domestic passengers.

Since the US Customs and Border Protection (CBP) facility opened in January 2014, more than 25,000 passengers from Pakistan have been processed through US immigration and customs, public health, and Department of Agriculture inspections, eliminating the need to do so on arrival in the US. The CBP facility is the first of its kind in the Middle East region, and the United Arab Emirate's capital is one of a small group of airports around the world able to offer passengers pre-clearance into the US.

Amer Khan, Etihad Airways' Area General Manager Pakistan, Bangladesh, Nepal, & Sri Lanka, said: "The US customs and immigration preclearance facility at Abu Dhabi Airport has been extremely popular with Pakistani guests since it opened at the beginning of the year as it reduces many of the stresses which used to affect travel to the US.

"The CBP pre-clearance process provides guests with the unique opportunity to pass through several checks including US customs, immigration and security while in Abu Dhabi before they board their flight to the US, enabling them to avoid queues on arrival."

Another key benefit of pre-clearance at Abu Dhabi International Airport is that baggage security screening meets US TSA security standards, allowing air travellers who connect on to a US domestic flight to have their baggage checked through from Abu Dhabi to their final destination. Without pre-clearance the baggage would have to be collected prior to customs inspection and then checked in for the subsequent domestic flight.

Air travellers from Pakistan, flying with Etihad Airways, can use the CBP facility when connecting from Islamabad, Karachi and Lahore, via Abu Dhabi, to Chicago, Los Angeles, New York, and Washington D C. Dallas-Fort Worth will be added to this group of destinations when Etihad Airways starts its three flights a week operation in December.-PR

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Activities at Karachi and Qasim ports

September 09, 2014

The Karachi Port handled 71,326 tonnes of cargo comprising 51,277 tonnes of import cargo and 20,049 tonnes of export cargo including 1,358 loaded and empty containers during the last 24 hours ending at 0700 hours on Monday. The total import cargo of 51,277 tonnes comprised of 6,530 tonnes of containerised cargo; 31,583 tonnes of bulk cargo and 13,164 tonnes of oil/liquid cargo.

The total export cargo of 20,049 tonnes comprised of 18,149 tonnes of containerised cargo and 1,900 tonnes of oil/liquid cargo. As many as 1,358 containers comprising 274 containers import and 1,084 containers export were handled during the last 24 hours on Monday. The break-up of imported containers shows 264 of 20's and 4 of 40's loaded while 2 of 20's and nil of 40's empty containers, whereas that of exported containers shows 572 of 20's and 236 of 40's loaded containers while 26 of 20's and 7 of 40's empty containers were handled during the business hours.

There were ten ships namely APL Chicago, Cosco Kobe, UASC Sitrah, PAC Aries, Hyundai Colombo, Gema, Al Mahboobah, Water Breeze, Somerset and BBC Iceland carrying containers, oil tanker, cement and general cargo respectively sailed out to sea during the reported period. There were four vessels viz. Santa Rosa, Water Breeze, El Gurdabia and Ikan Salmon carrying containers, oil tankers and coal currently at the berths.

There was one ship namely Sasebo ECO carrying oil tanker sailed out to sea on Monday, while two more ships namely El Gurdabia and Star Mistral carrying oil tanker and coal are expected to

sail on Tuesday. There was one vessel viz. DL Clover carrying oil tanker due to arrive on Monday, while five vessels viz. Hanjin Indigo, MOL Direction, Kota Karim, Neelambari and Ikan Siakap carrying containers, chemical and coal respectively are due to arrive on Tuesday.

PORT QASIM

A cargo volume of 105,360 tonnes comprising 84,885 tonnes of import cargo and 20,475 tonnes of export cargo inclusive 2,560 loaded and empty containers (TEUs) was handled at Port Qasim during the last 24 hours on Monday. The total import cargo of 84,885 tonnes includes 45,400 tonnes of furnace oil; 6,200 tonnes of chemical and 33,285 tonnes of containerised cargo.

The total export cargo includes 20,475 tonnes of containerised cargo. There were three ships namely CV Altamira, Fairchem Charger and MT RBD Anema E Core with containers, chemical and oil tanker sailed out sea on Monday morning, while another ship namely CV MSC General with containers are expected to sail on the same day afternoon. A total number of eight vessels viz. CV Altamira, CV MSC General, Massallia, Georglanna Bo, MT Ince Il Gaz, MV Fairchem Charger, DL Dahlia and MT RBD Anema E Core currently occupied berths to load/offload containers, cement, rape seed, chemical, coal and furnace oil respectively during the last 24 hours.

As many as seven ships namely Alliance Norfolk, Safmarine Ngami, Mega Lohari, Industrial Sailor, Neelambari, Atlantic Glory and Ever Mighty with containers, rape seed, general cargo, chemical and coal are currently at the outer anchorage of Port Qasim. There were three vessels carrying containers and chemical took berths at Qasim International Containers Terminal and Engro Vopak Terminal respectively on Sunday. There are four ships namely CV Alliance Norfolk, CV Safmarine Ngami, Industrial Sailor and Neelambari with containers, general cargo and chemical due to arrive on Monday.

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Pak Suzuki holds 'Car Gala'

September 09, 2014

Amidst the bustle of eager customers and car traders, Pak Suzuki Motor Company Limited holds the "Used Car Gala" at the Expo Center on 7th September 2014. The management and customer service representatives proactively helped buyers and entertained FAQs regarding Suzuki's Car Exchange Program. Azam Mirza, GM Marketing at Suzuki, welcomed the public to the event and spoke of the various testimonials and votes of confidence received by happy customers in the past and expressed hope that this event would be as successful as the previous ones.

-PR

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PIA's first pre-Hajj flight from Multan takes off

September 09, 2014

PIA's first pre-Hajj flight from Multan took off on Monday for Saudi Arabia.

The intending pilgrims were seen off by Secretary Aviation & Chairman PIA, Muhammad Ali Gardezi and senior officials of the airline at Multan Airport, PIA spokesman said here on Monday. PIA has so far on the 11th day has operated 48 pre-Hajj flights and carried more than 17,800 intending Hajj pilgrims to Saudi Arabia with on time flight departures and arrivals.

PIA has carried 3,161 intending pilgrims from Karachi to Saudi Arabia through 10 flights, 3,991 from Lahore through nine flights, 4,787 from Islamabad through 10 flights, 3,066 from Quetta with 10 flights and 2,479 intending pilgrims from Peshawar through eight flights to Saudi Arabia. While PIA's first pre-Hajj flight from Sialkot will depart on Tuesday, September 9; a total of five flights are scheduled to operate on Tuesday; one each from Sialkot, Quetta, Peshawar, Lahore and Multan, PIA spokesperson concluded.-PR

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'Bilateral trade best means for promoting good relations'

September 08, 2014

Newly appointed Peshawar-based Iranian Consul General, Saeed Zeenati has said that both Islamic brethren neighbouring states are tied in the unbreakable bonds of friendship and brotherhood. He was talking to a delegation comprising of the heads of different chambers of the Khyber Pakhtunkhwa and traders, which called on him under the leadership of Vice President, Federation of Pakistan Chamber of Commerce and Industry (FPCCI) Adnan Adeel here in Iranian Cultural Centre on Sunday.

The Consul General of Iran said that closed relations between both countries are help promoting Islamic traditions in the region and bilateral trade is the only mean for bringing both brotherly states closer.

Welcoming the newly appointed Consul General, the delegation paid rich tributes to the outgoing Consul General Hassan Darwaishwind for his better services.

Speaking on the occasion, Vice President, FPCCI Adnan Adeel said that Iran is our brotherly Islamic state, which has stood by Pakistan in very critical time. He said that the close and historic relations between Pakistan and Iran are the ample proof of closer relations of both countries.

He termed the exchange of trade delegations between both countries inevitable, saying trade relations and contacts can bring the people more closely to each other.

He invited Iranian traders to visit Peshawar, saying in this connection a formal meeting with Iranian Consul General will be held soon. During the meeting, he said a comprehensive programme for the promotion of trade relations will also be evolved.

Adnan Adeel proposed to the Iranian Consul General for starting of flights from Peshawar to Tehran and Mashad to bring the people of both more close to each other.

The Iranian Consul General while agreeing with the proposal said that the government of Iran will soon prepare a comprehensive programme for the exchange of trade delegations with Pakistan.

He said that the promotion of bilateral trade and exchange of trade delegations between both countries is essential for economic development of the region.

He expressed the hope that they will continue friendly contacts with the trading community of Khyber Pakhtunkhwa to bring the people of both countries more close to each other.

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Company News: *Pakistan*

Byco Petroleum Limited Pakistan

September 09, 2014

A player in the downstream sector of oil and gas, Byco Petroleum Pakistan Limited, is involved in a diverse set of operations including petroleum refining, petroleum marketing and chemicals manufacturing to petroleum logistics. The ownership structure is such that from June 30, 2011, Byco Oil Pakistan Limited, a wholly owned subsidiary of an international joint venture, became the ultimate parent company for Byco Petroleum Pakistan Limited with 86.98 percent ownership in the company.

Byco Petroleum has one wholly owned subsidiary, Byco Terminals Pakistan Limited.

Byco Petroleum Pakistan Limited (BYCO) operates in two business segments: oil refinery business and petroleum marketing business. Its oil refining plant has a capacity of 35,000 barrels per day and the petroleum marketing business was launched in 2007 as a step of forward integration. It refines various petroleum products such as LPG, naphtha, motor gasoline, kerosene, jet fuel, HSD, furnace oil, HOBC. The refined products are then marketed by its marketing wing; the firm has around 219 retail outlets for marketing of POL products.

FY13 HIGHLIGHTS Where FY12 was a destructive and a notorious year for Byco Petroleum Pakistan Limited, FY13 was tremendous as far as revenues are concerned. However, earnings remained in the red zone for the company. Amid liquidity concerns, depreciating local currency versus dollar, the turnover tax regime, the refinery and the oil marketing firm saw a 3.4 times increase in its revenues in FY13. This was verily due to increase in refinery throughput.

Besides better top line, better working capital and stringent inventory management supported the gross profit of the company; gross margins turned positive in FY13 from negative margins in FY12. However, higher costs like transportation, power and fuel pulled down the earnings in the loss area, eating away all the gains that came from the top. Profit after tax plunged from a loss of about Rs 3 billion in FY12 to a loss of about Rs 5 billion in FY13.

FINANCIAL PERFORMANCE 9M FY14 Byco Petroleum finally saw a turnaround in FY13, and in 9M FY14 its growth trend in revenues continued even though FY14 has remained turbulent. After witnessing significant deterioration against the greenback, the rupee went up the recovery path in the third quarter of FY14, appreciating by around seven percent while it lost value by six percent in the first half of FY14. However, this volatility in exchange rate gave rise to exchange losses for the firm which hampered the refinery business of the firm.

In 9M FY14, the firm witnessed a growth of 42 percent year on year in its revenues due to improved marketing and sales and logistics management. Increase in refinery throughput and better sales to third parties by the OMC segment also supported the top line. Growth in petroleum marketing business is evident from a further increase in the number of retail outlets by 15, bringing the total number of retail outlets to 246.

Because of this, the firm's gross profit doubled in 9M FY14 versus similar period of FY13. Gross margins improved from 0.78 percent in 9M FY13 to 1.12 percent in 9M FY14. But, with increased activity comes increased expenses. The benefits of increase in revenues and improvement in gross margins were eroded by increase in selling and distribution and administrative expenses characterised by transportation, product handling charges and other costs. The reclining other income and stubborn financial charges further ate away the bottom line. Byco registered a net loss after tax of Rs 2.75 billion in 9M FY14 compared to net profit of Rs 555 million in 9M FY13

Liquidity The company has continued to wrestle with working capital constraints for some time now, especially after the 2008 crisis. However, better gross profit helped the firm meet the condition laid out in its debt restructuring agreement and as a result, principal repayment of Rs 800 million was made during the period.

OUTLOOK Improved prospects in shape of synergies from the new refinery lie ahead for the company. The company's holding company, Byco Oil Pakistan Limited (BOPL) has put up the largest oil refinery of Pakistan with a capacity of 120,000 barrels of oil per day. This refinery would help Byco deal with working capital issues.

The board of Byco Petroleum Pakistan Limited has proposed to sell the isomerisation plant to Byco Isomerization Pakistan (Private) Limited-a wholly-owned subsidiary of Byco Petroleum Pakistan Limited. Furthermore, the refining business is also likely to benefit from Byco Terminal which will provide terminal services to both group refineries. And the company has also embarked upon a plan to invest in a petrochemical complex.

Byco Petroleum Pakistan Limited							
Y09	FY10	FY11	FY12	FY13	9MFY14		
Profitability							
Gross margin	-8.76%	1.62%	1.99%	-8.82%	0.11%	1.12%	
Net margin	-23.20%	-3.93%	-5.10%	-15.82%	-7.41%	-4.36%	
Liquidity							
Current ratio	0.72	0.52	0.43	0.39	0.73	0.68	
Quick ratio	0.52	0.32	0.28	0.31	0.53	0.31	
Activity/Turnover							
Debtors turnover	4.91	5.99	5.85	1.96	5.46	6.29	
Creditors turnover	2.38	1.82	1.41	0.82	3.29	2.22	
Fixed Assets turnover ratio	3.00	2.22	1.68	0.81	2.83	2.06	
Investment/Market							
EPS (Rs per share)	(26.35)	(4.12)	(4.91)	(3.15)	(5.01)	(2.81)	

Taxation: *Pakistan*

Shopping malls: FBR tells RTOs to compulsorily register retailers

September 09, 2014

Expressing serious concern over sales tax registration of only 83 retailers in July-September (2014-15), the Federal Board of Revenue has directed all Regional Tax Offices (RTOs) to compulsorily register retailers, resisting special teams of tax officials in shopping malls/commercial centres across Pakistan. In this connection, the FBR has issued instructions to the Chief Commissioners of RTOs on sales tax registration of tier-I retailers.

On the conclusion of a meeting held at the FBR House on Monday, the FBR noted with serious concern over the pathetic performance of certain RTOs regarding sales tax registration of retailers (tier-I retailers) during first quarter of 2014-15. Out of total identified over 7,500 potential retailers for registration by the RTOs, the total registration stood at 83 during first quarter of 2014-15.

Some of the RTOs which failed to even register a single retailer (tier-I retailers) July-September (2014-15) are RTO Islamabad, RTO-II, Karachi, RTO-III, Karachi, RTO-Hyderabad and RTO Quetta during first quarter of 2014-15, sources said. According to the FBR, following is the RTO-wise retailers registered during July 1, 2014 to September 2: RTO-I, Karachi, registered 13 retailers; RTO-II, Karachi zero registration; RTO-III, Karachi, zero registration; RTO-I, Lahore, registered 12; RTO-II, Lahore, registered 5; RTO-Hyderabad zero registration; RTO, Sukkur, registered 10; RTO, Quetta zero registration; RTO, Multan, registered 14; RTO, Faisalabad, registered 4; RTO, Gujranwala, registered 1; RTO, Sialkot, registered 2; RTO, Rawalpindi, registered 1; RTO, Islamabad zero registration; RTO, Abbottabad, registered 5; RTO, Peshawar, registered 2; RTO, Sargodha, registered 3 and RTO, Bahawalpur, registered 11 retailers during first quarter of 2014-15.

The FBR has directed the RTOs that refer to the Sales Tax & Federal Excise Budget Instructions dated 01 .07.2014, specific instructions as well as Sales Tax General Order No 66/2014 and to say that in the meeting held in FBR, a very serious Tier view was taken of the performance of the RTOs with reference to sales tax registration of Tier-I retailers.

The statement showing RTO-wise registration of retailers during the period from July 1, 2014 to September 2, 2014, which shows that in many RTOs having jurisdiction over major commercial centres, the pace of registration is very slow. On the other hand, the RTOs themselves have identified over 7,500 potential retailers for registration.

In view of this, the RTOs are, therefore, required to expedite their efforts, send teams to the shopping malls and commercial centres, hold meeting with the concerned associations or trade bodies, gather information, persuade the retailers and ultimately register them within the shortest possible time. Retailers who avoid or resist sales tax registration are to be registered compulsorily under section 14 of the Sales Tax Act, 1990 read with rule 6 of the Sales Tax

Rules, 2006.

The updated RTO-wise position of registered retailers will be considered by the Board in the next meeting. It is, therefore, requested to take all necessary steps to present a better position by then, FBR's instructions added.

Under new tax regime, the first tier comprises of retailers of the categories specified in rule 4 of the Rules as indicated, who are required to be registered, shall charge sales tax at the standard rate (or on other prescribed rates such as those provided in SRO 1125(1)/2011), and otherwise observe the provisions of the normal regime of sales tax. These included a retailer operating as a unit of a national or international chain of stores; a retailer operating in an air-conditioned shopping mall, plaza or centre, (excluding kiosks); a retailer who has a credit or debit card machine; a retailer whose cumulative electricity bill during the immediately preceding twelve consecutive months exceeds rupees six hundred thousand and a wholesaler-cum-retailer, engaged in bulk import and supply of consumer goods on wholesale basis to the retailers as well as on retail basis to the general body of consumers. The remaining retailers fall within the second tier, and shall be charged sales tax at rates specified in section 3(9) of the Act through their electricity bills.

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FBR proposes study to explore CGT potential

September 09, 2014

The Federal Board of Revenue (FBR) has proposed a study on Capital Gains Tax (CGT) to explore real potential of the CGT to be collected from stock exchanges. Sources told *Business Recorder* here on Monday that the said activity has been proposed by the FBR. Capital Market has significant share in Gross Domestic Product (GDP) of Pakistan, but revenue generation from this sector is less than its real potential.

To properly gauge the potential of revenue and the identification of measures through which this potential can be tapped, a detail study on the subject has been proposed. Terms of Reference (ToRs) have been developed and communicated to the international donor agency for approval of the said study.

Through Finance Act, 2014, securities held for a period between 12 and 24 months have also been made taxable under the Income Tax Ordinance, at a rate of 10 percent. However, securities held for a period of more than 24 months shall continue to be taxed at 0 percent. Under Finance Act 2014, the CGT rates have been revised and for securities held up to one year capital gains shall be 12.5 percent, and for securities held between 12 and 24 months, the rate shall be 10 percent.

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Tax treatment to NPOs: FBR seeks to carry out study on regulatory regime

September 09, 2014

SOHAIL SARFRAZ

The Federal Board of Revenue (FBR) has proposed to carry out a study on fiscal regulatory regime of Non-Profit Organisations (NPOs) for determining the tax treatment to such organisations operating in the country. Sources told *Business Recorder* here on Monday that the subject activity was proposed by the FBR Inland Revenue Wing to design a comprehensive study on the Fiscal Regulatory Regime of Non-Profit Organisations in Pakistan.

The FBR intend to conduct different studies with the support of a donor agency. The study on Fiscal Regulatory Regime of NPOs would also be made part of the overall studies to be sponsored by international donor agency. The income tax exemptions available to the non-profit organisations, trusts and welfare institutions, etc, was withdrawn and replaced with 100 percent tax credit under the Finance Act, 2014.

Previously specified income of certain non-profit organisations, trusts, welfare institutions, etc, was exempt from tax under clause (58), (58A), (59) and (60) of Part-I of 2nd Schedule subject to conditions and restrictions specified therein as per following details:

Firstly, a trust administered under a scheme approved by the Federal Government in this behalf and established in Pakistan exclusively for the purposes of carrying out such activities as are for the benefit and welfare of ex-servicemen and serving personnel, including civilian employees of the Armed Forces, and their dependants; or ex-employees and serving personnel of the federal government or a provincial government and their dependants, where the said trust is administered by a committee nominated by the federal government or, as the case may be, a provincial government.

The nature of exempt income included donations, voluntary contributions, subscriptions, house property, investments in the securities of the Federal Government and so much of the income chargeable under the head "Income for business" as is expended in Pakistan for the purposes of carrying out welfare activities. Secondly, a trust or welfare institution or non-profit organisation approved by chief commissioner of Income Tax for the purposes of this sub-clause.

Any income exempt in case of a university or other educational institution being run by a non-profit organisation existing solely for educational purposes and not for purposes of profit. Held under trust or other legal obligations wholly or in part only-for religious or charitable purposes and is actually applied or finally set apart for application thereto. In this case, nature of exempt income cover income from investments in securities of the Federal Government, profit on debt from scheduled banks, grant received from Federal Government or provincial government or District Government, foreign grants and house property.

In case of religious or charitable institution, excluding private religious trust which does not ensure for the benefit of the public, the nature of exempt income cover any income derived from

voluntary contributions applicable solely to religious or charitable purposes of the institution. Now all the above exemption have been withdrawn and replaced with tax credit equal to the amount of tax payable on such income, it is also clarified that approval already obtained in respect of non-profit organisations, trusts and welfare institutions under the omitted sub-clause (3) of clause (58), shall continue to be valid for sub-section (2) (c) of section 100C. However, the tax credit admissible shall be subject to fulfilling the following conditions: Return has been filed, tax required to be deducted or collected has been deducted or collected and paid and withholding tax statements for the immediately preceding tax year have been filed.

The FBR said that this concept of providing such concessions in case of NPOs is preferable method and will promote strong documentation and compliance of tax laws by NPOs/NGOs. Previously income of the foregoing trust, welfare institutions, non-profit organisations, religious and charitable institutions, universities, etc was exempt from tax and they were entitled to get exemption certificate from collection and deduction of tax (withholding us) from them. Since the exemption has been withdrawn and replaced with 100 percent tax credit a corresponding amendment has also been made in section 159 for grant of exemption certificate from collection and deduction of tax (withholding tax) from them in eligible cases. The exemption in the past or 100 percent tax credit under section 100C, introduced through Finance Act 2014, is in respect of specified incomes only, the FBR added.

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Computer industry: wrong application of tax policy hitting revenue

September 09, 2014

The irrational tax policy and unnecessary enforcement and legal action against the computer industry has resulted in massive decline in documented/regulated imports of IT equipment and decreasing their contribution to taxes.

Industry sources told *Business Recorder* here on Monday that the FBR Chairman Tariq Bajwa should immediately intervene and save the computer vendors from total collapse due to wrong application of tax policy and enforcement action against the vendors at a time when imports of computer accessories have already come down due to a recent past FBR intelligence agency's action against the importers of computer hardware and allied equipment on the allegations of tax evasion.

At the same time, the Regional Tax Office (RTO) Islamabad has also framed cases against the computer vendors for claiming inadmissible sales tax adjustment against supplies made by the dummy units. According to the industry, the said units were not blacklisted at the time when purchases were made from them. It is illegal to frame cases against the units on the assumption that they made purchases from fake units despite the fact that the units were active at the time of supply. How, a purchaser would know that the supplier unit would be blacklisted or made inactive after 2-3 years? Experts raised question.

Such kind of illegal enforcement actions against the computer vendors are not covered under any

provision of the Sales Tax Act or rules in view of the fact that buying and selling took place between the two documented units in the past.

When contacted, Munawar Iqbal President Central Pakistan Computers Association opined that computer industry is facing multiple issues due to wrong tax policy, notices of tax department, legal action against FBR's agencies and harassment to vendors having direct negative impact on the FBR's revenue collection.

The computer accessories and allied equipment vanished from the market creating serious shortage for the consumers. The computer vendors are very much harassed due to ongoing legal action against them. The vendors have already stopped imports resulting in non-availability of computers, laptops and their parts etc in the market. On one side, the RTOs are issuing illegal notices to the vendors whereas on the other tax department has framed illegal cases of sales tax adjustments. If the FBR Chairman Tariq Bajwa is not going to intervene to hear the grievances of the industry, the revenue collection from this sector would be in negative during 2014-15, Munawar Iqbal added.

The documented/regulated imports of IT equipment is showing gradual decline as a result of FBR intelligence agency's action against the importers of computer hardware and allied equipment on the allegations of tax evasion, industry sources revealed. Consequently, availability of the imported computer hardware has gone down drastically, creating shortage in the local market. The action against one big importer on alleged evasion of duties and taxes turned as an alarm-bell for others to avoid any similar kind of treatment.

Industry sources said that most of the importers are also distributors and they have limited their imports of IT equipment mainly laptops on the apprehension of facing similar action. The small and medium businessmen and vendors in computer sector are major sufferers and most of them are planning to leave the business. It is apprehended that the equipment like laptops, toners and cartridges etc would totally vanish from the market in coming days due to shortage.

In budget (2014-15), the computer industry had proposed fixed tax regime of Rs 1,500 per computer in federal budget 2014-15 which would add three times to revenue collection from commercial importers and vendors. The fixation of taxes on the import of computers and laptops would result in sudden jump in revenue collection within the existing taxation structure.

At present, the overall incidence of duties and taxes comes to 27 percent on the import of computers. Break-up of 27 percent taxes revealed 17 percent general sales tax (GST), 3 percent value added tax, 5.5 percent income tax and 0.85 percent Sindh Excise Duty along with miscellaneous expenses of 0.65 percent. This has resulted in overall taxes to the tune of 27 percent. This will not only discourage imports of computers through legal channel, but also result in low revenue collection from the computer industry. The fixed tax scheme for the computer vendors would result in increase in revenue collection in 2014-15.

The current tax structure revealed that the incidence of taxes is very high on the import of computers and fixation of taxes on each PC/laptop would give sudden jump to the revenue collection from the vendors and importers of computers. The data analysis revealed that the trend of revenue collection showing nominal increase in case the existing arrangement continues in 2014-15. On the other hand, fixed tax scheme on the import of computers would encourage voluntary compliance and expand the tax base by encouraging documented imports. The tax

authorities must intervene take the situation seriously for smooth functioning of the IT sector, they added.

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KTBA urges FBR to remove flaws from IT Return Form

September 09, 2014

Karachi Tax Bar Association (KTBA) has proposed to the Federal Board of Revenue (FBR) to remove flaws from new Income Tax Return Form for tax year 2014. According to a letter sent to FBR headquarters, board has uploaded income tax returns along with allied Annexure and wealth statement on its web portal without issuing SRO.

It said that there was a check at serial no. 15 which may be used by the e-filers whereas manual filers would not be able to incorporate date of birth in the return, a necessary requirement to avail 50 per cent tax benefit for senior citizens. Similarly, column for gender identification is also missing, which is also necessary as some of the names are commonly used for both the genders. It said that returns form had neither carried the column for the name of the employer nor given separate column for getting tax exemption.

Moreover, it said that serial no 36 related to credit of tax collected under Section 236 of the Ordinance required connection date, but said information had no nexus with the requirement since the telephone/cell number was already required to be furnished. Therefore, column of connection date may kindly be deleted as it will create unnecessary hardship for the taxpayers, the letter said. It said that format of earlier Annexure D for tax year 2013 contained quite exhaustive and sufficient information and it was more convenient and user friendly for the taxpayers. As such the Annexure F, which is irrelevant, may be shaped in the format of earlier Annexure D with certain changes like removing the words optional for certain expenses. Moreover, it said that Zakat allowance column, which was not included in the return form, must be added as per section 60 of the Ordinance.

It said that annexure F and wealth statement, including wealth reconciliation, was not fulfilling the legal requirements in the cases of AOPs may be excluded from return form. It said that column Nos. 6 and 7 relating to Non-Business Investment and Non-Business Debt were cumbersome, besides being practically impossible. As such, it should be replaced as per the relevant column of the Wealth Statement for tax year 2013.

The letter further said that column 12 of Cash-in-Hand/Cash-at-Bank (Non-Business) was also not practically possible and it should also be replaced as per the relevant column of Wealth Statement for tax year 2013. It said that there were certain formula mistakes and errors which were not addressed in the letter but would communicate to the board in near future. It also urged the authority to consider KTBA's suggestions and proposals to provide maximum relief to the taxpayers.

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Cotton and Textiles: *Pakistan*

Cotton market: mills, exporters make fresh deals

September 09, 2014

Fears of pest attack after rains, propelled mills to make forward deals on the cotton market on Monday, dealers said. The official spot rate managed to hold overnight level at Rs 5,600, they added. In the session, some 13,000 bales of cotton changed hands between Rs 5600 and Rs 5750, they said. They also said that some deals reported at Rs 5800 in late evening. In Sindh, rates of seed cotton at Rs 2550 and Rs 2650, in Punjab prices came were at Rs 2200 and Rs 2650, they said.

Analysts said that buyers were under pressure under the circumstances because fine quality is in small number with higher prices, on the other hand, they can't prefer to purchase low variety despite falling rates. Cotton analyst, Naseem Usman said that reports about damages caused by monsoon rains not in hand, besides, pest attack is also likely, so, prices may move up amid shortage of fine type.

The following deals reported: 1000 bales of cotton from Hyderabad sold at Rs 5600, 1600 bales from Sanghar at Rs 5600, 400 bales from Kotri at Rs 5600, 600 bales from Shahpur Chakar at Rs 5600, 1600 bales from Mirpurkhas at Rs 5600, 600 bales from Nawabshah at Rs 5625, 1200 bales from Shahdadpur at Rs 5600-5625, 1200 bales from Tando Adam at Rs 5625-5650, 600 bales from Vindar at Rs 5650, 200 bales from Elahabad at Rs 5725, 400 bales from Faqirwali at Rs 5725, 800 bales from Chistian at Rs 5725-5750, 1200 bales from Haroonabad at Rs 5725-5750, 200 bales from Hasilpur at Rs 5740, 200 bales from Vehari at Rs 5740, 600 bales from Chichawatni at Rs 5750, 1000 bales from Burewala at Rs 5750 and 200 bales from Mian Chano at Rs 5750, 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
Ex-Karachion 06.09.2014								
37.324 Kgs	5,600	150	5,750	5,750	Nil			

Equivalent								
40 Kgs	6,002	160	6,162	6,162	Nil			
=====								

Bureaucracy main hurdle: 'PCGA endeavouring to increase production up to 20 million bales'

September 09, 2014

Pakistan Cotton Ginners Association (PCGA) is endeavouring for increasing the production of good quality up to 20 million bales and achieving the goal of long staple cotton, betterment of the farmers as well as of ginners, creating job opportunities and industrialisation in Pakistan, it was stated by Aasim Saeed Sheikh (Vice Chairman) while talking to a delegation of Monsanto headed by its country manager Aamer Mehmood Mirza here on Monday.

He said though Prime Minister Nawaz Sharif has assured to provide trade-friendly atmosphere to foreign as well as local investors and multi-national companies yet the bureaucracy is the main hurdle in this way which is reluctant to implement the government policies. Consequently, multi-national companies could not supply well germinated, certified and disease-resistant seed to the cotton growers in the country.

Talking to a delegation former chairman, Haji Muhammad Akram, ex-vice chairman Shehzad Ali Khan, Kashif Rasool, Khawaja Riaz Hussain Siddiqui, Khawaja, Rao Sadaruddin, Suhail Mehmood Haral, Mian Akhtar Javed, Mudassar Hussain, Khalid Pervez Khan, Muhammad Nadeem Atiq-ur-rehman, Aqueel-ur-rehman Bhutta, Khawaja Farooq Ahmed and Asif Khalid said Pakistan is emerging as a leading country lucrative for investment because of provision of one-window facility to investors in all sectors, including energy, to help expedite entire investment process.

He said there is no restriction on foreign investors to transfer their profits back to their home countries and those foreign entrepreneurs should benefit from this investment-friendly atmosphere to the maximum. Taking advantage of these incentives multinational seed companies should help the cotton growers to increase the production up to 16 million bales. Similarly, production wheat, rice, sugar cane, maize, pulses and oil-seeds could be enhanced by 100 percent.

They said if agriculture is the backbone of the country's economy then seed is the backbone of agriculture as seed is the starting and the ending point of any crop. Good quality seed gives first sign of good hope to the farmers. They said economic indicators are improving because of effective measures taken by the Pakistan Muslim League-Nawaz (PML-N) government led by Prime Minister Nawaz Sharif and that Pakistani rupee appreciated about 15 percent against US dollar recently. Muhammad Ilyas Nadeem and Javed Murtaza were part of Monsanto delegation.

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Textile industry: APTMA chief demands uninterrupted power supply

September 09, 2014

Chairman APTMA Punjab S M Tanveer has expressed concerns over the ongoing 10 hours electricity loadshedding for the Punjab-based textile industry on independent feeders, despite substantial reduction in demand for electricity and simultaneous increase in hydel generation in the country. Explaining the matter, he said that the electricity demand in the Punjab has reduced by 40 percent because of rains and appreciable drop in the ambient, while the dams are full.

Because of continuous loadshedding, he said, the Punjab-based textile industry has been forced to curtail production, lay off workers and incur losses on commitments with foreign buyers due to non-availability of energy, ie electricity and gas in the province.

According to him, this mismatch in energy availability to the Punjab-based textile industry is causing disruption of textile value supply chain, delays in cotton procurement and a dire impact on the overall economic growth in the country. He said the government had assured the Punjab-based textile industry to reduce electricity loadshedding to the minimum after the Holy month of Ramazan. However, this commitment has been unfulfilled despite passage of another month after Ramazan.

He has urged the Ministry for Water and Power to ensure uninterrupted power supply to the Punjab-based textile industry in the larger interest of the industry and economy. He said the sale of electricity to the textile industry would also helps Discos to improve revenues and decrease line losses with hundred percent recoveries from the textile industry. Further, he said, uninterrupted power supply to the industry enables it to create employment for public at large and mitigate the impact of poverty in the country.

A sustained textile value supply chain would ultimately help in production and export of textile and clothing to meet the rising demand with the award of GSP plus status to Pakistan from the EU, he concluded.

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Agriculture and Allied: *Pakistan*

Daily trading report of PMEX

September 09, 2014

On Monday at Pakistan Mercantile Exchange (PMEX) value traded was recorded at PKR 4.648 billion as compared to PKR 3.704 billion registered on Friday, up by 25.48 percent. The number of lots traded was 16,373 and PMEX Commodity Index closed at 2,977. Major business was contributed by crude oil amounting to PKR 3.762 billion - up 65 percent, followed by gold amounting to PKR 822 million and silver at PKR 64 million.

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Irrigation Department cancels leave of officers

September 09, 2014

The Irrigation Department cancelled the leaves of officials/officers of Irrigation Department in wake of heavy rainfall which started throughout the country. In a press release issued on Monday all the Chief Engineers of Irrigation, MD SIDA Hyderabad and Project Directors of the Department have been asked to ensure presence of their subordinate officers during their respective duty hours.

It has also been asked that these officials must be accessible to the department's authorities round the clock on cell phones and land-line phones with major focus on monitoring of bunds of Indus River regularly. It was warned that in case of failure, the delinquent officer will be placed under suspension and disciplinary proceedings under RSO-2000 will be initiated against him.

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Traders hail withdrawal of cattle's entry fee

September 09, 2014

Hailing the decision of exempting merchants from paying fee of their animals entering Karachi, traders involved in the cattle business said that the move would encourage them to bring more and more animals to the sacrificial animals market set up at Sohrab Goth market. So far, 50,000 sacrificial animals have been brought to the market, they added.

Commissioner Karachi Shoaib Ahmed Siddiqui had announced that the fee levied on animals' entry into the city has been done away with till Eid-ul-Azha. A spokesman for the cattle market

said that facilities like free medicines, medical check-up and vaccination for animals are also attracting merchants to set up their stalls at the Sohrab Goth market.

"A good number of people have been visiting the market daily to purchase sacrificial animals," he added. He said that numbers of people visiting the sacrificial animals market is increasing day by day. He said that administration is also monitoring all the canteen for the smooth supply of food items, soft drinks and drinking water. "Owners of canteens have been warned not to charge any extra amount while administration has taken strict notice of different shops selling food items at higher rates," he added.

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Punjab Livestock making all-out efforts to deal with animal diseases

September 09, 2014

Punjab Livestock Department is making all out efforts to ensure provision of different medicines and vaccination against different animal diseases in the province. This was stated by the Chief Minister's Special Assistant on livestock Chaudhry Muhammad Arshad in a statement issued here on Monday. He said there is apprehension of spread of different diseases amongst cows, buffaloes, sheep, goats and chicken because of heavy rains and flood.

He said that the department is trying to ensure availability of vaccination and other medicines to fight against these diseases. He said that livestock farmers can approach the focal persons appointed in every district round the clock.

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Fuel and Energy: *Pakistan*

IMF talks inconclusive owing to turmoil, power tariff rise

September 09, 2014

Discussions between Pakistan and the International Monetary Fund (IMF) on the fourth review of \$6.64 billion Extended Fund Facility (EFF) remain inconclusive ostensibly due to prevailing political situation and a delay in the implementation of power tariff increase. The IMF in a press briefing on August 28 stated that the mission has had fourth review discussions under the EFF.

"Those discussions on Pakistan were held in Dubai, have been constructive, and will continue via videoconference from Washington and we would expect to update you at the conclusion of these discussions," the IMF noted on its website. An official quoted Finance Ministry official as saying that 80 percent of review has been concluded. He, on condition of anonymity, said that the Fund may be concerned about the implementation of the agreed reforms agenda under the EFF especially after a call of civil disobedience by Pakistan Tehreek-e-Insaf (PTI).

Sources in the Finance Ministry said that discussions were scheduled to conclude on August 15 but were extended for another two days. However, officials in the Finance Ministry could not be reached to confirm the status of the fourth review. Finance Ministry officials reportedly visited Dubai on Sunday and held brief discussions with the IMF staff level mission before they came back on Monday. Talking to a private channel, the Finance Minister stated the IMF mission has cancelled the planned visit to Pakistan due to prevailing political situation as the Fund authorities had issued a travel advisory to its delegation. "The IMF delegation has been stopped from visiting Pakistan," he said, adding that the announcement of civil disobedience by the PTI chief was a very serious matter and it could result in grave consequences for the country.

The government has committed to the IMF that the notified tariff would be increased with the objective of reducing electricity subsidy. Sources said the government can not afford to increase power tariff in the prevailing political scenario as it would fuel public discontent. About the SBP autonomy, they added that the government has moved SBP (Amendment) Bill 2014 in the National Assembly (for change in the SBP Act 1956) to comply with an agreed IMF condition. The proposed law is pending with the National Assembly's Standing Committee on Finance.

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Wapda clarification

September 09, 2014

While commenting a news item titled "KBD must not be built against will of Sindh's people: Wapda Chief" carried by *Business Recorder* on September 05, 2014, Pakistan Water and Power

Development Authority (Wapda) spokesperson has strongly refuted an assertion attributed to the Chairman Wapda, saying that "during the current year, the Prime Minister handed over the distribution of water of River Indus to Wapda and it is running the distribution of water through telemetry system at the point of Bisham, of Gilgit-Baltistan."

The Spokesperson has made it clear that the Chairman WAPDA did not say anything to that effect and that he was clear that water distribution among the provinces was the exclusive mandate of the Indus River System Authority (IRSA) and Wapda had nothing to do with it. As a matter of fact, the Chairman, apprising the Sindh Chamber of Agriculture about the present status of telemetry system, said that the system has again been handed over to Wapda from IRSA on the recommendations of the Prime Minister Inspection Commission to make it fully functional, the spokesperson maintained.

It is pertinent to mention that the telemetry system, installed by Wapda, was handed over to IRSA in 2003 after its completion. However, the IRSA could not manage smooth functioning of the system due to a number of reasons. Eventually, the system was returned to Wapda on the decision of the Prime Minister's Inspection Commission in 2005 for its operation and maintenance.

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Fuel and Energy: *World*

Brent crude falls below \$100

September 09, 2014

Brent crude fell below \$100 a barrel on Monday, the first time in 16 months, before returning to close in three-digit territory but down on the day as fear of Opec output cuts helped the market recover from weak Chinese and US data. Slower-than-expected growth in the world's top oil consumers, and ample supply, has pushed prices down from a high for the year above \$115 in June, complicating central banks' efforts to ward off deflation.

-- North Sea benchmark dips to lowest since May 1, 2013

-- Chinese imports fall for second month in a row

Still, analysts do not think it will be easy to keep Brent, the world's benchmark for oil, at below \$100 as the oil-exporting countries within Opec were likely to retaliate with production cuts to push the market up. "Obviously, a breach below \$100 raises a host of issues if you're an Opec cartel member, and I think that's one of the things the trade took cognisance of as the market went down today," said Phil Flynn, analyst at Price Futures Group in Chicago.

"A lot of these Opec countries basically plan their entire universe with the fact that Brent crude will never fall below \$100." Saudi Arabia and other Opec members have previously said they prefer oil at above \$100. "The fall in prices is a temporary thing. They are still within the acceptable range," an Opec delegate from a Gulf country said. "We are now approaching winter so the prices are expected to rise," said the delegate, who declined to be identified.

Brent settled down 62 cents at \$100.20, after earlier slumping to \$99.36, the lowest since May 1, 2013. US crude finished down 63 cents at \$92.66 a barrel. It settled at \$93.29 on Friday for its sixth weekly drop in seven weeks after disappointing US nonfarm payrolls data cast doubt on the pace of growth in the world's biggest oil-consuming economy..

Monday's declines followed data showing that China's import growth fell unexpectedly for the second consecutive month in August, posting its worst performance in over a year as domestic demand faltered. It raised concerns that tepid domestic demand exacerbated by a cooling housing market is increasingly weighing on China.

Investors kept a close eye on geopolitical concerns in Europe and the Middle East, especially on the impact tensions could have on European demand. So far, fighting in Iraq has had little impact on oil production, and output from Libya has increased over the last three months despite violence there. A cease-fire in Ukraine was largely holding, despite sporadic violations.

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EU sanctions to hit Russian oil giants

September 09, 2014

New EU sanctions against Moscow due to be announced on Monday will likely limit access to financial markets by Russian oil companies Rosneft and Transneft plus the petroleum unit of gas giant Gazprom, diplomatic sources said. Since the three companies are more than 50-percent state-owned, they "meet the criteria" laid down in a tough new package of economic sanctions against Russia agreed by officials Friday, one source said.

The new sanctions build on those agreed end-July when European Union leaders, stung into action by the shooting down over Ukraine of a Malaysia Airlines plane, decided to target whole economic sectors on top of travel bans and asset freezes against individuals.

Crucially, the July sanctions meant Russian entities would no longer be able to raise fresh funds on EU financial markets with a maturity of more than 90 days. It is widely expected this could now be cut to as little as 30 days in the new measures, tightening the screws on state-owned Russian banks at a time when the economy is already struggling.

That could force the Russian government "to put its hand in its pocket," to make up the funding shortfall, the source said. With the new package agreed by officials on Friday, the 28 EU member states are now discussing the measures, with their formal approval expected later Monday.

A deadline for European capitals to confirm their approval was extended by three hours to 1600 GMT because "we didn't receive all 28 faxes" by the earlier cut off-point, an EU diplomat said, adding however that was "not unusual". The negotiations over the sanctions have already taken more than a week, with eastern European members the Czech Republic and Slovakia having lobbied Brussels to soften the new measures.

The new sanctions would come into effect once published in the EU's Official Journal, which a European Commission spokeswoman said would happen on Tuesday "at the latest." US President Barack Obama and British Prime Minister David Cameron both said on Friday the sanctions should go ahead in spite of a cease-fire signed between the pro-Russian rebels and Kiev the same day.

However, the sanctions could be lifted if Russia reversed course in Ukraine, cutting support for the rebels and supporting a peaceful solution to a conflict which has cost more than 2,600 lives. The new measures target more people linked to the rebel leadership in the Donbass region of eastern Ukraine, the government of Crimea which was annexed by Russia in March, and Russian "decision-makers and oligarchs," EU heads Herman Van Rompuy and Jose Manuel Barroso said on Friday.

They cover the same four areas as the previous set in July - capital markets, defence, dual-use goods with both military and civilian capabilities, and oil technology, Van Rompuy and Barroso added. Russian Prime Minister Dmitry Medvedev warned that Moscow could retaliate against any new western sanctions and may block commercial flights through its airspace.

US natural gas futures up on cool weather forecasts

September 09, 2014

US natural gas futures gained a few cents Monday on forecasts for some heating demand in some Northern Tier states along the Canadian border after losing about 7 percent last week. Front-month gas futures on the New York Mercantile Exchange rose 3.8 cents, or 1 percent, to \$3.831 per million British thermal units by 10:09 am EDT (1409 GMT). The October front-month traded between \$3.76, just a few cents over a nine-month low set in mid August, and \$3.85. The front-month was trading down 6 percent for the month and 10 percent for the year.

Traders noted the 14-day moving average of \$3.90 climbed over the 40-day of \$3.89 for the first time since early July. Analysts estimated utilities added about 79 billion cubic feet of gas into storage this week, the same as last week's 79-bcf injection. That is well over builds of 64 bcf in the same week a year ago and a five-year average of 60 bcf. MDA Weather Services forecast cooler-than-normal temperatures over the Central and Eastern United States over the next 15 days.

US weather models also predicted cooler-than-normal temperatures over the next two weeks with 111 cooling degree days, down from 128 on Friday, versus a normal of 117 for this time of year, according to Thomson Reuters Analytics. Money managers, including hedge funds and commodity trading advisers, cut bullish bets in gas futures, options and swaps in the week to September 2 to the lowest since mid August. That is close to the lowest since November, data from the US Commodity Futures Trading Commission (CFTC) showed on Friday.

On the NYMEX, the premium of the front-month gas contract over spot Appalachian coal climbed to \$1.48 from \$1.44 per mmBtu on Friday. A gas premium over \$1.50 makes it cost-effective for some utilities to burn coal. On the Intercontinental Exchange, next-day gas at the Henry Hub, the benchmark supply point in Louisiana, held steady at an average of \$3.84, the same as Friday, while New York gained about 40 cents to \$2.49. In US nuclear news, there were about 4,500 megawatts offline on Monday, up from 1,200 MW out Friday. That compared with 5,800 MW out a year ago and a five-year average out of 5,600 MW.

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European coal prices edge higher

September 09, 2014

European coal prices edged higher on Monday in a quiet market, while physical cargoes were untraded. Prices for non-deliverable API2 coal forwards expiring in the fourth quarter gained 20 cents to \$75.25/tonne, while the calendar 2015 contract rose 25 cents to \$78.00 after hitting a

two-month low of \$77.50 earlier in the day. According to trading platform globalCOAL, no physical ARA, Richards Bay or Newcastle cargoes had traded by the time of writing.

Coal imports by China, which account for about a quarter of global trade in the material, fell to 18.86 million tonnes in August - near a two-year low. China's coal consumption has been hit by a combination of slower economic growth, increased hydropower output and Beijing's fight against pollution, causing local prices to slump to a six-year low. The 18-percent price drop in August shipments was exacerbated by fears Beijing would roll out policies to restrict coal imports with high ash and high sulphur, as a way to aid those on a growing list of loss-making miners.

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Markets

LSE downs by 24.82 points

Monday, 08 September 2014 22:15

Posted by Imaduddin

LAHORE: Lahore Stock Exchange (LSE) here Monday witnessed bearish trend by losing 24.82 points, as the LSE Index-25 opened with 5420.20 points and closed at 5395.38 points.

The market's overall situation also did not correspond to an upward trend as it remained at 373,000 shares to close against previous turnover of 659,900 shares, showing a downward slide of 286,900 shares. While, out of the total 88 active scrips 16 moved up, 16 shed values and 56 remained equal.

The Major Gainers of the day were Exide Pakistan Limited, Pakistan Oil Fields Limited and Pak Suzuki Motor Company Limited by recording increase in their per share value by Rs 22.72, Rs 3.06 and Rs 2.93 respectively.

Kohat Cement Company Limited, Pakistan State Oil Company Limited and Pak Elektron Limited lost their per share value by Rs 3.05, Rs 2.00 and Re 0.90 respectively.

Top three Volume Leaders of the day included Lafarge Pakistan Cement with 91,000 shares, The Bank of Punjab Limited with 40,000 shares and Kohat Cement Company Limited with 38,500 shares.

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ISE-10 index stays bearish

Monday, 08 September 2014 21:37

Posted by Imaduddin

ISLAMABAD: The Islamabad Stock Exchange (ISE) on Monday witnessed bullish trend as the ISE-10 index was up by 4631.62 points to close at 4625.76 points.

A total of 6,000 shares were traded, which showed a negative growth of 287,700 shares, when compared with previous day's trading of 293,000 shares.

Out of 145 companies, share prices of 75 companies recorded increase while those of 70 companies decreased and no company remained stable in today's trading.

The share price of Abbott Laboratories increased by Rs 26.50 while that of Murree Brewery decreased by Rs 46.81 per share.

K-Electric Ltd, Byco Petroleum, P.S.O remained the top trading companies with 2,500, 1,000 and 1,000 shares respectively.

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City administration arrests three, fine 72 for profiteering

Monday, 08 September 2014 12:50

Posted by Parvez Jabri

KARACHI: City administration has arrested three and fined another 72 retailers of Rs.78,700 for violating the official price lists for essential edible items, said Commissioner of Karachi, Shoaib Ahmad Siddiqui on Monday.

He said during the crackdown, carried on daily basis, against the profiteers 17 chicken sellers, seven grocers, 10 green grocers, 31 milk sellers and seven fruit sellers were fined while three chronic profiteers were arrested by the administration.

Areas covered during the campaign included Saddar, Civil Lines, SITE Area, Garden, Baldia Town, Bin Qasim, Ibrahim Hyderi, Ferozabad, Gulshan e Iqbal, Gulzar e Hijri, Liaqutabad, Nazimabad, North Nazimabad, New Karachi, Landhi, Korangi and Model Colony.

The Commissioner Karachi said those arrested have been sent to jail after required legal formalities and they would undergo certain period of imprisonment.

He said the ongoing crackdown against profiteers and those fleecing unassuming consumers under one or the other pretext would continue till a public friendly attitude is adopted by the retailers.

Siddiqui said concerted efforts are also being made to eradicate the tendency of creating artificial shortage of food items at main markets.

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BR Research: *All*

Loss! What loss??

September 09, 2014

BR Research

This is a country where strikes, protests, rallies and sit-ins are not rare events; they have become a part of everyday life. And not surprisingly, after every strike or protest, religious rally or sit-in, somebody from the rival camp stands up and says that the economy has suffered from a loss of XYZ billions of rupees.

The trouble, however, is nearly all of those numbers are arbitrary--seemingly based more on whims than well-informed estimates based on economic logic.

Take the case of ongoing PAT and PTI sit-ins. On August 17, the Finance Minister told a private TV channel that Pakistan suffered an economic loss of Rs450 billion due to the two sit-ins in Islamabad. A few days later, the Supreme Court was told that the loss was to the tune of Rs547 billion.

On August 31, this newspaper reported that the Minister for Commerce, Khurram Dastgir Khan, said the loss to the economy has risen to Rs800 billion. The same day, the FPCCI said the loss was to the tune of \$10 billion to the private sector, i.e. about Rs1,000 billion.

Four days later, on September 4, Mushahid Ullah Khan, Secretary Information, PML-N, put the number at Rs1,200-1,300 billion.

Going by the same progression, the government can be expected to put the loss number at Rs1,600-1,700 billion today. But common to all these statements is the fact that they are mere guesses, quite possibly biased too. Nor have the PTI or PAT been able to reject these claims objectively.

This is not to say that the economy hasn't suffered a loss; it has. Indeed, due to supply-chain bottlenecks in the north, factories have faced production issues, international credit rating agencies have given a credit negative, perception about the government's stability has faltered, and so forth.

Yet, not one single loss estimate has been backed by any economic logic; not one of the parties mentioned above have even tried to show even a back-of-the-envelope calculation behind these numbers.

Another reason to question the sagacity of these loss estimates is that on annualised basis they are about the size of economy: \$10 billion loss in 15 days equals about \$240 billion in a year. Since the economy is about the same size, that loss estimate would mean that the economy is literally on a standstill: no goods or services being exchanged at all.

To put into another perspective, the total economic loss from the 2010 super floods, estimated by damages and reconstruction cost, was Rs1,433 billion, according to FY11 Pakistan Economic Survey. Surely, the sit-ins of PAT and PTI aren't as devastating as the 2010 floods.

Since the culture of strikes, protests, rallies and sit-ins in Pakistan are not going to go away in the near future; this column suggests setting up a non-profit venture, whose main job is to provide logically sound estimates of economic losses stemming from such instances.

It should use a pre-agreed methodology and also highlight the loss estimates for the affected sections of the economy.

The body could comprise of businessmen, academics, and other representatives nominated by major political parties, to give it credibility.

And, if and when such a venture is formed, it should also be given the task of scientifically counting the number of participants in strikes, protests, rallies or sit-ins. Otherwise, half of the time, the debate is lost in proving whose rally was the larger one.

Any third-sector entrepreneur willing to take up on this project!?

US, UK among top destinations of profit repatriation

September 09, 2014

BR Research

Ever wonder which countries investors repatriate the most of profits from Pakistan? Well, now we have some clue about it.

About a month ago, this column took a look at historical trend in profit repatriation (See *Make money-take home*, published on August 11, 2014). That note highlighted that food, petroleum refining, oil and gas exploration, thermal power, transport and financial business sectors had the highest profit repatriation ratios.

A repat ratio can be explained as profit repatriation as a percentage of net FDI inflow.

Official data show that investors from the US, UK and Switzerland were among the top of the profit repatriation list in FY14. Though unlike the case of UAE, Netherlands, Germany, Singapore and Japan, investment inflow net of profit repatriation from US, UK and Switzerland was still positive. Investors from China, who have been a major FDI source for in Pakistan in yesteryears, must have also repatriated profits, though relevant official data isn't available.

This column would again reiterate that there is nothing wrong with profit repatriation. Those who have made investments ought to make profits on them and accordingly take those profits back home after paying due taxes.

The cause of concern, however, as this August 11 column highlighted, is that FDI inflows have slowed for a host of reasons, whereas repatriation on those earlier investments have begun to rise.

Total repatriation in FY14 was about 7.2 percent of total foreign reserves from 3.8 percent in FY06.

What could be explored, therefore, is to provide incentives or moral suasion for re-investment, beginning from those sectors and countries that have the highest repatriation. Some of those high repatriation sectors were flagged in the August 11 column, whereas some of the leading countries in terms of profit repatriation have been highlighted in this column.

It is hoped that the central bank would start disseminating country-wise and sector-wise FDI and profit repatriation data for a healthy and meaningful debate on the matter.

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TOP THREE DESTINATIONS OF PROFIT REPATRIATION IN FY14 - KEY SECTORS ONLY

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\$ (mn)	USA	UK	Switzerland	Germany	UAE	Lebanon	Others	Share of topthree destinations(as percentage oftotal sector outflow)
Food	15	32.5	29.6					82%
Petroleum Refining		12.8		33.9	13.4			87%
Oil & Gas Exploration		34.3		4.9		50.0		90%
Thermal Power		23.8	54.8		12.4			63%
Financial Business		89.0	90.5	73.7				75%
Telecom		1.5		29.5	10.6			98%

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Tweets and turns

September 09, 2014

BR Research

If there were doubts regarding social medias relevance for political discourse in Pakistan, last four weeks seem to have dispelled them. Twitter, due to its open-interaction interface as opposed to Facebook, has been abuzz since the Azadi/Revolution marches left Lahore on August 14. Based on your political camp, the goings-on over at Twitter have either inspired or demoralized-- 140 characters at a time.

The protesting parties may not have been able to gather the anticipated numbers in Islamabad, but they really upped the ante on Twitter. Political hash-tags have consistently ruled the Twitter sphere. This war reached a fever pitch when the pro-government camps also started chiming in.

However, the nature of discourse could use some sobriety.

The ISPR tweets during the ongoing political crisis seem to have garnered the most response on Twitter and beyond. Those carefully-worded tweets caused a lot of frenzy among the receivers, both on and off Twitter. Some praised the militarys fast-track communication and clarifications, but those who have an eye for Machiavellian power play were intrigued by this new way of creating "political earthquakes".

Last week, when the visit of the Chinese President was rumoured to be cancelled, Minister for Planning and Development--who had spearheaded the Pak-China Economic Corridor programme--took to Twitter and grudgingly announced the trips cancellation. Thats when the rumour was deemed credible, picked up by many TV channels, and later confirmed by Pakistans and Chinas foreign offices as a postponement.

But, during this time, Twitter has been a particularly nice place to be. The mediums anonymity and physical distance sometimes allow its impatient and deeply-opinionated users to display abusive and perverse behaviour, also known as trolling.

Yet this medium still qualified as an information reprieve when compared with the subjectivity and partisanship that had visibly struck many among the dozen odd TV channels. Thats because Twitter offers people the opportunity to scour for balanced views and counter-narratives.

It was visible earlier, too, but during this impasse, traditional media started taking more cues from social media. "Important" tweets were seen making their way to the headlines of major newspapers the next day. News channels unabashedly used the content in their coverage. That may have taken this new medias familiarity and popularity to new highs.

Twitter is a political strategists heaven. Its a direct channel with the followers. Through continuous engagement, leaders can tweak their politics a bit. That Imran Khan--arguably the Pakistani social medias darling--is not backing down might also be explained by the continued momentum on social media. Someone has been checking the political pulse regularly. Whether that pulse is reflective of the national mood is another debate.

Shadow over South African cement exports

September 09, 2014

BR Research

With export avenues narrowing down for Pakistani cement, news about filing of an application against dumping in South Africa comes as rather discouraging (see BR Research column, "Cement dumping in South Africa", dated September 1, 2014). To recall, South Africa is the leading export destination for cement exports from Pakistan via sea.

Amongst cement exporters from Pakistan, Lucky Cement Limited (KSE: LUCK) stands as the leading supplier of Portland cement to South Africa. LUCKs cement costs up to 18 percent less than the ex-factory price charged by PPC, one of the leading cement manufacturers in South Africa.

Industrial reports indicate that LUCKs exports to South Africa stood at 0.6 million tons during FY14. This accounts for a 24 percent share in the companys total exports and a seven percent share in total industrial exports from Pakistan. During FY14, LUCKs market share in terms of exports was around 20 percent.

Given these statistics, how would imposition of the duty, if it were to happen, affect LUCK, whose total market share in the cement sector currently stands at 30 percent.

According to Sajjad Hussain, Research Analyst at BMA Capital, imposition of anti-dumping duty of 48 percent would nullify the entire price differential offered by LUCK compared to local players in South Africa.

Every 10 percent decline in exports to the country could bring down LUCKs earnings by one percent, while in the advent of no exports to South Africa, earnings could be hit by as much as 10.3 percent, Hussain notes. The situation could be aggravated in case other African countries follow suit and impose similar duties on Pakistani cement, as capacity expansion is also underway in the region.

On the other hand, Ali Amin, Research Analyst at KASB Securities, posits that LUCK is likely to turn up safe in the anti-dumping case since protection to the local industry would significantly reduce consumer surplus. Local industry in South Africa also raised cases against import of Pakistani cement earlier which were put down by the government for lack of evidence, he notes.

However, LUCK itself has reportedly been in the process of establishing a plant in the Democratic Republic of Congo which will likely go online next year with a capacity of 1.2 million tons per year. One assumes that the plant would also be delivering to other emerging export destinations in the region, including Angola, Kenya and Madagascar.

Regardless of the result of the anti-dumping case, LUCK seems to have a plan in place. But, does the Pakistani cement industry have one, particularly at a time when exports seem to be getting more challenging?

Crime News

Islamabad police recovers vehicles, valuables worth Rs 23m

ISLAMABAD: Owing to high efforts of the **Islamabad police** and the effective strategy to counter the **criminal elements**, a total of **313 accused** were **arrested** during the last month for their alleged involvement in various **crime cases** besides **recovery of cache of weapons, narcotics, and looted items worth Rs 23 million** from them.

Following the directives issued from **Minister for Interior Nisar Ali Khan** for enhancing policing measures in the city for ensuring protection to the lives and property of the citizens, the **Islamabad police** made **special** efforts to curb activities of the **anti-social elements** and achieved significant success. **AIG (Operation) Sultan Azam Temuri** assigned a special task to the officials of the **Islamabad police** and massive **crackdown** against the **absconders, criminal elements, and search operation** against the **suspects** was launched. During all these efforts for affective policing, the **Islamabad police** achieved remarkable success during the last month and **arrested 313 persons** for their **alleged involvement in criminal activities**. A total of **74 accused** were **arrested** for possessing **illegal weapons** and involvement in **drug peddling** activities while a **cache of weapons and narcotics** was **recovered** from them.

Twenty-seven (27) car thieves were **nabbed** and **22 vehicles and several motorbikes** were **recovered** from them. A total of **74 persons** were held for their alleged involvement in **dacoit** as well as theft incidents while **gold ornaments, cell phones, laptops, cash, and other valuables** worth hundreds of thousands of rupees were also **recovered** from them. The **police nabbed five court absconders** and **12 proclaimed offenders** in a crackdown against those criminals being at large. The **police** took action against **542 beggars** and shifted **496 beggars** to **Edhi Home**, while **challans** against **46 professional alm seekers** were submitted in relevant **courts**. As many as **116 suspects** were arrested while activities of **187 persons** were put under constant monitoring due to their suspicious activities. **Six persons** were nabbed for their **alleged** involvement in immoral activities, the sources said. Owing to the smart **policing** tactics used by the **Islamabad police**, the metropolitan has experienced significant reduction in the car theft incidents. **Islamabad police Assistant Inspector General Sutlan Azam Temuri** has said it is the **prime** responsibility of the **police** to provide relief to the citizens, adding that every possible effort would be made to provide protection to the lives and property of the citizens as well as resolving their **complaints** on immediate basis. **Islamabad IGP Tahir Alam Khan** has also appreciated the overall performance and further directed all the **police** officials to continue such endeavors to **nab the criminal elements**.

22 accused arrested in Lahore

LAHORE: **PHP** arrested **22 accused** including a **proclaimed offender** on Sunday. Additional **IG PHP Main Javad Islam** appreciated the **work** of **PHP officials**. In **Faisalabad, Shahid Hussain** left a car and tried to flee but **PHP** arrested him. Meanwhile, other accomplices on the **car** opened fire at the **PHP team** and fled. The **team** chased and blasted the **tyres**. After which,

they **accused abandoned** the car. **Three mobiles, an ID card, a driving licence and registration book** were **recovered** from the car. **PHP arrested proclaimed offender Imran of Hasilpur** who was wanted by **Ahmad Nagar police**.

Islamabad: 3 auto-thieves arrested; 4 cars recovered

ISLAMABAD: Islamabad police have **arrested three auto-thieves** and **recovered four cars stolen** from various areas of the city, a **police spokesman** said. He said that **SP (Investigation) Jameel Ahmed Hashmi** constituted various teams to curb **car lifting** incidents.

One of the team including **ASIs Manzoor Elahi, Nadir Ali** and others succeeded to **arrest three thieves** identified as **Zawar, Adnan and Azmant** from **Mardan**. Legal process is being followed for their **transfer to Islamabad** after **arrest** and **two cars (IDM-2072, MV-023)** have been **recovered** from them.

Meanwhile, **ASI Nur Elahi** from **Ramana police station** **recovered two stolen cars (WV-415 and Applied For)** from **car lifters**. **AIG (Operations) Sultan Azam Temuri** said that **Islamabad Police** is making utmost efforts to curb **car lifting** practices in the city and several receivers of stolen vehicles have been **apprehended** due to the coordination of **Islamabad police** with **police** of other districts. He also ordered to monitor the activities of those car thieves who had remained jail birds and bust the gangs involved in **car theft** and other **crime** incidents. He said that **Islamabad Police** is determined to ensure protection to the lives and property of the citizens and no stone will be leave unturned to accomplish this responsibility.

Ghallanai: 2 arrested, drugs recovered

GHALLANAI: The **political administration** **arrested two persons** after **recovering drugs** from their possession in the **Halimzai tehsil** of the **Mohmand Agency** on Sunday, official sources said.

The sources said acting on a tip-off, the **Levies Force personnel** **raided** shops in **Mian Mandi Bazaar** and **arrested the alleged drug-peddlers** identified as **Sher Wali** and **Bahlol Khan**. **Fifteen kilograms of hashish** were **recovered** from them.

Miscellaneous News

Tackling tax evasion: Pakistan can seek data from Swiss banks in revised treaty

By Shahbaz Rana

Published: September 9, 2014

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ISLAMABAD:

Pakistan and Switzerland have pencilled a revised Avoidance of Double Taxation treaty that will allow Islamabad to seek information for tax purposes about money deposited in Swiss banks.

The documents were inked at the conclusion of three-day talks held in Geneva last week to renegotiate the July 2005 Convention for Avoidance of Double Taxation with respect to tax on income, according to Pakistani authorities.

The amended treaty would be formally signed in the first quarter of next year and it would take at least one more year to enforce it, they added. On behalf of Pakistan, Ashfaq Ahmed, Chief International Taxes of the Federal Board of Revenue (FBR), signed the agreement.

The major difference between the July 2005 treaty and the revised one is the adoption of updated Article 26 of the Model Tax Convention of the Organisation for Economic Cooperation and Development (OECD).

According to the Article 26, competent authorities of contracting states will exchange such information as is foreseeably relevant for applying provisions of the Model Tax Convention or to the administration or enforcement of domestic laws concerning taxes of every kind and description imposed on behalf of the contracting states.

Furthermore, in no case shall the provisions permit a contracting state to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

Article 26 will allow Pakistani authorities to seek information from Swiss banks. So far, Pakistan has no legal instrument available to ask Swiss banks to provide information about tax evasion.

“The Swiss government has no issue about signing Article 26 as before seeking any information the other country has to lodge a formal complaint and give evidences,” said Dr Ikramul Haq, an expert in international tax laws.

Although the revised treaty will provide the FBR with a legal instrument, its successful application will depend on the revenue body's ability to present its case to the Swiss authorities, say tax experts.

Pakistan has similar clauses in domestic tax laws but the FBR has been unable to successfully apply these for the recovery of taxes. Article 165A and 176 of the Income Tax Ordinance 2001 allow the FBR online access to bank accounts besides seeking a range of information.

Under Article 165A, banks are bound to give online access to its central database containing information about all accountholders. However, the present government has reduced the scope of the article by inserting a clause that if a person files income tax return, banks will not be bound to provide information about his accounts.

Even if the person declares no income in the tax return, the bank is not legally bound to share his accounts' information, according to Haq.

The federal government, particularly Finance Minister Ishaq Dar, has given an impression that the revised treaty will allow the country to bring back \$200 billion said to have been stashed in Swiss banks. However, Switzerland Ambassador to Pakistan and Afghanistan Marc George has dismissed any such perception.

The Avoidance of Double Taxation treaty will not facilitate the recovery of any ill-gotten money presumably kept in Swiss banks. For that purpose, there is a separate treaty on sharing of confiscated assets signed on May 18, 2005.

The ambassador also denied that the Pakistanis had parked \$200 billion in Swiss banks.

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Crude oil: As supply increases, refineries mull capacity boost

By Saad Hasan

Published: September 9, 2014

KARACHI:

Pakistani refineries are checking the prospect of increasing capacity as local crude oil supply has increased substantially, which will enable the country to resume export after a decade, a top industry official told *The Express Tribune*.

The refiners are in talks with crude oil producers to determine the size of reserves and expected level of production over the next few years, says Aftab Hussain, the chief executive officer at Pakistan Refinery Limited (PRL).

“Before making any investment, we should know projections for crude’s production for the next few years,” he said in a recent interview.

“For the refineries, increasing processing capacity is an expensive proposition and we want to be sure about expected production in the northern and southern areas of the country.”

Pakistan recently resumed export of condensate, known as ultra light crude oil.

Around 70,518 tons of condensate has been exported in the past two months, according to the Pakistan Bureau of Statistics (PBS). The value is stated at \$60.7 million or Rs5.9 billion.

Average oil production in Pakistan jumped 13% to 86,000 barrels per day (bpd) in fiscal year 2013-14 compared to a year earlier. The oil output reached an all-time high of 98,000 bpd by the end of June 2014.

Hussain said historically, local oil production remained around 65,000bpd, which was consumed by local refineries. “Attock Refinery Limited, PRL, National Refinery Limited and Pak Arab Refinery were equipped to process that much of condensate.”

Major chunk of the increase in oil output came from Tal block, which saw average oil production rise 63% to 17,000 bpd. The block contributes 20% of total oil produced in Pakistan.

Industry officials believe that Pakistan’s crude oil output is expected to increase to 130,000 bpd in one or two years, a sharp rise from the stagnant 66,000 bpd seen in the last few years.

With around 42,000 bpd to 43,000 bpd consumption, Attock Refinery relies almost entirely on local crude. Other refineries have limited capacity to process it like PRL’s 7,000 bpd to 8,000 bpd.

The design of oil refineries is configured to process specific crudes like Brent or Light Arab Crude. Changes in the configuration require heavy investment, often out of the reach of small refineries.

“Attock is the only company, which is currently installing a plant to process 10,000 bpd of additional condensate,” said Aftab Hussain, who has been affiliated with the refining industry for over three decades.

“A 10,000 bpd facility costs \$40-\$50 million,” he said. “I am all for processing condensate within Pakistan.”

Condensate sells in the international market at a discount compared with other crudes because 60% of what comes out of it is naphtha, another raw material used mostly in petrochemical plants, he said.

“Internal cost of transportation and storage also adds to cost of local crude.”

Since December 2008, Pakistan has become a regular importer of petrol, buying 2.1 million tons of it during fiscal year 2014. But during the same period, refineries exported 854,653 tons of naphtha, which could be converted into petrol.

Like other refineries upgrading their plants to deal with the situation, PRL is also investing \$400 million in Isomerization and Diesel Desulphurisation units. The Isomerization unit processes naphtha into petrol.

“It doesn’t make sense to export naphtha and then import petrol. So we have embarked on this import substitution initiative.”

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India unlikely to attend crucial climate change huddle

By Zafar Bhutta

Published: September 9, 2014

ISLAMABAD:

Top officials of the United Nations confirmed on Monday that Indian premier would not attend a crucial summit of world leaders on climate change, in a setback to the expected global climate deal in Paris next year aimed at reducing greenhouse gas emissions and releasing funds for improving the environment.

“Indian Prime Minister Narendra Modi will not attend the UN summit on climate change,” said Daniel Shepard, Climate Change Focal Point and Public Information Officer/Development Section of the UN Department of Public Information, while replying to queries from media persons during a video conference.

“We understand that the Indian premier is ambitious and actions are under way. The UN is aware of the personal interest of him and is confident that India will become part of the solutions for the Paris climate deal,” he added.

Reports were appearing that Chinese President Xi Jinping may also not join the huddle, being organised in New York on September 23 by UN Secretary General Ban Ki-moon to encourage fresh steps to pave the way for the signing of the global climate deal next year.

Heads of state of about 125 countries including US President Barack Obama are expected to attend the meeting, but it may lose its significance because of the absence of Indian prime minister.

Shepard pointed out that there would be ambitious plans to move forward and take action to reduce emissions. The world leaders would also come to know about the actions already taken to improve the climate and also the economically viable and sustainable alternatives, he said.

According to him, countries like Pakistan may also have commitments of financing to improve the climate.

“The summit will mobilise private and public sectors in a much clear way and will engage development banks to help finance developing countries,” he said, adding a number of transport companies would participate, which could be encouraged to finance the energy sector.

“There may be commitments of financing from the developed countries as well including the US and Japan as well as China.”

There will be no specific mechanism for carbon financing, but the summit participants will hold discussions about green bonds and explore other avenues to address climatic problems.

The summit, which will have no official outcome, will be a place to create conditions to move towards the global climate agreement.

Daniel Thomas, Senior Public Information Officer, Climate Change Team of the UN Secretary General, said the climate summit would provide an opportunity to engage the world leaders to raise political will.

“The heads of state will discuss what actions different countries have taken and what steps were to be taken to tackle the challenges of climate change,” he said, adding the summit would raise the level of ambition to reduce carbon emissions.

He declared that a record number of heads of state, business leaders and civil society activists would take part in the conference, showing the level of interest in addressing the issues of climate change.

“Climate change is affecting the economies of the world and lives of the people. Improvement in the climate will change business conditions, help explore new job opportunities and improve the life of people for a sustainable future,” he added.

“World leaders will discuss the challenges in agriculture, energy (renewable energy), forestry and financing,” he said, women voices would also be there. Ambassador Shahid Kamal said Pakistan would also hold a summit on September 22 to discuss the impact of climate change and focus on financing and water issues in the country.

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Galaxy of opportunities: Making its way onto your screen

By Marina Faryal

Published: September 9, 2014

KARACHI:

After having established Daraz.pk and Foodpanda, Rocket Internet has been making its presence felt in Pakistan.

Headquartered in Berlin, it has become a fast-growing internet incubator.

Focused on business models in the online and mobile space, the company is looking to expand its footprint in the country. With a reputation of building over 100 leading companies in various countries, the incubator has been fascinated with the market potential in Pakistan.

Sacha Poignonnec, the managing director of Rocket Internet, said in an interview that the country has long-term potential. “It is one of the most exciting places to be,” said the official, adding that market penetration in Pakistan is going to be higher than the developed world due to a very fast-growing middle-class – consequently a fast-growing demand.

“However, the present infrastructure cannot deal with this growth,” he said.

E-commerce in the emerging markets is better placed than the developed world. “We can draw an analogy with mobile phones – many people in Pakistan went from not owning one, to directly buying a smartphone.”

Comparing it with the European markets, Poignonnec said people went from no phone to a landline, from a landline to a basic phone and from a basic phone to a smartphone. In Pakistan, Poignonnec said, most users took a shortcut to directly owning a smartphone.

With their strategy of focusing on emerging markets, Poignonnec revealed that setting up an internet business is not an easy task. The aim of Rocket Internet is to build real companies and that means that there are real customers and real partners.

Citing Daraz.pk as an example he said, “It went through a phase of building a relationship, creating strong partners.”

Talking about the high number of collaboration projects, the official said that it was a sign trust-building is taking place.

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Illegal remittances ‘highly unlikely’

By Kazim Alam

Published: September 9, 2014

KARACHI:

Recent calls by the opposition parties to abandon legal channels for the transfer of money from foreign countries seem to have fallen flat, according to industry officials.

Speaking to *The Express Tribune*, Xpress Money Country Manager Rizwan Hamdani said it is highly unlikely that a person will ever remit money illegally after experiencing the convenience and cost-effectiveness of the legal channels.

“There is simply no impact,” Hamdani said while commenting on the flow of remittances after Pakistan Tehreek-e-Insaf Chairman Imran Khan urged overseas Pakistanis to send money home via hundi, which is the illegal way of transferring currency across international borders.

Xpress Money is one of the top three international money transfer companies operating in Pakistan, Hamdani claims, with the company handling roughly 15%, or \$1.5 billion, of the total remittances Pakistan received in 2013-14.

Xpress Money has partnered with 13 banks and two mobile operators in Pakistan. “In terms of the value of remittances, Pakistan is our biggest market in South Asia. Its reasons include better incentives extended by the central bank and the competitive foreign exchange rates that we offer to our clients,” Hamdani said.

Indeed, the rebate facility offered by the State Bank of Pakistan (SBP) under the Pakistan Remittance Initiative (PRI) is noteworthy. Under the PRI, neither the remitter nor the beneficiary is supposed to pay any remittance fee to the money transfer company.

The SBP reimburses the Pakistan rupee equivalent of 25 Saudi riyals to banks upon each remittance of \$100 or more, provided that senders and receivers do not have to pay any remittance fee.

Banks are then free to share the rebate with their respective money transfer companies as per their mutual understanding.

Overseas Pakistanis remitted \$15.8 billion in 2013-14, which was up 13.7% from the remittances amounting to \$13.9 billion received in 2012-13. In the first month of the current fiscal year, the latest 30-day period for which data is available, overseas Pakistanis sent home \$1.65 billion, which was 17.4% higher than the amount they remitted in the same month of 2013-14.

While no remittance fee is charged to the sender or receiver of the remittance of \$100 or more, Hamdani says foreign exchange rates offered by Xpress Money are ‘highly competitive’.

“Let me be clear that it is not commission. It is the exchange rate difference. At times it is simply the inter-bank rate because we are competing against hundi, which offers people the open-market rate,” he said, noting that the exchange rate difference typically ranges between five and 50 basis points.

Discriminatory rebate?

While the rebate facility is commended by foreign money transfer companies and their partner banks, foreign exchange companies say the practice is discriminatory as well as costly.

“I think the rebate facility should end permanently. Otherwise, foreign exchange companies should also be allowed to claim rebate on remittances to create a level playing field,” Forex Association of Pakistan Chairman Malik Bostan told *The Express Tribune*.

Both banks and exchange companies have an approximate share of 40% each in the total remittances received every year, Bostan said. “Exchange companies bring in \$4-\$6 billion every

year free of cost while remittances through banks cost the exchequer about Rs12 billion per annum in rebates,” he said.

Bostan noted that the rebates received by banks on remittances have quadrupled since 2004, but the corresponding increase in the remittances remains relatively miniscule.

Taking advantage of people’s lack of information, many banks and money transfer companies claim rebates from the central bank while charging their clients a money transfer fee at the same time, he claimed.

“Some money transfer companies are also involved in overstating the number of transactions by breaking down one remittance in several small chunks in order to receive the maximum number rebates,” Bostan noted.

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Sahara chief given 15 more days by Supreme Court

By Reuters

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NEW DELHI:

The jailed chief of India’s Sahara conglomerate has won 15 days more from the Supreme Court to use his makeshift office in prison to negotiate the sale of his group’s trophy overseas hotels and raise \$1.7 billion in bail money.

Subrata Roy, 66, has been held in a New Delhi jail for more than six months after failing to appear at a contempt hearing over his group’s failure to repay billions of dollars to investors who were sold outlawed bonds.

Roy has been personally negotiating the sale of the hotels, including Grosvenor House in London and the Plaza in New York since August 5, when he was allowed to use office facilities in the Tihar prison complex.

“No one can be more anxious than my client,” S Ganesh, a lawyer representing Sahara, told India’s Supreme Court on Monday, a day before the end of the previous extension granted for Roy to use the office.

“There is more than one prospective buyer,” he said.

Sahara has not officially named any of the potential suitors for the hotels. Last month, a spokesman for the Sultan of Brunei dismissed reports that an investment firm affiliated with him had made a \$2 billion bid for the three Sahara hotel properties.

This is the second extension given to Roy, who was initially allowed to use the office for 10 days, extended once by 15 days. The Supreme Court panel, however, said the latest extension would be the last and that they want results.

A Sahara executive said that the conglomerate would rather mortgage its overseas hotel properties than sell them.

Sahara is best known in India as the former main sponsor of the national cricket team.

Roy, an enigmatic figure in Indian business circles, calls himself the “managing worker and chairman” of Sahara and guardian of the “world’s biggest family” with close to a million employees and agents.

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Urgency: Egypt to hold donor conference, says minister

By Reuters

Published: September 9, 2014

CAIRO:

Egypt will hold a conference in February to attract investment in an economy battered by years of political turmoil, the minister of planning said on Monday. The Egyptian Economic Summit, to take place in the resort town of Sharm el-Sheikh, hopes to attract foreign companies, donors and international organisations, Ashraf al-Arabi said.

In June, Saudi Arabia’s King Abdullah asked countries to attend a donor conference for Egypt, his country’s most populous Arab ally, following its election of President Abdel Fattah al-Sisi. The UAE, Saudi Arabia and Kuwait have provided more than \$12 billion in cash and petroleum products to prop up Egypt’s economy since the ouster of Islamist President Mohammed Mursi last July.

They see Mursi’s Muslim Brotherhood as an existential threat and are keen to see Sisi succeed since he toppled Mursi.

Egypt wants long-term investments to improve the country’s economy, which has been suffering ever since an uprising toppled President Hosni Mubarak in 2011. The unemployment rate is 13.4 percent, up from 9 percent in 2010, and 60 percent of youth are unemployed, said Arabi, a US.-educated economist.

Officials forecast economic growth at just 3.2 percent in the fiscal year that began July 1, well below levels needed to create enough jobs for a rapidly growing population and ease widespread poverty.

What the conference could achieve

A successful conference might enable the government to push through reforms needed to reach agreement on a loan package with the International Monetary Fund (IMF).

An IMF deal could then improve confidence among investors, who have been unnerved both by years of turmoil and by a host of other problems, ranging from costly energy subsidies to lack of transparency in economic management. Gulf states, which have been planning the conference since April, have taken a keen interest in seeing Egypt, the largest Arab state, get back on its feet.

The UAE, considered the most business-friendly environment in the region, hired Western consultants to advise Egypt on economic matters. Cash transfers from the Gulf states have helped shore up Egypt's foreign currency reserves in recent months, which reached \$16.836 billion in August. But reserves are still at less than half the \$36 billion Egypt held before the 2011 uprising against Mubarak.

Published in The Express Tribune, September 9th, 2014.

Advertising: Twitter tests 'buy' button

By AFP

Published: September 9, 2014

SAN FRANCISCO:

Twitter on Monday began testing 'buy buttons' that let people make purchases directly from marketing posts fired off at the globally popular one-to-many messaging service.

The move comes as Twitter works to ramp up its appeal to people curious about what is happening at any given moment and to advertisers eager to connect with them.

"This is an early step in our building functionality into Twitter to make shopping from mobile devices convenient and easy, hopefully even fun," group product manager Tarun Jain said in an online post.

"In our test, the entire purchase can be completed in just a few taps."

The test was limited to a small group of Twitter users in the US who access the service from mobile devices powered by Apple or Android software, according to Jain.

Users will have the option of having payment and shipping information encrypted and stored to speed up future purchases.

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Murder most foul: Bodies of two men found in Pindi, four injured in capital

By Our Correspondent

Published: September 9, 2014

RAWALPINDI:

Woman allegedly kills husband and another man found dead at his friend's house in Rawalpindi, police said. Separately, three persons were injured in Islamabad on Monday.

In the first incident, the Rawalpindi police found body of a missing man from a ditch after 24 days. The man, identified as Mushtaq Ahmed, belonged to Lakhu village had gone missing on August 14.

The Naseerabad police station SHO Chaudhry Jameel told *The Express Tribune* that Mushtaq's family searched for him but in vein. His brother lodged a complaint with the police expressing his suspicion that his sister-in-law, Shaista Bibi* might have been involved in the disappearance of his brother.

The police arrested the woman, Shaista Bibi* and quizzed her. During preliminary interrogation, the woman confessed that she had allegedly killed her husband by hitting him in the head with an axe and threw his body in a ditch.

The SHO said on the information of the woman, the police recovered the body of the victim as well as the axe used in the crime.

Further investigation is underway to ascertain the motive of the crime, SHO Jamil said.

The body has been shifted to the District Headquarter Hospital (DHQ).

Separately body of a young man was found dead at his friend's house in Sadiqabad locality of Rawalpindi on Monday. According to the police, Usman, a resident of Farooq-e-Azam Road, had been shot in the head.

The victim's father told the police that Usman had allegedly been killed by his friend, Ibadat Ali. He said Ali called Usman to his house at Haroon Chowk on Sunday night.

However, Ali's family told the police that Usman had committed suicide by shooting himself at their house.

The police are investigating the case to ascertain the motive. The body was taken to District Headquarters (DHQ) Hospital and later, it handed over to the family for burial.

The Islamabad police claimed to have arrested two injured suspects after a shootout late Sunday night.

A police team was on the patrol near Sabzi Mandi (fruit and vegetable market) when three armed men opened fire on it. The police returned fire injuring two of the shooters. Their third accomplice fled from the scene, a police official told a private channel.

According to sources, the suspects were taken to a hospital. They will be charged with armed assault on police, possession of unlicensed firearms, the police sources said.

“Police are investigation the motive behind the attack as cop-killing is on the rise and this attack may not be linked to other similar assaults”, another official said.

Meanwhile, a man was shot injured in Tarnol area of the capital city on Sunday. Rukhsana Afzal lodged a complaint with the Tarnol police that Imran along with his accomplices intercepted her husband, Muhammad Afzal, in Gulshan Colony, and shot at him. He sustained bullet injuries and taken to a hospital.

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Rs150m scam: Urdu varsity staff continues protest against VC

By Our Correspondent

Published: September 9, 2014

ISLAMABAD:

The employees of the Federal Urdu University of Arts, Sciences and Technology (FUUAST) Islamabad campus continued their protest against vice-chancellor Dr Zafar Iqbal in connection with his alleged involvement in a Rs150 million embezzlement scam.

The employees protested against the alleged mismanagement and corruption of the VC as well as the lull over the construction of the Islamabad campus and non-provision of medical facilities to the employees.

Amid slogan-shouting, speakers claimed that instead of taking notice of the mismanagement, the VC has dismissed three employees and stopped salaries of several others.

To add insult to injury, they claim, the VC regularised 19 employees of the FUUAST Karachi campus.

The employees said such ‘administrative actions’ by the varsity head would not be tolerated and demanded that employees of the Islamabad campus also be regularised.

They also requested the President of Pakistan, who is also the university’s chancellor, and chairman of the Higher Education Commission to take notice of the issue as no action has been taken against anyone for the last few months.

Since reports emerged of a Rs150 million scam at the university's Islamabad campus, the top management has spent much of its time passing the buck.

The money was allegedly transferred from a university account to a private account and then 'invested' in some private businesses, all of which purportedly occurred without the knowledge of the top management.

Five university employees involved in opening the bank account were suspended following an inquiry report.

According to university sources, after learning of the illegal account, the VC set up an inquiry committee headed by newly-appointed campus in charge Lt Gen (retired) Shahid Aziz.

The committee found the VC's Personal Secretary Abdul Rashid Bangash, accountant Hammad Kayani, audit officer Rana Asif, deputy registrar Shah Muhammad and another official involved in opening the new account.

The five were suspended immediately but the VC later reconstituted the committee by removing Aziz for unspecified reasons.

Sources at the university said Aziz was investigating the issue thoroughly and that the names of senior officials from the university's Karachi campus had also popped up during the investigation.

Published in The Express Tribune, September 9th, 2014.

Architectural awe: Beneath the Margallas, a 19th century mosque stands out

By Huma Choudhary / Photo: Huma Choudhary

Published: September 9, 2014

ISLAMABAD:

Driving on the bumpy road that leads to Sector D-12, a picturesque mosque figures prominently; its facade covered with beautiful ceramic-like tile work and surrounded by centuries-old lush green trees.

Located short of a police check post at the foothills of the Margallas, Masjid-e-Oulia was built in 1889 using limestone and imported tiles by Malik Fateh Baksh, the caretaker of Baba Khushi Muhammad's shrine which is adjacent to the mosque and is over 125 years old.

Much younger than other culturally-rich cities, such as Lahore and Peshawar, the capital has very few historic and well-preserved buildings.

Unlike other mosques that look a bit dated with opposing patterns that contrast, sometimes awkwardly, this mosque seamlessly blends traditional and new styles of patterns to make a timeless yet modern structure. Despite its small size, the front wall of the mosque gives an Ottoman-influenced architectural feel.

Looking at the facade of the mosque, the intricate tile work and symmetry speak volumes about the architectural and artistic excellence of its builders, keeping in mind that its roof was last repaired in 1992 and the rest of the structure has not been renovated in decades.

Tahir Mehmood, the present caretaker of the mosque and the great grandson of Malik Fateh Baksh, told *The Express Tribune* “I moved from Wah Cantt to Islamabad only to look after this mosque and play my role in preserving our heritage.” Mehmood is currently pursuing his PhD at the International Islamic University Islamabad and is working on his thesis on faith healing—treating diseases spiritually.

Mehmood added spring water was being used at the mosque for ablution and drinking purposes, however, there were other springs in the area which could supply clean water to the entire sector of D-12 but unfortunately, instead of being utilised so by the Capital Development Authority (CDA), sewerage water was being allowed to mix in them. He lamented that CDA was spending billions of rupees on laying pipelines from Khanpur Dam and building pumping stations, stating that the authority is guilty of neglecting the most precious resource of a large number of brooks, springs and streams crisscrossing the capital.

Altaf Hussain, who looks after the mosque while Mehmood attends classes during the day, said “This part of Islamabad is pristine and enchanting. Visitors come here for the fresh, ice-cold spring water and the Buddha caves located nearby.” He added that the neighborhood was rich in historic archaeological sites, such as the ruins of Shah Allah Ditta, but a number of housing schemes were mushrooming in the area, posing a serious threat to these historic and preservation-worthy sites.

When contacted, CDA Member Environment Mustafain Kazmi said “We’re working towards preserving these sites in Sector D-12 and plan on turning it into a prominent tourist destination like Saidpur Village.” However, he said some pockets in the area have land ownership issues and once these are sorted, the authority will be able to take proper steps in preserving these sites.

He added that a monsoon tree plantation drive would be launched in the capital in a week and around 0.1 million trees will be planted in D-12 and its surrounding sectors.

Meanwhile, the peaceful aura and crisp and clean air around the mosque continue to make it one of the capital’s best kept secrets and must-see place for those who enjoy Islamic architecture.

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National sport: Hockey stadium to be completed by year end

By APP

Published: September 9, 2014

ISLAMABAD:

The Shahnaz Sheikh Hockey Stadium in Rawalpindi will be ready to host international tournaments by the end of this year when an astrotruf and a pavilion will be constructed.

Talking to APP, Olympian Shahnaz Sheikh, who is also the national team coach, said the Punjab government has released Rs30 million to lay the artificial turf and construct a pavilion. Sheikh said Rs75 million will be released in total for the project. "Rs30 million have been released while Rs45 million will be released soon for the completion of the project," he said.

Sheikh said the work to carried out with this grant include an Astroturf, construction of a 5,000 seating capacity pavilion, building for players, dressing rooms, washrooms and other necessities.

Sheikh thanked the provincial government and former MNA Hanif Abbasi for his efforts behind the project. "Tenders will be invited soon after the completion of the building while the remaining amount to lay the Astroturf and install floodlights will be released soon," he said.

Sheikh said the stadium would help revive the national game among the youth. "Rawalpindi had produced 27 olympians up until 1990 but there are not many new players from the city. I hope this project will promote the sport in Rawalpindi," he said.

The proposed stadium would become the first-ever hockey stadium in the middle of the city and has all that is needed to host international events once it is completed, he said, adding that "Once the stadium gets built, I believe a lot of hockey lovers would come here to play."

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Close, but no cigar: Govt, PTI agree on all but two sticking points

By Azam Khan

Published: September 9, 2014

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ISLAMABAD:

Negotiators from the government and the Pakistan Tehreek-e-Insaf (PTI) agreed on all but two sticking points as they met twice on Monday in a bid to break a debilitating political deadlock persisting since August 14.

“We have agreed on almost everything. Only two contentious issues remain. One of them is not negotiable for us,” Finance Minister Ishaq Dar, who is heading the government negotiating team, told journalists after a second round of talks late Monday.

Although Dar didn’t elaborate, it is believed that he was referring to the PTI’s demand for the resignation of Prime Minister Nawaz Sharif for the period a judicial commission investigates the alleged fraud in the 2013 parliamentary elections.

The two sides met at the residence of PTI senior leader Jahangir Tareen hours after their first meeting of the day. PTI vice chairman Shah Mehmood Qureshi led his side while the government team was represented by Ishaq Dar and Minister for Science and Technology Zahid Hamid.

“We have conveyed our final position to the government side. They will get back to us after conferring with their leadership,” Qureshi said while appearing before the media with Dar after the talks. Last week, the two sides had exchanged written proposals for breaking the political impasse.

After the first round of talks on Monday, insiders claimed there was progress even on the trickier PTI demand for the resignation of Premier Nawaz and his brother Shahbaz Sharif, the chief minister of Punjab.

The two sides agreed to let the judicial commission, formed by the prime minister, to investigate the alleged electoral fraud, to do its work before pressing for the resignations of the Sharif brothers, a member of the opposition Jirga told *The Express Tribune*. The Jirga has been facilitating talks between the government and the protesting parties.

“If the commission establishes systematic rigging in the 2013 elections, then the entire PML-N government would have to resign,” he said.

On his part, Jamaat-e-Islami Ameer Sirajul Haq, a member of the opposition Jirga, expressed optimism that the dialogue would yield positive results. “The responsibility lies more with the

government,” he said, urging all stakeholders to take a step back. PPP Senator Rehman Malik, who flanked the JI chief, added that “sacrifice is the need of the hour.”

Another Jirga member Liaquat Baloch, who is also JI’s secretary general, said that the solution to the political logjam was above the resignation mantra. “Our mediation is very clear and we want to make such terms and conditions for the judicial commission which are acceptable to both sides,” he told *The Express Tribune*.

Senator Kalsoom Perveen, who is also part of the Jirga, said: “We succeeded in breaking the deadlock and now our role is that of facilitators.” She added that they haven’t come up with any new formula. “We only convinced both sides to soften their stances on contentious points.”

The government is holding parallel talks with PTI and Pakistan Awami Tehreek (PAT) through two separate teams. The second committee, led by Planning and Development Minister Ahsan Iqbal, met PAT negotiators twice on Monday. However, the two sides refused to share what transpired at the meeting.

The JI chief told *The Express Tribune* that negotiations with both parties have entered a decisive stage where one could expect make or break very soon.

“Some positive developments have taken place during the past two days but the issue of the resignations of the Sharif brothers was the only bone of contention.”

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Medical seminar: Premature babies with weak retina prone to blindness

By News Desk

Published: September 9, 2014

Retinopathy of Prematurity (ROP) is a disease affecting premature and under weight babies born before the date of delivery who are placed in incubators for supplemental oxygen.

Medical professionals were speaking on ROP at a seminar at Al-Shifa Trust Eye Hospital in Rawalpindi on Sunday, stated a press release.

Speakers said premature and underweight babies have weak retinas that may lead to blindness if not treated timely, adding that showing these children to ophthalmologists may avoid lifelong blindness and disability.

Guest speaker Dr Umer Khan Mian from USA highlighted the concept of Pakistan Retinopathy of Prematurity Educational and Research Alliance (PROPERA) for the first time in Islamabad.

Later, screening data of ROP from the Pakistan Institute of Medical Sciences (PIMS) was presented by Dr Sorath N Siddiqui. Dr Shireen Gul, a pediatrician from PIMS, discussed protocol for oxygen therapy at the capital's largest public hospital.

The screening data of ROP from Military Hospital, Combined Military Hospital and Fauji Foundation Hospital was presented by Dr Saemah Nuzhat Zaffar of Al Shifa Eye Hospital.

Later, Dr Shahid Nazir, a neonatologist from Shifa International Hospital talked about the management protocol for premises at Shifa hospital.

Several doctors from Benazir Bhutto Hospital, Islamic International Medical College, Fauji Foundation Hospital Pakistan-Fred Hollows Foundation, Holy Family Hospital participated in the discussion through video links.

Moreover, doctors from Sukkur, Kohat, Muzaffarabad and Lahore also participated in the seminar.

Renowned neonatologists and ophthalmologists shared their views to formulate ROP screening guidelines for Pakistan and start ROP screening services at Neonatal Intensive Care Units (NICU) and eye clinics at various hospitals.

The meeting concluded with the achievement of setting up a coordination team of pphthalmologists and neonatologists from each hospital that participated who will meet monthly to discuss ways to further their cause.

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Art exhibition: FJWU students' thesis work on display

By Our Correspondent

Published: September 9, 2014

RAWALPINDI: Bachelors of Computer Arts Students at the Fatima Jinnah Women University (FJWU) on Monday put their final year's thesis work on display showcasing work of the students in graphics, animation, photography, pantography and video production. The art work received a marvelous response and appreciation from visitors including the faculty members. While appreciating the diverse work of the students, FJWU Vice-Chancellor Dr Samina Amin Qadir said that the students have produced an excellent and unique art work under the supervision of their supervisors. She urged students and faculty to link the artwork with industry to gain sponsorships and marketability. She said that exhibition was successful in establishing the point that the department excels in producing individuals who possess the ability to think creatively and convey even most complex ideas. The exhibition also highlights short films using 2D and 3D animations.

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Literacy Day: Speakers call for reducing disparity

By Our Correspondent

Published: September 9, 2014

ISLAMABAD: Speakers have asked the government to take urgent steps to reduce the gap between male and female education rates to achieve millennium development goals (MDGs). They said that political will and collective efforts were required to implement laws dealing with education. They were speaking on Monday at a panel discussion on the status of education and challenges in Pakistan to mark International Literacy Day. The event was organised by the Idara-e-Taleem-o-Aagahi in collaboration with Oxfam, Foundation Open Society Institute and civil society organisations. The panellists included physicist Dr A H Nayyar, senior educationists and civil society advocates Arshad Mehmood, Manizeh Bano, Zafarullah Khan and Salman Zaidi. Speakers were of the view that civil society should push the government for the implementation of laws pertaining to free and compulsory education.

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Two cars, four bikes stolen in twin cities

By Our Correspondent

Published: September 9, 2014

RAWALPINDI:

Two cars and four motorcycles have been stolen from different areas of the twin cities during the last 24 hours, police said. Three motorcycles have been stolen from Sadiqabad area of Rawalpindi.

Imran Ali reported to the police that his motorcycle (RIL-1902) had been stolen from outside his house in Rahim Town. Jahangir's motorcycle (ABR-889) had been stolen from the porch of his house in Iqbal Town. Similarly, Muhammad Khan's motorcycle (RIO-7000) has been lifted from outside his house in Muslim Town.

In Islamabad, Qaisar Mehmood's Honda CD-70 motorcycle has been stolen from outside his house in Gulshan-e-Jinnah in F-5.

Nasir Ahmed's Suzuki Khyber (LOU-1994) has been lifted by auto-thieves from the parking lot of Polyclinic hospital in G-6. Muhammad Hakeem Khan's Corolla car (YH-829) had been lifted from outside his house in G-8/1.

Similarly, Muhammad Fahd's Honda-125 motorcycle (ABR-950) had been stolen from outside his house in Sector G-11/4.

Meanwhile, the New Town police have arrested a suspected auto-thief and seized a stolen car from their possession. A police party stopped a car at a checkpoint and on quizzing, the driver, identified as Amir, failed to produce registration documents.

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Balochistan ‘rigging’: National Party refutes PTI chief’s allegations

By News Desk

Published: September 9, 2014

The National Party (NP) has refuted Pakistan Tehreek-e-Insaf Chairman Imran Khan’s rigging allegations against Balochistan Chief Minister Abdul Malik Baloch.

Khan had claimed during his speech at the sit-in on Sunday that the chief minister came to power through “electoral fraud”.

The party will hold demonstrations against Khan’s allegations across the country on Wednesday, September 10, informed a press release.

“The party’s provincial presidents, Dr Yaseen Baloch (Balochistan), Ayub Malik (Punjab), Mukhtar Bacha (K-P) and Ramzan Memon (Sindh) have strongly condemned the allegations of the PTI chief and given a call for protests in their respective provinces,” the statement said. The party will hold a demonstration at the National Press Club at 4:30pm on Wednesday.

“NP President Senator Mir Hasil Bizenjo said Dr Malik Baloch contested elections against Syed Ahsan Shah, who was disqualified on the basis of dishonesty. Shah was disqualified by the Balochistan High Court, an election tribunal and the Supreme Court as well for holding a bogus degree,” the statement said.

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OPEN MARKET FOREX RATES

Updated at: 9/9/2014 7:16 AM (PST)

Currency	Buying	Selling
Australian Dollar	94.75	95
Bahrain Dinar	269.75	270
Canadian Dollar	93.50	93.75
China Yuan	16.45	16.6
Danish Krone	17.5	17.65
Euro	132.5	132.75
Hong Kong Dollar	13	13.1
Indian Rupee	1.67	1.69
Japanese Yen	0.972	1
Kuwaiti Dinar	356.75	357
Malaysian Ringgit	31.9	32.15
NewZealand \$	84.85	85.1
Norwegians Krone	16.35	16.5
Omani Riyal	263.75	264
Qatari Riyal	27.75	28
Saudi Riyal	27.1	27.35
Singapore Dollar	80.75	81
Swedish Korona	14.4	14.55
Swiss Franc	111	111.25
Thai Bhat	3.17	3.19
U.A.E Dirham	27.7	27.95
UK Pound Sterling	164.75	165
US Dollar	102	102.25





INTER BANK RATES

Updated at: 9/9/2014 7:16 AM (PST)

Currency	Bank Buying TT Clean	Bank Selling TT & OD
Australian Dollar	95.12	95.31
Canadian Dollar	93.17	93.36
Danish Krone	17.64	17.67
Euro	131.33	131.58
Hong Kong Dollar	13.1	13.12
Japanese Yen	0.9661	0.9680
Saudi Riyal	27.06	27.12
Singapore Dollar	80.95	81.11
Swedish Korona	14.3	14.33
Swiss Franc	108.86	109.07
U.A.E Dirham	27.63	27.69
UK Pound Sterling	164.53	164.86
US Dollar	101.5	101.7

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

As on Tue, Sep 09 2014, 03:45 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold 24K	XAU	41,177	47,978	128,076	
Palladium	XPD	29,014	33,807	90,246	
Platinum	XPT	45,788	53,350	142,417	
Silver	XAG	624	727	1,941	

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
 Australian Dollar	AUD	436	508	1,356	
 Canadian Dollar	CAD	444	517	1,380	
 Euro	EUR	313	365	975	
 Japanese Yen	JPY	42,895	49,980	133,420	
 U.A.E Dirham	AED	1,483	1,728	4,612	
 UK Pound Sterling	GBP	251	293	781	
 US Dollar	USD	404	470	1,256	

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