

SC adjourns Justice Qazi Faez Isa's petition until Tuesday

ISLAMABAD: The Supreme Court on Monday adjourned hearing of Justice Qazi Faez Isa's petition challenging the presidential reference filed against him over alleged non-disclosure of assets in his wealth statement until Tuesday. The reference filed against Justice Qazi Faez Isa alleges that he acquired three properties in London on lease in the name of his wife and children between 2011 and 2015, but did not disclose them in wealth returns.

NA offers *fateha* for Naemul Haque, Shahnaz

ISLAMABAD: National Assembly on Monday offered *fateha* for the departed soul of senior leader and one of the founding member of Pakistan Tehreek-e-Insaf Naemul Haq.

The House also offered *fateha* for Pakistan People Party MPA in Sindh Assembly Shahnaz Ansari and six people died in Karachi due to gas leak.

Maulana Abdul Akbar Chitrali led the *fateha*. —APP

Japan's support for Afghan refugees in Pak

ISLAMABAD: On the occasion of the "International Conference on 40 years of Hosting Afghan Refugees in Pakistan" from February 17 to 18, 2020 at Islamabad, the Embassy of Japan wishes to share Japan's support for Afghan refugees in Pakistan and Pak/Afghan Development.

Pakistan has been hosting the largest Afghan refugees population in the world in the past four decades. Moreover, Pakistan is playing an important role in the ongoing efforts to achieve a peace settlement in Afghanistan. Understanding Pakistan's hardship and its geo-political importance in this region, Japan has continuously supported the host communities of Afghan refugees in the northwest region of Pakistan especially in the fields of health, education, and water and sanitation. The total assistance in Pakistan provided through UNHCR amounts to \$160 million for the past 36 years. People especially in the northwest region of Pakistan have suffered from polio in many years. It is necessary to tackle this problem from both of sides of Pakistan and Afghanistan, aiming for its earliest eradication. Japan has provided approximately \$229 million to Pakistan for its polio eradication program since 1996.

Stability and reconstruction in Afghanistan is desperately needed for the safety and voluntary return of Afghan refugees. Japan has provided USD 6.7 billion in total since 2001 for various projects in Afghanistan, such as a total of 700 km highway construction and the construction of terminal building and runway of the Kabul International Airport. —Online

India rebukes UN chief's offer on Kashmir

NEW DELHI: India has rejected United Nations Secretary General Antonio Guterres's offer for mediation on the Kashmir issue and said that "there is no role or scope for third party mediation". The Hindu reported on Monday.

Guterres had made the offer a day earlier in Islamabad while speaking at a joint press conference with Foreign Minister Shah Mahmood Qureshi. The UN chief had called for resolution to the Kashmir dispute by honouring resolutions of the UN Security Council.

Guterres offered his role as a mediator and said his "good offices" could be used for this purpose. Discussing relations between Pakistan and India, he stressed the need for de-escalation, both militarily and verbally. India rejected his offer for mediation late Sunday.

"The issue of [Jammu and Kashmir] that needs to be addressed is that of vacation of the territories illegally and forcibly occupied by Pakistan," claimed Ministry of External Affairs (MEA) spokesperson Raveesh Kumar. "Further issues, if any, would be discussed bilaterally. There is no role or scope for third party mediation."

According to The Hindu, Kumar said that India hopes Guterres will "emphasise on the imperative for Pakistan to take credible, sustained and irreversible action to put an end to cross-border terrorism against India".

India Prime Minister Narendra Modi has alleged that Pakistan continues to wage a "proxy war" against India by "backing militants" in occupied Kashmir — a charge repeatedly denied by Pakistan

The Business

Lahore, Tuesday, February 18, 2020 Jamadi-us-Sani 23, 1441

Dollar gains Rs 0.11 in interbank

ISLAMABAD: The exchange rate of US dollar against Pakistani rupee bounced by Rs 0.11 in interbank on Monday, traded at Rs 154.27 as compared to Rs 154.16 of last trading day, SBP reported. In interbank the price of Euro appreciated by Rs 0.17 and was traded at Rs 167.37 against the last closing of Rs 167.20. The exchange rate of Japanese yen remained stable and was traded at Rs 1.40 whereas the increase of Rs 0.45 was witnessed in the exchange rate of British Pound which was traded at Rs 201.24 as compared to last closing of Rs 200.79. —DNA

Sanjrani seeks report of wheat crises in next session

ISLAMABAD: Chairman Senate Sadiq Sanjrani Monday directed the government to complete the probe recent wheat crises in the country and present the report in the house in next session.

Federal Minister for Parliamentary affairs Senator Azam Khan Sawati informed the upper house that the Prime Minister Imran Khan had termed the report incomplete in the cabinet meeting and returned the same to the Federal Investigation Agency (FIA) along with fresh questions.

He assured the house that the report will be presented soon after the government will receive it, adding the Prime Minister admitted at every forum that scam was bigger than it appears therefore the probe should also be comprehensive.

He said Prime Minister Imran Khan is determined to punish found guilty in the investigation report.

Senator Raja Zafar-ul-Haq, Leader of the opposition in the senate asked as to why the previous report was returned and why it was not shared with the house.

Senator Mushahidullah reminded that the minister had promised to present the report on Monday (Today) but he did not fulfill his promise, terming the minister's reply flippant.

Senator Sherry Rehman said that the text of the previous report was leaked to the media and was discussed in detail the honorable minister failed to bring that report in the house which is disgraceful. The government as usual is dismissive as even in today's sitting no minister is available to reply the queries from the opposition, said Sherry Rehman.

Senator Nauman Wazir informed the house that the federal government purchases 6 million wheat whereas the Sindh government purchases 3 million wheat every year.

He said the government of Sindh had not purchased wheat by the January 12 this year which is a biggest accusation and requires to be probed. Earlier the joint opposition walked out under protest on government's casual attitude and absence of concerned minister from the house however they returned in the house on the request of Senator M Ali Saif. —Online

'Afghan refugees being provided facilities despite crises'

ISLAMABAD: Foreign Minister Shah Mahmood Qureshi on Monday has told that millions of Afghan refugees are being given basic facilities in Pakistan despite crises.

Addressing the two-day International Conference to mark forty years of Afghan Refugees' Presence in Pakistan, the minister said that resolving Afghan conflict is inevitable for peace in the region. The relation between Pakistan and Afghanistan is based on joint religion and culture, he added.

Shah Mahmood Qureshi told that Pakistan is hosting five million refugees as per Islamic values. All the migrants have hopes with this conference, he asserted.

The minister further stated that no country can handle this issue alone. It is to be mentioned here that the conference was inaugurated by Prime Minister (PM) Imran Khan while United Nations Secretary General Antonio Guterres, UN High Commissioner for Refugees Filippo Grandi, ministers and senior officials from around twenty countries also participated in the event. Earlier, Foreign Minister Shah Mahmood Qureshi said that Pakistan has always supported peace and reconciliation in Afghanistan as it believes that peace in the neighboring country will improve regional stability.

Addressing a joint news conference along with UN Secretary General Antonio Guterres, Qureshi said that we had a very fruitful meeting with the UN Secretary General in which we discussed a host of issues. He said we have to agree on a time bound roadmap for repatriation of Afghan refugees, supported by the international community.

Pakistan is a responsible member of the UN and there is a lot of two way cooperation between the two. We are committed to principles and values of the UN charter. We support multilateralism instead of unilateralism," he said. —Online

Committee formed for recommendations on Nawaz's reports

LAHORE: Punjab Home Department on Monday has formed a committee for suggestions over ex-prime minister Nawaz Sharif's medical reports in connection with extension in his bail plea.

According to details, the committee headed by Punjab Law Minister Raja Basharat also includes provincial Health Minister Dr Yasmin Rashid and Specialized Healthcare and Medical Education Secretary Momin Agha.

Earlier, Punjab government had raised objections over Nawaz's reports and said that incomplete medical information was submitted. The medical reports stated that delay in Nawaz Sharif's angiography could pose life threat to him.

On Oct. 29, the Islamabad High Court (IHC) had suspended the sentence of former premier Nawaz Sharif on medical grounds for eight weeks in the Al-Azizia reference case. The court had ordered him to submit two surety bonds of Rs2 million each to the court for securing his release.

A plea for bail had been filed by PML-N President Shehbaz Sharif for his brother Nawaz, who was under treatment



QUETTA: A view of bomb blast site as eight people were killed and eight others injured in a blast that took place on Shakra-e-Iqbal Road near the Quetta Press Club.

Another chapter of 'irregularities' of HBL opened up in UAE

M Jahangir Hayat

LAHORE: At the time when Habib Bank Limited (HBL) has announced winding up its US New York operation by March 31, 2020, losing ground for conducting further business there, another chapter of major irregularities has opened up by the HBL in its UAE branches has opened up.

The State Bank of Pakistan (SBP) pointed out the irregularities in one of its reports on Habib Bank Ltd.'s operations in the United Arab Emirates, Bloomberg News claimed.

The inspection report was compiled after the Financial Action Task Force (FATF), a global watchdog for illicit financial activities, put Pakistan on its monitoring list.

The SBP reported that employees in some of Habib Bank's UAE branches helped certain customers' disguise transactions by issuing pay orders in their own names, while gaps in risk profiling and monitoring reflected an "ineffective compliance function and compliance culture."

The central bank said UAE staff ignored rules when opening an account for the son of former South African President, and for relatives of Gabonese President Ali Bongo.

The SBP also said its draft and final inspection reports are confidential and as a result it is unable to comment "on the veracity of observations purportedly related to inspection reports or inspection process."

It is said that the draft report on the UAE operations of HBL was prepared soon after an on-site inspection by the SBP. It includes lists of customer accounts that were flagged for allegedly involving various violations by Habib Bank staff. The final report has the same broad conclusions but incorporates input from the bank, and omits the lists of specific accounts.

According to Sagheer Mufti, Habib Bank's chief Operating Officer, the problems in the UAE have since been addressed by a sweeping overhaul that the bank started rolling out in the Middle East and other international operations in early 2019, "There were process issues and those issues pertain to legacy clients and legacy transactions and legacy processes," Mufti said in an interview, responding to questions about inspection report.

The Bloomberg report said that the SBP inspection report also said the UAE operation provided banking services to "politically exposed persons" without marking them as PEPs, a category used by banks to highlight the risk of accepting money that results from bribery or corruption. In other cases, priority banking accounts were opened "by granting regulatory exceptions."

The report added that banks around the world have been tightening up on their dealings with PEPs and other wealthy people after a series of scandals following the 2008 global financial crisis. Regulators have

stepped up scrutiny over the past decade and many banks have stopped doing business with clients perceived to be risky.

In a statement, HBL said it has had policies in place for sanctioned countries and for handling PEP accounts for a number of years. "In 2017 a handful of transactions were identified at HBL UAE which contravened our processes and standards. This should never have happened," the statement said. "Following disciplinary proceedings, the staff members involved are no longer employed by" the bank, it added.

The significant irregularities by HBL have come at a time when FATF has expressed its satisfaction over the far-reaching AML and counter terror financing measures by government of Pakistan and SBP.

"That would have serious consequences for the economy and its bailout programme with the International Monetary Fund". Other demanded strict action against HBL management for continuously indifferent attitude.

Earlier New York Department of Financial Services (DFS) on imposed a fine of \$225 million on Habib Bank Limited and its New York branch for failure to comply with the New York laws and regulations designed to prevent illicit financial transactions. On Monday HBL announced that it will complete the voluntary closure of its New York Branch by March 31, 2020, in coordination with the New York banking regulators losing.

LSM growth to help create jobs if trend continues: PIAF

LAHORE: The Pakistan Industrial and Traders Association Front has said that the positive growth in large-scale manufacturing (LSM) will help create jobs if the trend continues in coming months, as the large industries have bounced back last month, posting a healthy growth of nearly 10 percent.

PIAF Chairman Mian Nauman Kabir, in a joint statement along with senior vice chairman Nasir Hameed and vice chairman Javed Iqbal, observed that the LSM output increased by 9.66 percent in December over the same month of the last year, breaking a cycle of constant contraction in past over one year.

He said that this trend helped bring the overall cumulative contraction in the LSM sector down to 3.4 percent during July-December period of fiscal year 2019-20. During

five months, the contraction in LSM sector was close to 6%, which significantly came down to 3.4 percent due to better performance in large industries in December.

He said that large businesses were bearing the brunt of very high interest rate, documentation drive by the Federal Board of Revenue and high energy prices.

PIAF chairman warned that current trends suggest that the government would miss its annual growth targets in three major sectors, including agriculture, industry and services, stressing the need for dropping markup rate and energy prices to stimulate industrial growth further. In its first quarterly report, the central bank noted that while large export-oriented and import-competing industries remained bullish on fundamentals, they

refrained from taking a long-term view.

Quoting the data of PBS, he said that out of 15 major industries, eight recorded growth while the output in seven industries contracted in the July-December period.

Data collected by the Oil Companies Advisory Committee (OCAC) showed that 11 types of industries registered on an average 0.7% negative growth in the July-December period of the current fiscal year. But in December alone, the OCAC-monitored industries reported 0.1 percent growth.

Food prices threatening majority of population

The Pakistan Economy Watch (PEW) on Monday said uncontrollable food prices continue to threaten majority of the population and push millions into abject poverty. —DNA

Engro Fertilizers' profit up by 11.4pc to Rs18.56 billion

The Business Report

LAHORE: The Board of Directors of Engro Fertilizers Limited (EFERT) met on Monday to review the company's performance and announce its financial results for the year ended December 31, 2019.

As per standalone financial results, the company reported a profit after tax of Rs18.563 billion for the year ended December 31, 2019, as compared to Rs16.669b for the corresponding period last year, showing a growth of 11.4pc.

However, according to the consolidated financial results, EFERT's profit after tax reduced from Rs17.414 billion in 2018 to Rs16.871 billion for the year ended December 31, 2019, showing a decline of 3.11pc.

The fertilizer company declared a final cash dividend of Rs2 per share or 20pc. Its earnings per share (EPS) were

recorded at Rs13.90, which is a jump of 11.4pc from Rs12.48.

The company's profit before tax clocked in at Rs27.236 billion, an increase of 27.2pc from last year (Rs21.400 billion). The Annual General Meeting (AGM) of the company for the year ended December 31, 2019, will be held on March 31, 2020.

EFERT announced a net profit after tax of Rs4.76 billion for 4QCY19 (EPS: Rs4.76), up by 91pc/23pc QoQ/YoY.

According to Ailia Naeem, a senior research analyst at AKD Securities, this takes CY19 NPAT to Rs16.8 billion (EPS: Rs12.63), down 3pc YoY. Naeem mentioned that the NPAT was in line with their expectation. She stated that deviations were witnessed at gross margins level, with potentially higher than expected trading business GMs.

"On the other hand, effective tax rate of 35pc also remained above our expect-

ation of 28pc potentially due to further reversal of deferred tax, neutralising the impact of expectations beat at gross level," she stated.

According to AKD's report, the YoY decline in CY19 earnings was on the back of three things: firstly, 83pc YoY higher operating expenses; secondly, 88pc YoY higher finance cost amid policy rate hikes over the last year and lastly, higher effective tax rate of 38pc (vs. 28pc in the same period last year) due to reversal of deferred tax booked in CY18.

She mentioned that for 4QCY19 alone, the sequential uptick in NPAT comes from firstly, 39pc QoQ higher off-take leading to 61pc increase in topline, secondly, 106bps QoQ higher GMs led by higher urea retention price (effective Sep'19) and lastly, lower effective tax rate of 35pc vs 44pc in 3QCY19.

ANNOUNCEMENT

24th APNS AWARDS

The All Pakistan Newspapers Society
is pleased to announce its Annual Awards on
February 26, 2020 at Islamabad.

**Member Publications and Advertising Agencies are
requested to send the names of participants to
APNS Secretariat
by February 18, 2020 positively.**

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