

# TRADE CHRONICLE

PAKISTAN'S OLDEST MONTHLY MAGAZINE OF COMMERCE, TRADE, INDUSTRY & PUBLIC AFFAIRS



**President confers Nishan-i-Imtiaz (Military) on CJCSC, COAS**



**In the loving  
memory of  
S.M. Muneer**

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PAKISTAN OLDEST MONTHLY MAGAZINE OF COMMERCE, TRADE, INDUSTRY & PUBLIC AFFAIRS

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❖ ————— ❖  
**We begin with the name of Allah the Magnificent**  
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**In the loving memory of S.M. Muneer:  
 A great loss to the industry & country**

**T**he Chairman of Din Group, the eminent industrialist and head of United Business Group S.M Muneer (bhai Jan), passed away on Monday (November 28) evening after a brief illness. He was 77. He lived a purposeful life and made thousands of people mourn his departure. He was a legend in many fields, but I knew him as a lion of Pakistan's leather industry. He was very kind to my beloved father late, Abdul Rauf Siddiqi, managing editor of this oldest monthly and special correspondent of Leather International in Pakistan.

As a Chairman of the Pakistan Tanners Association (PTA), he played a catalyst role in the progress of the leather industry with the support of other leather industry players. He played a pivotal role in its promotion and exports due to his passion. Pakistan Leather Show (PLS) was one of his great contributions to the leather industry. His contribution to the textile industry is also unmatched. He worked tirelessly as CEO of the Trade Development Authority of Pakistan to increase the country's export and resolve the exporter's problems. A great tribute was paid to the services of the late S.M. Muneer in government and private sector condolence meetings across Pakistan.

He was a Pakistani businessman and industrialist who served as patron-in-chief of the Korangi Association of Trade and Industry (KATI). Additionally, he was a board member for various banks and private businesses and had ties to the leather trade. He has also managed several hospitals, maternity homes, schools, and institutions in Karachi, Faisalabad, and Chiniot while serving as chairman of Chiniot Anjuman Islamia.

He worked as President of the Federation of Pakistan Chamber of Commerce and Industry (FPCCI) and Vice Chairman of MCB Bank. He was a member of the Institute of Business Management and Greenwich University, Karachi, many boards of governors and the Federation of Pakistan Chambers of Commerce & Industry. He was on the boards of The Kidney Centre Post Graduate Training Institute.

S. M. Muneer received several awards for his excellence in various disciplines, fields and services, including the Best Export Performance Trophy by FPCCI, Gold Medallion Award by the International Export Association, UK, Best Businessman of the Year Award by FPCCI, Sitara-i-Eisaar (2006), Sitara-i-Imtiaz (2007), Life Time Achievement Award (2012) in Pakistan. And Life Time Achievement Award by then-Mayor of Markham (Canada) Frank Scarpitti (2012).

It is decent that SMTanveer, the son of S.M. Muneer, was unanimously appointed as Patron-in-Chief of KATI in the Executive Committee meeting. This will keep Bhai Jan's legacy combined among his lovers.

Ultimately, we pray his soul rests in eternal peace and for bearance to his family. His sad demise is felt by many. An industry stalwart, his vast achievements and contribution to the banking, leather and economic progress of the megacity of Karachi leaves a magnanimous legacy. At the same time, his generosity and instrumental support for philanthropic efforts will be remembered for enriching countless lives.

**From the  
 editor's  
 desk**



*Abdul Rab Siddiqi*

ABDUL RAB SIDDIQI

### ***Editorial Comments*** **Uncertainty hurting inflow of FDI in Pakistan**

**A**ccording to the State Bank of Pakistan (SBP), during July-Nov of FY23, the country received a net of \$430 million in Foreign Direct Investment (FDI) against \$885 million in the same period of the previous fiscal year. This translates to a fall of 51% YoY. During the period under review, gross FDI inflows were \$681 million against \$1.306 billion in the previous year.

The breakdown of data shows that although overall FDI from China fell 20% to \$103 million in July-Nov of FY23, it still has the largest 24% share in overall FDI. The UAE ranked second with \$81 million in direct investment, and Switzerland third with \$58 million during the first five months of this fiscal year 23. During the period under review, major investment poured into the

power sector amounted to \$204 million, followed by the Financial Business Sector, \$141 million and Oil and Gas Exploration, worth \$40 million.

According to experts, the falling inflows reflect investors who don't consider Pakistan an attractive destination for investment amid economic and political prevailing in the country since the beginning of the year. A fall in foreign direct investment inflows could be challenging for the country, which is already faced with low foreign exchange reserves. The other major challenge country has to face is the possibility that the country's ability to pay back foreign loans has added fuel to the fire, making foreign investors wary.

The research team of Business Recorder reckoning describes the tragic situation as worth reading. That the FDI continues to spiral down is nothing surprising. There

will be a respite in plummeting foreign investment in the country once political and economic certainty is achieved. Extreme volatility is known to push investors away. And current uncertainty has sent the already weak foreign investment to its bare minimum. The foreign investors are extremely sceptical because of the delays in the repatriation of dividends and other payments to the foreign shareholders of companies – so much so that they are not even ready to invest in expanding existing businesses, let alone any greenfield projects.

There is a strong need to revisit our incentives to encourage the inflows of FDI. Islamabad should offer the most liberal investment policies and attractive fiscal, financial and other incentives to foreign entrepreneurs in South Asia. Afterwards, 18th Amendment, provinces should also ease the job of federal government.

### **Pakistan's information technology potential**

**P**akistan's IT exports have posted a substantial increase after the Covid-19 pandemic due to the rise in the pace of technological adaptation afterwards. Exports have grown by ~140% since FY19, says a report by AKD Research.

According to Topline Securities Pakistan, Pakistan's Information Technology (IT) exports for November 2022 increased by 5% YoY to US\$233mn due to a 29% YoY jump in Telecom services. However, exports are down 10% from the peak of US\$260mn recorded in March 2022. On a cumulative basis, in 5MFY23, IT exports are up by 3% YoY to US\$1.09bn. The slight growth has been seen due to 5% YoY growth in Computer Services to US\$864mn.

To recall, the IT Ministry of Pakistan has set an export target of

US\$3bn for FY23, and it has to see whether this would be achieved given inflation, which has engulfed the world. The current fiscal year monthly average run rate of US\$217mn and a 6-month rolling average of US\$221mn have raised concerns about whether Pakistan can achieve this target experts wonder.

According to IT industry experts, the sector is still growing near the levels of its 5-year CAGR (20%). The growth needs to be reflected due to the volatility of PKR compared to the US\$ and the exchange rate difference between the interbank and open market. This is partially true since the decline was witnessed in July and September 22, which were marred by extreme PKR volatility.

Despite the slowdown in growth, IT exports as a % of the country's total exports have reached 8.1%. This is compared to 6.7% in Nov-21 and 7.8% in Oct-22. In 5MFY23,

IT exports as a % of total exports stand at 7.3% compared to 7.0% in 5MFY22.

The growth of IT companies and the training of IT professionals has led to a rise in the share of Computer Services. This value addition leads to higher Net Exports of the sector since Computer Services exports are mostly human resource driven.

In the end, we understand that the GCC region has not been impacted by inflation, economic slowdown, and sustained demand and growth.

We should tap these potentials and opportunities. Also, experts pointed out that compared to regional competitors, IT companies in Pakistan experience key cost advantages. IT talent in the country has considerably lower compensation when put against the payment of other regions.



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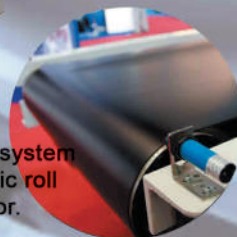
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## President confers Nishan-i-Imtiaz (Military) on CJCSC, COAS

President Dr Arif Alvi conferred Nishan-i-Imtiaz (Military) upon the Chairman Joint Chiefs of Staff Committee (CJCSC), General Sahir Shamshad Mirza and Chief of the Army Staff (COAS), General Asim Munir. President Alvi decorated the CJCSC and the COAS with the prestigious award for their outstanding services to the country.

According to the citation read out at the occasion, General Shamshad Mirza was commissioned in 1987 in Infantry Battalion. He graduated from Command and Staff College, Quetta and National Defence University, Islamabad. He also attended MSc (Global Security) course from Cranfield University, United Kingdom.

During his illustrious military career, General Mirza served on various Command, Staff and Instructional assignments. His major staff appointments include Brigade Major of two Infantry Brigades, General Staff Officer Grade-1 (Plans) at

Pakistan Contingent United Nations Mission Sierra Leon, Director Military Operations and Director General Military Operations, Vice Chief of General Staff, Adjutant General and Chief of General Staff at the General Headquarters.

About General Syed Asim Munir Ahmad Shah, the citation mentioned that he was commissioned in April 1986 in the 23 Frontier Force Regiment and is a recipient of the coveted Sword of Honour of 17h OTS Course. He is a graduate of Fuji School, Japan, Command and Staff College, Quetta, Malaysian Armed Forces Command & Staff College, Kuala Lumpur and National Defence University, Islamabad.

He also holds an MPhil degree in Public Policy and Strategic Security

Management. During his illustrious military career, General Asim Munir served on various Command, Staff and Instructional assignments. His major staff appointments include Brigade Major of a deployed Infantry Brigade, General Staff Officer Grade-2 in Chief of General Staff Secretariat, Directing Staff in Command and Staff College, Quetta and Chief of Staff of a Strike Corps.

General Munir has commanded his parent unit 23 Frontier Force Regiment Infantry Brigade, Force Command Northern Areas and 30 Corps. He has also led Pakistan Training Contingent in the Kingdom of Saudi Arabia. He has the unique honour to head both the premier intelligence agencies of Pakistan as Director General Military Intelligence and Director General Inter-Services Intelligence.



Before his promotion and appointments as COAS, the General was Quarter Master General of the Pakistan Army. General Asim Munir was promoted to the rank of General and appointed as Chief of the Army Staff, General Headquarters on 29th November 2022.

## Gen Asim Munir assumes command of Pakistan Army

The Change of Command ceremony for chief of army staff took place on 29-11-2022 morning at GHQ in Rawalpindi, where General Asim Munir assumed command of Pakistan Army.

General Qamar Javed Bajwa was presented a farewell salute after he passed the baton of command to Gen Asim Munir.

Gen Asim Munir was picked by Prime Minister Shehbaz Sharif to succeed Gen Bajwa last week. Chairman Joint Chiefs of Staff Committee General Sahir Shamshad Mirza, senior serving

and retired officers, diplomats as well as government functionaries are in attendance.

Prior to the ceremony, both Gen Bajwa and Gen Munir laid a wreath at the Yadgar-i-Shuhada (Monument to

Martyrs) in GHQ and offered fateha.

### Who is Gen Asim Munir?

Gen Munir entered the service via the Officers Training School (OTS) programme in Mangla and was commissioned into the 23rd Battalion of the Frontier Force Regiment.

Gen Munir commanded troops in the Force Command Northern Areas as a brigadier under Gen Bajwa, who was then Commander X Corps. He was appointed DG of the Military Intelligence in early 2017 and then ISI Director General in October 2018.

(local media)



# TEXTILE INDUSTRY

## July-Nov textile group exports fall around 5pc YoY

The Pakistan textile group exports declined by around five percent during the first five months (July-November) of the current fiscal year 2022-23 and remained at \$7.361 billion as compared to \$7.757 billion during the same period of last year, the Pakistan Bureau of Statistics (PBS) said.

It revealed that the country's textile group exports witnessed a decline of 18.15 per cent in November 2022 on a year-on-year basis and remained at \$1.420 billion when compared to

\$1.735 billion during the same month of last year.

On a month-on-month (MoM) basis, the textile group registered 4.71 per cent growth compared to \$1.357 billion in October 2022.

Cotton yarn exports registered 35 per cent negative growth in July-November and remained \$328.197 million compared to \$503.898 million during the same period of the last year.

On a year-on-year basis, cotton yarn exports registered 60.71 per cent negative growth, while on a MoM basis, it registered 12.58 per cent negative

growth.

The country's overall exports during July-November 2022 totalled \$11.945 billion (provisional) against \$12.362 billion during the corresponding period of last year showing a decrease of 3.37 percent.



## Clothing retailer launches initiative for ensuring workers' safety

In order to avoid tragic incidents like the 2012 Baldia factory inferno and to ensure safer and healthier environment at the workplace, German textile retailer KiK recently announced an initiative for more safety of workers across its supply chain through implementation of an independent, yet legally binding, agreement termed 'Accord Pakistan'. In this regard, the company held an event to apprise the media and industry stakeholders of its initiative on fire and building safety.

Addressing the function, KiK's Chief Executive Officer Patrick Zahn said that his goal was to make 'Accord Pakistan', which is modelled on 'Accord Bangladesh', a success.

The earlier initiative, he said, led to transformation of an entire industrial sector in a developing country from the ground up.

Since the accord's enforcement there has been no major disaster in Bangladesh's textile industry. The aim of 'Accord Pakistan' is to build on

this successful model, said Patrick Zahn. Explaining the accord, he said it's an independent, legally binding agreement between companies and trade unions in Pakistan and aims to create a safer, more socially responsible, and healthier garment and textile industry.



## Textile value chain: APTMA demands restoration of 'zero rating'

All Pakistan Textile Association (APTMA) has urged the federal government for immediate restoration of 'Zero Rating' for the entire textile value chain in order to make available working capital for a cash-strapped textile industry.

Gohar Ejaz, Patron in Chief APTMA, in a letter sent to Federal Finance Minister Ishaq Dar has highlighted the issues being faced by the textile industry and requested the federal government for supply of gas priority for export sector, zero rating regime for textile sector, payment of pending refunds, waiver of demurrage charges and make available forex for cotton and other raw materials. "These issues need to be addressed for the textile sector to maintain & grow exports to

contribute at par in line with capacity towards a sustainable Balance of Payments", he said.

According to Gohar Ejaz, Bangladesh readymade garment sector exports witnessed a growth of 16 percent year-on-year basis by exporting garments worth \$ 18.33 billion as compared to \$ 15.86 billion last years, while Pakistan textile sector witnessed a decrease of 4 percent in exports as compared to same period from \$ 7.76 billion to \$ 7.44 billion.

Bangladesh's significant export earnings are attributed to capitalizing on market availability, something Pakistan is not doing at the present. Currently, Pakistan's industry is struggling with costing and production issues, which include the realized value of exports, he mentioned. He

said that increases in Pakistan textile exports (in recent years) have been wrongly attributed to a commodity price increase. On the contrary, the textile export data for the last five years showed that volumetric textile exports are the primary driver with a double-digit increase in value added items.

Under current circumstances APTMA has requested immediate restoration of SRO 1125, i.e., Zero Rating for the entire textile value chain in order to make available working capital.

With the withdrawal of Zero-Rating (SRO 1125) and the implementation of a 17 percent General Sales Tax (GST) on export-oriented sectors, the cost of doing business has increased to unsustainable levels as a consequence of increased working capital and the much higher interest rates, said Patron in Chief-APTMA.



## Pakistan's story of debt

By Nadeem Hussain & Iqra Saleem

The recent debate on whether Pakistan is going to default or not requires revisiting the country's current debt and reviewing how it has accumulated over time.

The story of Pakistan's economy is incomplete without the character of its debt. Pakistan's economic challenge began following Independence in August 1947, as it had to seek financial help. The structural diagnosis of Pakistan's debt requires a deep understanding of policy interventions, which put the country on a debt trajectory, and an investigation of how certain groups pushed the country into debt to protect their vested interests.

The two South Asian economies India and Pakistan were in a dismal state at the time of Partition. Pakistan inherited 17 percent of colonial India's revenue stream and about 33 percent of its army then. This inheritance set the budgetary priorities for the many governments to come.

Although we shared some economic experiences with neighbouring India, we could not come out of the debt trap since entering the first International Monetary Fund (IMF) programme in 1958. With a total of 22 IMF programmes, Pakistan has stayed under the multilateral lender's shadow most of its independent life. In contrast, India and Bangladesh have reached out to the IMF only on seven

and 10 occasions, respectively.

While Bangladesh's economy no longer depends on external debt, studies show that it still happens to have a substantial negative relationship between economic growth and external debt. It must then be an even greater source of concern for Pakistan, which increasingly depends on external debt to meet its financing needs. In the past 75 years, Pakistan has frequently faced multiple episodes of near-crisis experiences, where it had to face enormous pressures on fiscal imbalances and on its balance of payments. Time and again, the IMF has provided aid to prevent further damage, which Pakistan used to bring around short-term stability in the economy, using conventional economic stabilisation tools.

These crises are frequent, and their effects have accumulated in the long run. The long-term challenges have always been there and have been affecting the overall economic growth and development of the country.

India did lag behind Pakistan in the beginning. And at some point, in the 1980s, Pakistan's economic growth exceeded India's. But India's 1990 economic reforms put it on the right path of sustainable growth. However, in Pakistan, boom and bust remained at the centre of its economic journey.

**WHAT HAS BROUGHT US HERE?** After the first decade, Pakistan started spending more than it was earning.

The size of the government continued to increase as government jobs were being exchanged with votes by political parties and with the support of military dictators, which mounted pressure on the national kitty.

The trajectory of Pakistan's economy cannot be explained without delving into the debt the country had incurred over the last 75 years. The debt added to the combination of factors which translated into lower growth. This has resulted in the country not being able to maintain macroeconomic stability since Independence.

Pakistan's current economic situation is evidence of the unrelenting issues in the structure of the economy. The country faces an unstable GDP, record low exchange rate, accompanied with other issues, such as rising inflation and a widening current account deficit.

When it comes to the people, whose living is substantially affected by the instability and shocks, what serves as an aid in society's ability in withstanding these economic shocks is the banking sector. At the same time, the successful reform of the banking sector is a necessary condition for fiscal and monetary stabilisation.

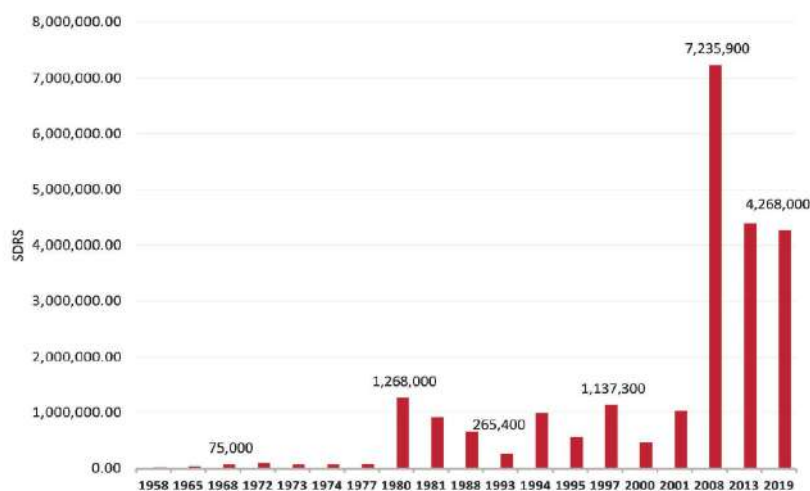
**ECONOMIC AND POLITICAL ORDER** The data in Graphs 1 and 2 shows how Pakistan went to every possible door to get loans and financial support, from commercial banks to friendly countries, and from international lenders to multilateral development agencies.

But instead of fixing the economy at the structural level, the state has made it a rentier economy extracting rent in an unproductive manner. Pakistan's financial elite largely remains engaged in securing different subsidies, even if it makes the country borrow more and add to the existing debt.

Attracting investment and promoting innovation amidst piled debt has always remained a huge challenge for Pakistan. Under-development and vulnerabilities in these areas limit the effectiveness of macroeconomic policy for the entire economy.

A mature and well-developed domestic financing sector is important for enterprises to function, including micro, small and medium-sized

**HISTORY OF IMF'S LENDING COMMITMENTS FROM 1958-2019**



Graph 5. Source: Finance Division, *Pakistan Economic Survey*, various years, Islamabad, Ministry of Finance, Government of Pakistan

enterprises (MSMEs) that instigate entrepreneurship and innovation.

Innovation plays a part in the development of the economy and helps reduce poverty by creating new jobs.

However, in Pakistan's case, the shortcomings in the business environment have not encouraged economic growth, and Pakistanis ranked 108th in the ranking of countries in the World Bank's Doing Business report.

THE ROAD TO SUSTAINABILITY Agriculture is one of the major sectors of Pakistan's economy, with a contribution of 24 percent to the Gross National Product and 19 percent to the Gross Domestic Product (GDP).

This sector is the backbone of the economy as it provides sustenance for the whole population and contributes to foreign trade. It also employs at least

half of the Pakistani labour force. With the development of the agriculture sector, the country will become self-sustainable in food. The export potential is also huge and can bring valuable foreign exchange.

One of the reasons for the country's balance of payment crisis is the negligence of the agriculture sector.

In recent years, Pakistan has started importing wheat and cotton which has brought more pressure on the country's import bill. The opportunities lost in agriculture can be attributed to the key policies that have kept Pakistan's focus on areas that were not fruitful for the economy. MINISTRY OF FINANCE, GOVERNMENT OF PAKISTAN The World Bank's latest GDP growth estimates for financial year 2020-21 is 8.7 percent for India and 4.3 percent for Pakistan. Between 1993 and 2020, Pakistan could achieve more than 6 percent GDP growth for only two years 2004 and 2005 whereas India's GDP

growth exceeded 6 percent 18 times during the same period.

Our obligations for debt servicing are increasing every passing day, and our imports exceed our exports almost all the time.

The question we hear the most is why Pakistan has not been able to keep up with its neighbouring economies? The answer lies in our own economic decisions and priorities.

With a national aptitude and potential for agriculture, the country has almost neglected the sector in the last 40 years or so. Agricultural land is increasingly being converted into housing societies without any planning.

Getting out of the current debt trap is critical for the country's economic success. But it will not be possible without taking some tough decision.

*Courtesy - DAWN*

## Expected resilient curve in national economy

*By Dr. Muhammad Nawaz Iqbal*

As of FY22, Pakistan's nominal GDP was \$376 billion, with a nominal GDP per person of \$1,658, but its PPP GDP was \$1.512 trillion, with a PPP per person of \$6,662. The growth of Pakistan's gross domestic product (GDP) in FY2022 was reportedly driven by increasing private consumption as well as increases in agriculture, services, and industry—specifically substantial manufacturing.

The return of political stability and the ongoing implementation of measures under the resurrected International Monetary Fund programme to stabilise the economy and restore fiscal and external buffers will significantly influence the economic picture. Fiscal changes and liquidity injections are anticipated to reduce domestic demand in FY2023. Industry output will be decreased due to a decrease in demand, capacity limitations, and increased input costs brought on by the depreciation of the rupee.

Since its foundation, Pakistan has struggled with a tax collection shortfall, forcing the government to take out loans both domestically and abroad. Additionally, there is never enough money in the budget for the government to spend on the welfare of

its population due to a lack of resources. The tax system needs to be thoroughly rationalized. Numerous suggestions have already been made, but the reforms only affected a few processes, such as the filing of tax returns and a small amount of automation.

Residents of Pakistan are subject to a tax on their global income. A non-resident person is only subject to taxation on income that is derived from Pakistan, including money that is acquired in Pakistan or is presumed to have originated there.

In contrast to a spike of 83.9 USD mn the month prior, Pakistan's foreign direct investment climbed by 94.9 USD mn in October 2022. With short-term investments, there is little to no risk involved; your principal will not be lost. Since they are frequently very liquid, you always have full access to your money. The safety of these investments has a price, though. Real estate is one of the most common and well-used options for high-return investment in Pakistan.

People purchase real estate, particularly land, then neglect it for a while. The cost of real estate increases over time. After that, when it fetches a much higher price, it can be resold. Stocks are dangerous, though, just like peer-to-peer lending. Stocks as

investments, however, consistently perform well. You need to choose your investments wisely and strategically. Attempt diversifying your stock holdings to lower the overall risk.

Focusing on extension of projects such as CPEC could be more productive for national economy.

According to official data, 20% of CPEC is debt-based financing while the other 80% is made up of investments in joint ventures between Pakistan and China, creating 40,000 jobs for local Pakistanis and 80,000 jobs for Chinese people as a result of the initiative. According to official data, levies like tolls for bridges and roads generate between \$6 and \$8 billion in revenue annually.

Pakistan's GDP is equal to 6% of the total CPEC debt. Three phases will be necessary to complete the special economic zone. According to the CPEC scheme, manufacturing and processing industries are expected to flourish by 2025, and the zone's additional expansion is expected to be finished by 2030. Above all, the stable economic system always require a stable political system. There is a dire need of political stability in Pakistan which will help the economy to flourish and extend new frontiers of business.

*A Chronicle Report*



# PORTS, SHIPPING & RAILWAY

## Port Qasim will witness huge development soon: Minister



Syed Faisal Subzwari, Federal Minister for Maritime Affairs who was the Chief Guest at Annual Networking Session of Bin

Qasim Association of Trade & Industry (BQATI), stated that Port Qasim will see huge development in the near future.

The Minister was explaining the roadmap already in place for the building of infrastructure on modern lines not only to facilitate the marine traffic but also the industries.

The Minister assured the audience that Port Qasim Authority (PQA) have decided to carry out dredging, deepening and widening of the main PQA Channel to meet the requirement of terminal operators for deeper draught vessels and to meet the competitive challenges.

With the improvement in the channel draught, deep draught vessels will be

able to call Port Qasim which will not only reduce the congestion in the port but will also save huge amount of foreign exchanged paid on account of freight.

Minister Maritime Affairs in his address was very receptive and assured his fullest support to have more investment in Port Qasim. He was very much proactive in introducing policies not only to explore the avenues to enhance the industrialization beside to further improve the marine facilities. He appreciated the efforts of the Private Sector that in spite of various obstacles, the Industrial activity is going on.

Sabzwari assured BQATI to look into the issues and the suggestions put forward by the Association and it was agreed to maintain level of close interaction to achieve the desired objective.

Mian Muhammad Ahmed, Patron-In-Chief, BQATI while welcoming the guests explained the role of Bin Qasim Association of Trade & Industry (BQATI) as a facilitator between the industries located in Bin Qasim Industrial Zone (BQIZ) and the Port

Qasim Authority.

On this occasion Abdul Rasheed Jan Mohammed, President BQATI advocated that Port Qasim Industrial Zone one of the best Industrial Zones in Karachi.

It was also highlighted by Rasheed Jan Mohammad that Port Qasim Industrial Zone holds great potential for attracting foreign and local investment due to its unique location being adjacent to the port having modern shipping facilities.

He informed that the BOT Terminals of LNG, Grains, Petroleum, Containers, Edible Oil are indeed the great assets of Pakistan. It was emphasized that once the infrastructure issues are addressed, BQATI expect more investment in the area, which will not only create employment but will give a tremendous boost to the industrialization.

Rasheed Janmohammed also acknowledged the role of K-Electric being proactive in providing new connections. He appealed K-Electric management to ensure providing un-interrupted electricity to the continuous plants particularly when gas is not available for captive plants.

## PQA plans to deepen port's draft, widen its navigational channel

Chairman of the Port Qasim Authority Rear Admiral (retd) Syed Hasan Nasir Shah said that PQA is pursuing a 'grand development plan' for deepening the port's draft and widening its navigational channel. With improvement in the channel's draft, deep-draft vessels will be able to visit Port Qasim (PQ), resulting in savings in foreign exchange on account of freight.

Talking to media on the sidelines of the launch of Maersk's flagship 'Integrated Logistics Park' in the PQA's North Western Industrial Zone, he said: "We are planning to deepen its draft by 1.5 metres to around 15 metres, and widen the navigational channel to 250 metres from the existing 200 metres." The PQA Chairman said that the federal cabinet has already been requested for approving the plan. Once the project is kicked off, it will be completed within a period of 18 months and then deeper

ships will be allowed to call at PQ, with widened navigational channels.

"Currently, we only allow ships with 13 metres draft, and there has been a lot of complaints by the stakeholders that we should go deep, because... then the larger ships can be called," he said.

On the occasion, Hasan Faraz, the Managing Director of Maersk Pakistan, said: "Our aim is to improve life for all by integrating the world. With our state-of-the-art Integrated Logistics Park, we want to ensure that we play an important role in connecting and simplifying the supply chains for importers, exporters and traders of Pakistan."

He added, "I am proud of this major investment in Pakistan as it is a critical building block in the logistics infrastructure. It is also apt to recognise the unwavering support our customers have extended, with whom we could



have meaningful conversations that helped us design a solution that creates value in their supply chains."

With its six purpose-built sheds, the new facility makes Maersk the country's largest logistics and warehousing provider, with a total footprint of more than 1.3 million square feet across seven cities.

Jakob Linulf, the Danish Ambassador to Pakistan, said on the occasion: "Pakistan has incredible potential to grow, and there are enough opportunities for trade to flourish here. Despite the various current challenges, Maersk has played an important role as a trusted partner for Pakistan's traders."

## Freight terminal at Port Qasim

The National Assembly Standing Committee on Railways has constituted a special sub-committee to finalise Terms of Reference (ToRs) on the construction of the freight terminal at Port Qasim, Karachi.

The panel meeting was held under the Chairmanship of Muhammad Moeen Wattoo to discuss various matters pertaining to Pakistan Railways (PR) including poor tracks in various parts of the country, especially in Sindh, South Punjab, and Balochistan. Officials, while briefing the panel, said: "We are desperate to extend PR's physical approach to industrial units situated

in Multan, Sialkot, Lahore and other parts of the country as the containers will be unloaded from the ships and put on a train that will deliver them to the customers at their factory gates".

The PR officials further informed the panel that Prime Minister (PM) Shehbaz Sharif has directed the completion of the project to connect



Thar coal mines to the Railway line by March 23, 2023, for transportation of local coal to the power plants. The officials said that the completion of all such projects will help PR to come out of the financial crisis and play a significance role in national development.

The officials said that the government is considering several new terminals for the freight service with the collaboration of the Karachi Port Trust.

The committee members said the new service would open new avenues of trade opportunities for not only PR but also for all the industries in the country and will triple the container transport for Pakistan.

## Marine pollution, unconventional fishing practices hurting livelihood of 4.5m fisherfolk

The Pakistan Fisherfolk Forum (PFF) organised a public rally to mark World Fisheries Day, which is celebrated on November 21 every year by the fishing community internationally.

This year's theme for the day is 'We Live, We Celebrate, We Protect: Fisherfolk, Peasants, Indus River, Indus Delta, Oceans and Our Land'. Addressing the rally, PFF Chairman

Mehran Ali Shah said that overfishing, environmental pollution, increasing urbanisation and industrial activities had destroyed the natural source of income of the fishing communities living close to the waters, leading to depletion of fish stocks and compelling fisherfolk to leave their traditional means of livelihood.

"The life and livelihoods of 4,500,000 fisherfolk in Sindh and Balochistan is jeopardized due to the increase in marine pollution, unconventional and



non-traditional fishing practices by use of destructive nets and deep-sea trawlers for which there is no policy at the federal and provincial level," he said.

## DP World and Hassana Investment Company announce US\$2.4 billion investment in DP World's UAE assets

DP World and the Saudi Arabia-based Hassana Investment Company (Hassana), the investment manager for the General Organisation for Social Insurance (GOSI) – which owns one of the world's largest pension funds – announced recently an investment of approximately US\$2.4 billion (SAR9.0 billion) in three of DP World's flagship UAE assets. This sale of a strategic minority stake in Jebel Ali Port, Jebel Ali Free Zone and National Industries Park, follows on the earlier transaction that successfully closed in June 2022.



Hassana will invest approximately US\$2.4 billion in a new joint venture with DP World through which it will hold its economic interest in a stake of approximately 10.2% in the three UAE assets. The investment by Hassana implies a total enterprise value of approximately US\$23 billion for the three assets.

The Jebel Ali Port, Free Zone and National Industries Park together comprise a best-in-class group of infrastructure assets, with a solid long-term track record of growth. Combined, they form a world-class integrated ecosystem for the supply and logistics chains of over 9,000 companies from around the world, serving more than 3.5 billion people globally. The three assets generated pro-forma 2021 revenue of US\$1.9 billion.

After this investment, which closed on

19 December 2022, the three assets will remain fully consolidated businesses within the DP World Group, and their day-to-day operations, customers, service providers and employees will not be affected.

Sultan Ahmed Bin Sulayem, Group Chairman and CEO of DP World, said: "We are delighted to announce this new partnership with Saudi Arabia-based Hassana, which manages one of the largest global pension funds. Hassana shares our long-term vision for the UAE assets, which have a long and sustained track record of growth and resilience. We believe this new partnership will serve to enhance our assets and allow us to capture the significant growth potential of the wider market. The transaction further strengthens our balance sheet, which, combined with the continued resilience of our business, diversity in our portfolio and focus on supply chain solutions, will support our target of achieving a strong investment-grade rating for the DP World group."



# LEATHER INDUSTRY

## The legend of the leather industry S.M. Muneer passes away

The former Chairman of Pakistan Tanners Association (PTA) and Korangi Association of Trade and Industry (KATI) Patron-in-Chief and well-known business leader S.M. Muneer passed away peacefully in Karachi recently. A condolence reference was held in KATI, with the recitation of the Holy Quran and condolence in which especially sons of Late S.M. Muneer, SM Tanveer, SM Irfan, and SM Imran participated while former Chairmen and presidents of KATI, officials of UBG, officials of Karachi Chamber and Trade Associations, business community, political, social, government and law enforcement agencies.

On this occasion, Provincial Minister Sindh Saeed Ghani, S.M. Muneer's son SM Tanveer, Administrator Karachi Murtaza Wahab, Commissioner Karachi Iqbal Memon, KATI President Faraz-ur-Rehman, KITE Limited CEO Zubair Chhaya, Senator Abdul Haseeb Khan, Senior Vice President Nighat Awan, Vice President Muslim Mohamedi, President UBG Zubair Tufail, Khalid Tawab, CE TDAP Zubair Motiwala, President All Karachi Industrial Alliance Mian Zahid Hussain, Hosiery Association Javed Balwani, President Karachi Chamber Tariq Yousaf, CEO K Electric Monis Alvi, Former Senior Vice President FPCCI Hanif Gohar, Chairman Abad Altaf Tai also expressed their condolences.

While addressing the meeting, Provincial Minister Sindh Saeed Ghani said he had a relationship with S.M. Muneer for 26 years. I had differences with the management during my employment at MCB Bank, but even though S.M. Muneer was the head of the bank, he showed me compassion. Late S.M. Muneer always mentored and cared like children. Very sad to hear of his death.

SM Tanveer, son of late S.M. Muneer, said that Korangi Trade Association, United Business Group was his life; he dedicated his life to the welfare of the business community.

For him, the business community

was like his family. He always prioritized the problems of the business community and took the lead in solving any problem. He was a successful person, an excellent businessman, and a great father. He taught us to always help others; he was concerned about suffering humanity. I always told my children that S.M. Muneer is an institution, so learn something from him. The sign of his love for the business community was that even a few hours before his death, he was present among the business community in KATI.

Administrator Karachi Murtaza Wahab said that the number of people who have gathered today to express their love for S.M. Muneer and mourn his death is a witness to how great a person he was. We have to continue his mission. Wahab said that it is a matter of honour for us that he was buried in Karachi. Commissioner Karachi Muhammad Iqbal Memon said he had a very close relationship with S.M. Muneer, and we used to respect him as a father. Still, after hearing the news of his death, I felt my father had passed away.

President KATI Faraz-ur-Rehman said that S.M. Muneer was very compassionate; people with such abilities are born in centuries. He always corrected us and devoted himself daily to solving the business community's problems. President KATI said that his space might never be filled after the death of S.M. Muneer Bhaijaan. He will always live in our hearts.

Zubair Chhaya, CEO of KITE Limited, said that having a long relationship with S.M. Muneer, he always guided like a kind father. In the last meeting, he told me he did not like Lahore. S.M. Muneer loved Karachi, KATI, its people and the business community. Even if



Saeed Ghani, Murtaza Wahab, President Faraz-ur-Rehman, SM Tanveer, SM Irfan, Zubair Chhaya, Senator Abdul Haseeb Khan, Zubair Tufail, Monis Alvi and others at the condolence meeting, pay homage to Patron-in-Chief of KATI SM Muneer.

he wanted to, he could not keep himself away from Karachi. He went to Lahore because of his family's insistence, but after staying for a few days, he returned to Karachi among his old companions. The business community is also incomplete without S.M. Muneer. Chhaya said that when his father died in 2008, S.M. Muneer consoled him; now, he felt like an orphan again after his death. Zubair Chhaya said that in memory of S.M. Muneer, the KATI building had been named after Awan-e-SM Muneer.

Senator Abdul Haseeb Khan said that he had 40 years of friendship with Muneer Bhaijaan; he was patriotic and always said that we are nothing without Pakistan. Today's business leaders are mentored by Muneer Bhaijaan; he was truly a kingmaker.

TDAP CEO Zubair Motiwala said that the followers of S.M. Muneer Bhaijaan are sad today. He used to be in our opposition group in the Chamber but still had good relations. Motiwala said that S.M. Muneer was a born leader, and his services can never be forgotten.

UBG President Zubair Tufail said that S.M. Munir and his family always served humanity. They spent most of their life-solving people's problems. With the death of S.M. Muneer Bhaijaan, thousands of people dependent on him became orphans.

### PFMA's Chairman vows to ensure excellence in footwear industry

Mansoor Ehsan has been elected as new Chairman of Pakistan Footwear Manufacturing Association (PFMA) for the year 2022-2023. Mansoor Ehsan Sheikh is the Chief Executive Officer of the renowned shoe brand Xarasoft.

A simple but an impressive ceremony was arranged at the PFMA office where the members of the body's Lahore office warmly welcomed the newly elected Chairman.

In his address, Mansoor Ehsan lauded the efforts of the out-going Chairman Zahid Hussain from Rafum Industries,

office-bearers and retiring members of the Executive Committee. He vowed to put in sincere efforts for the resolution of the problem afflicting the industry. He pledged to continue the on-going projects and asserted that all out efforts would be made for future progress and prosperity of the footwear sector.

Mansoor Ehsan said that all the possible avenues would be explored for joint ventures with the international footwear companies besides focusing on the skill development of workers and managers for the collective good of the sector.

The newly elected Chairman said that excellence would be ensured



in all the departments so Pakistan's footwear sector could compete at the global level to ensure quality in shoe production. He said that horizontal and vertical linkages would be developed to support the industry in the country. He assured to take all necessary decisions in consensus of the Executive Committee for the larger interest of the footwear sector and manufacturers of Pakistan.

### Pakistan-made footballs at FIFA World Cup 2022: the 'crown jewel' for Sialkot's Forward Sports

The FIFA World Cup 2022 began and ended in Qatar. Forward Sports, a Sialkot-based company, is one of two manufacturers — the other one is from China — that have provided FIFA with at least 300,000 units of the match ball for this event.

Footballs exports during the first four months of fiscal year of 2022-23 increased by 62.22 percent as compared to the exports of the commodity during the corresponding period of last year. During this period, footballs worth \$81,351,000 were exported as compared to the exports of

\$50,148,000, during the same period of last year.

According to the data released by the Pakistan Bureau of Statistics, the exports of sports goods increased by 32.31 percent, worth \$139,185,000 as compared to exports of \$105,199,000 during the same period, last year.

Meanwhile, other exports also increased by 8.54 percent as the exports recorded during the current fiscal year were \$33,102,000 as compared to the exports during the

same period of last year which were \$30,499,000.

During the period under review, gloves exports increased by 0.73 percent, worth \$24,731,000 in current fiscal year, as compared to the exports of \$24,552,000 during the same period of last year.



### Pakistan's leather industry records 1.94% growth in 5MFY23

Pakistan's leather industry exports recorded a growth of 1.94% during the first five months (July – November) of the current financial year 2022-23 (July- June) due to substantial footwear exports.

The total leather, leather garments and footwear industry export revenue rose to US\$412.146 million from \$404.321 million earned in the same five months of the last fiscal year - reflecting the growth of 1.94%, according to data compiled by the Pakistan Bureau of Statistics (PBS).

The breakdown shows that Pakistan exported 5.482 million sq. mtr tanned leather at \$75.425 million, compared to 6.143 million sq. mtr shipped at \$61.850

million. Thus, export recorded a fall of 10.75% in quantity and 4.46%, respectively, over July – November 2021.

Similarly, Pakistan exported leather manufacturing, including garments, goods and other articles, worth \$261.553 million between July and November 2022, compared to \$266.637 million in five months of the last fiscal year. This translates to a decrease of 1.91% in value on a YoY basis.

In addition, during this period, Pakistan's footwear export comprised 10.986 million pairs of all kinds of shoes at \$75.168 million compared to 6.528 million pairs at \$58.7408 million between July and November 2021. Thus, export recorded a growth of 68.29% in quantity and 27.97% in value on a YoY basis.

Recall in the last fiscal year, 2021 (July-June), the leather industry saw a growth of 15.16% on the back of a noticeable increase in finished leather, garments, and footwear export.

The leather industry export's revenue surged to US\$986.157 million during these twelve months compared to \$856.264 in 12MFY20. This export trend translates to a growth of 18.11% YoY.





# CEMENT INDUSTRY

## A host of factors contracted cement dispatches during November and 5MFY23 in Pakistan

Pakistan's cement industry has recorded a contract of 16.82 per cent during November and 21.78 per cent in five months (July – November 2022) of the current FY 2022-23. The cement dispatches/sales were majorly disrupted due to a host of factors, including increased fuel prices, overall economic slowdown, flood impacts in the southern region, political unrest and multiple hikes in the interest rates.

According to the All Pakistan Cement Manufacturers Association (APCMA), cement dispatches declined by 16.82 per cent to 4.009Mt against 4.820Mt during the same month of last fiscal year. Out of this total, local cement dispatches were 3.862Mt compared to 4.125Mt in November 2021, showing a decline of 6.38%. Exports dispatches also declined by 78.76 per cent as the volumes reduced from 695,779t in November 2021 to 147,757t in November 2022.

In November 2022, North-based cement mills dispatched 3.267Mt of cement, showing a decline of 7.31 per cent against 3.525Mt in November 2021. South-based mills shipped 742,158t of cement during November 2022, 42.71 per cent less than the dispatches of 1.296Mt during November 2021.

North-based cement mills dispatched 3.163Mt cement in domestic markets in November 2022, showing a decline of 8.83 per cent against 3.470Mt

dispatches in November 2021. South-based mills posted 698,225t of cement in local markets during November 2022, which was 6.60 per cent higher than the dispatches of 654,983t during November 2021.

Exports from North-based mills increased by 87.97 per cent as the quantities rose from 55,234t in November 2021 to 103,824t in November 2022. Exports from the South reduced by 93.14 per cent to 43,933t in November 2022 from 640,545t during the same month last year.

### Cumulative dispatches in 5MFY23

During the 5MFY23, total cement dispatches (domestic and exports) were 17.883Mt which is 21.78 per cent lower than 22.861Mt dispatched during the last fiscal year. Domestic dispatches during this period were 16.354Mt against 20.008Mt during the previous year, showing a reduction of 18.26 per cent. Export dispatches were also 46.40 per cent less as the volumes reduced to 1.529Mt from 2.853Mt exports during the last fiscal year.

North-based Mills dispatched 13.566Mt cement domestically during the 5MFY23, showing a reduction of 19.18 per cent to cement dispatches of 16.786Mt during July-November 2021. Exports from the North increased by 1.48 per cent to 523,647t during



July-November 2022 compared with 516,003t exported during the same period last year. Total dispatches by North-based Mills were reduced by 18.57 per cent to 14.089Mt during the first five months of the current financial year from 17.302Mt during the last financial year.

Domestic dispatches by South-based Mills during July-November 2022 were 2.788Mt, showing a reduction of 13.47 per cent over 3.222Mt of cement dispatched during the same period of last fiscal year. Exports from the South declined by 56.97 per cent to 1.005Mt during July-November 2022 compared with 2.337Mt exported during the previous year.

Total dispatches by South-based Mills were reduced by 31.76 per cent to 3.794Mt during the first five months of the current financial year from 5.559Mt tons during the last financial year. A spokesman of APCMA mentioned that State Bank must allow the opening letter of credit for renewable energy projects.

*Courtesy - CemNet*

## Lucky Cement CEO becomes Chairman of APCMA



The annual election of the All Pakistan Cement Manufacturers Association (APCMA) to elect the new leadership for the period October 2022 to September 2023, was held

recently.

The following office bearers were successfully elected:-

Chief Executive of Lucky Cement, Muhammad Ali Tabba, has been elected Chairman of the All Pakistan Cement Manufacturers Association (APCMA) for the next twelve months ending September 2023.

Similarly, Kohat Cement's Aizaz Mansoor Sheikh was elected as the Senior Vice President of APCMA and Attock Cement's Babar Bashir Nawaz

was elected as Vice Chairman of APCMA for the tenure of FY22-23.

The name of the other eight executive committee members as per APCMA information:-

Maple Leaf Cement's Sayeed Tariq Saigol; Cherat Cement; DG Khan Cement' Farid Noor Ali Fazal; Fauji Cement's Qamar Haris Manzoor; Bestway Cement's Muhammad Irfan Anwar Sheikh; Gharibwal Cement's Muhammad Tusif Paracha; Pioneer Cement's Syed Mazher Iqbal and Power Cement Muhammad Kashif.

## Attock Cement announce its new line will come online in FY23

The management of Attock Cement Pakistan Limited (ACPL) has announced that its new 4,000tpd line (1.2Mta) will come online by the end of FY23. Top management disclosed this at an analyst briefing held to discuss the recent financial performance and give an outlook of the Company in the future, according to a report of AHL Research.

The total expansion cost at Balochistan is estimated to be over PKR15bn and will be financed with a combination of debt and equity. Earlier, ACPL installed a 20MW Solar power plant in FY22.

According to ACPL, the passed FY22 (July - June) was a challenging year for all cement players due to political instability, PKR depreciation, high coal prices, high energy tariff, an uptick in interest rates, the slowdown in domestic demand, and unviable exports eroding utilization levels.

During this period, retention prices increased by over 20 per cent in FY22. Yet, margins dipped to 18 per cent against 22 per cent in the same period last year, given a much bigger cost jump.



## 1QFY23

Total dispatches in 1QFY23 declined to 356,000t vs 599,000t last year amid demand erosion on the back of urban flooding. Exports too witnessed a dip during the quarter as export prices were not attractive and did not cover operating costs. The Company earned a profit after tax of PKR 116m, lowered by 57 per cent compared to the same period last year.

Retention prices increased by over 40 per cent YoY in 1QFY23; however, margins compressed to 17 per cent vs 19 per cent last year, led by higher manufacturing costs (fuel, power, PKR depreciation).

## The BMR project of Cherat Cement Company for Line 1 will complete on January 2023



Cherat Cement Company Limited has slated that works would be completed by January 2023 on the Balancing, Modernization and Replacement (BMR) for Cement Line 1 and installing the main crusher at Lakrai village, Nowshera district, Khyber Pakhtunkhwa (KPK) province, Pakistan, according to Company latest report for the period ending on September 30, 2022.

Last year, Executive Director and Company Secretary Abid Vazir informed the Pakistan Stock Exchange (PSX) these measures would help improve the operational efficiencies of the plant. The total BMR of cement Line 1 and installation of the main crusher is approximately PKR3.5bn (US\$21.8m). The project will be financed by long-term financings obtained from three conventional banks under SBP's

long-term loans.

Earlier, with the successful launch of Line III for clinker production, which boasts a total production capacity of more than 14,700tpd, the Company has significantly enhanced its production capacity to more than 4.5Mta.

Overall the Company posted an after-tax profit of PKR 1.483bn for September 30, 2022.

### Future Expansion

The Company report further adds that keeping because of cement demand in upcoming years, the Company has decided to establish its fourth production, Line IV (Greenfield), in D.I. Khan in KPK as part of its long-term strategic plan. For this purpose, the Company is in the process of acquiring land and fulfilling other legal requirements. However, the Company

Temporary Economic Refinance Facility (TERF)

is yet to announce the capacity/cost and is carefully monitoring the situation in the country. The decision to move ahead with the project will be taken once the economic situation improves.

Meanwhile, through paid advertorial in local media, the Khyber Pakhtunkhwa (KPK) has stated that located in the south of Khyber Pakhtunkhwa, D.I. Khan is considered the centre of Pakistan and is set to become an economic hub of the region and focal point of regional trade flows due to its strategic location, access from the newly built kullur kot bridge and Western Alignment of China Pakistan Economic Corridor (CPEC) route. Special Assistant to Chief Minister of KPK on Industries / Chairman, Khyber Pakhtunkhwa Board of Investment and Trade (KP-BOIT), Mr Abdul Karim Tordher, recently visited D.I. Khan. During his visit, he was briefed that US\$750m to US\$ 1bn worth of cement plants, including Cherat, would be set up here.

*Courtesy - CemNet*

## Bangladesh cement industry earned export revenue of US\$3.67m in 5MFY23

During the first five months (July and November) of FY22-23 (July-June), Bangladesh's cement industry earned export revenue of US\$3.67m on the export of cement mostly to Asian countries compared to US\$3.36m in the same five months last year. This translated to a growth of 09.23 per cent on a YoY basis but recorded a shortfall of 11.14 per cent to meet the target of US\$4.13 set for these months of the

ongoing fiscal year.

The figure also includes a minor amount of salt, stone and related products, says the Bangladesh Export Promotion Bureau (EPB) data. The EPB data does not show the quantity, but the official website of the industry says Bangladesh started export of cement in 2014-15 with a volume of over 4Mt and reached a peak of 12.591Mt in 2017-18. Later, the quantity trend started declining. Bangladesh has set an

export target for the cement industry at US\$11m during the 12 months of the ongoing financial year ending 31 June 2023, compared to US\$9.57m earned in FY21-22. This translates to expected growth of 15 per cent YoY, according to EPB.

Bangladesh's total merchandise exports, including cement, stood at US\$21.946bn during 5MFY23 against US\$19.790bn in corresponding months, reflecting a growth of 10.89 per cent.



## Bestway Cement post expansion capacity will stand at 15.2Mta

Top management of Bestway Cement Limited organised a corporate briefing recently to discuss 1QFY23 results and future outlook.

CFO Mr Muhammad Amir Khan and Head of Budgeting, Treasury & Reporting Mr Muhammad Danish Khan of Bestway Cement Limited have announced that the start of commercial operation of 7,200tpd clinker at the Minawali location is expected in December 2022 and the 7,200tpd clinker in Hattar – II in March 2023.

The post-expansion capacity will stand at 15.2Mta. The new capacities in the pipeline will intensify the competition and further impact the industry's profitability.

Additional solar capacity on all plants is to be energised by Apr 2023 with a capacity of 54MW – which will increase

its total capacity to 111MWs.

Solar power generation has further reduced the Company's reliance on the national grid. Still, it has also enabled it to reduce its carbon footprint by more than 3.5 million Tonnes of CO<sub>2</sub> emissions over the project's life, equal to a plantation of approximately 5.5m trees.

### Carbon Neutralisation Pioneer Award

Acknowledged for its vision and relentless pursuit of environmental excellence, Bestway received the "Carbon Neutralisation Pioneer Award" from LONGi Green Energy Technology Co. Ltd. at a prestigious event held in Dubai to recognise organisations at the forefront of the renewable energy revolution held recently.

Speaking on occasion, the Managing Director of Bestway Cement Limited,



Mr Irfan Sheikh, committed towards reliance on green and renewable sources of energy to reduce the carbon footprint and dependency on the national grid.

Bestway already generates 40 per cent of its power requirements through green and renewable sources, which is the highest by any industry in Pakistan. With the capacity enhancement, that percentage will cross 50 per cent.

## Pioneer Cement contemplates green and brownfield expansions in Pakistan

Pioneer Cement Limited (PIOC) of Pakistan is continuously assessing new avenues and business ventures, including green and brownfield expansions in Pakistan, according to Company's annual report for FY2022.

To recall, with the induction of line III having a capacity of 10,000tpd, the total capacity has enhanced to 17,300 tpd. 12MW WHRPP and 24MW coal power plant as a part of the expansion plan have become operational since Nov 2020 at Chenki, District Khushshab, in the heart of Punjab Province.

The Company's new head office building, which will be Lahore's first LEED-certified building, is near completion and finishing.

Meanwhile, Pioneer Cement organized its analyst briefing on Nov 22 to discuss 1QFY23 results and the Company's future outlook, according to AKD Securities Limited. PIOC posted a PAT of Pkr586m, up 22 per cent YoY. Cement sales of PIOC 1QFY23 (July -Sept) stood at 634,000t, down 18.6 per cent on a YoY basis.

Capacity utilization for the quarter stood at ~48.8 per cent.

Management expects overall industry dispatches to remain down by 10-15 per cent during FY23.

The current retention price for the Company is around ~Pkr13,000t. Management also commented on transportation costs to the Southern region, stating that it is around ~Pkr60/bag or Pkr1200t.

Although, the Company's sales in the southern region are negligible at this point.

The Company's current power mix comprises the grid (30 per cent), WHR (20-25 per cent) and the rest is fulfilled by Coal based generation. The average

cost of the grid stood at ~PKR32.5/kwh for 1QFY23.

Company carries one month of coal inventory. The Company's coal mix comprises 50 per cent Afghan coal, and the rest is a mix of local/imported coal. Average coal prices for the quarter were as follows: Afghan coal Pkr54,000t and local coal Pkr32,000t.

### Future Outlook

The gap between demand and supply is expected to widen further with the addition of new cement capacities in the coming months. However, the demand is expected to rise as part of rehabilitation in flood-hit areas to rebuild houses and infrastructure.

Swelling fuel prices and other input costs, reduced government spending on development projects, increased national grid tariffs, and upward policy revisions adversely affect the cement industry's performance.

However, despite all these challenges, the management of the Company will continue to channel its efforts and focus on operational efficiencies to add more value to shareholders.



## Kohat Cement Company (KOHC) is moving ahead with a Greenfield project in Punjab

Pakistan, one of the northern zone producers -Kohat Cement Company (KOHC), has started developing the infrastructure for setting up its new plant at Khushab as a Greenfield expansion in Khushab, in the Punjab province of Pakistan, according to the Company's latest report and its corporate briefing on the financial result and future outlook of the company on November 21.

The Company has acquired land, and work on other infrastructure development, such as utility connection, roads etc., is in progress. The project cost would be around PKR35bn with a mix of 40 per cent

equity and 60 per cent debt. The project is expected to come online by 1QFY25.

Separately, the BMR of line 3 is underway in Kohat, which will increase fuel consumption efficiency. The project cost is around PKR 750m which will be funded through internal cash generation and is expected to come online by 4QFY23.

### Forecast for FY23

KOHC's management expects local cement dispatches to be down by 10 per cent to 12 per cent in FY23. To recall, the industry's local cement dispatches were down 25% YoY in 1QFY23, pointed out by Topline Pakistan Research.

Current political instability, high inflation, reduced foreign exchange reserves, weakening PKR against USD, aggressive taxation measures, increasing coal prices in international markets, projected hike in electricity prices and Russia-Ukraine war may adversely affect the Pakistan

economy as well as the business of the Company. However, it is hoped that the Government may take measures to overcome factors negatively affecting cement demand in the country.

### Expansion in Pakistan

KOHC's management expects an additional cement capacity of 11Mt would be added in FY23 to the overall industry capacity, followed by 16Mt in the next three years. Post expansion, price war cannot be ruled out. The average MRP of KOHC stands at PKR 995/bag in 1QFY23 compared to PKR650/bag in 1QFY22 and PKR955/bag in 4QFY22.

### Financial Performance in 1QFY23

KOHC posted a profit after tax (PAT) of PKR1.78bn, up 28 per cent YoY. Revenue increased to PKR 8.852bn from PKR 6.803bn during this period, up 30 per cent YoY. Clinker production was down to 589,626t and cement 692,904t in 1QFY23. The total sales stand at 688,955t from 864,437t (20.30 per cent).



## Pakistan exports lesser cement but earned more in 4MFY23

According to the Federal Bureau of Statistics (FBS), Pakistan's cement industry exported lesser volume but earned good prices in the first four months (July – October) of the Financial Year, July 2022-June 2023. The tonnage price has gone up to US\$50.04 from US\$ 36.27t during this period.

Experts believe the massive decline in coal prices could be one reason for fetching higher export prices.

However, AKD Research believed that with the global economy heading towards a slowdown as major central banks around the world jack up interest rates, the quantum of world trade is likely to slow down significantly.

Global commodity prices are also expected to ease off greatly, which bodes well for Pakistan. Conversely, the country's exports will also contract as the country's largest export-oriented industry (textile and others) struggles against the unavailability of

gas. Pakistan reported a growth of 1.25 per cent in value despite a decline of 26.61 per cent in volume during this period.

During 4MFY22-23, the cement industry earned US\$66.270m by dispatching 1.324Mt of cement and clinker overseas, compared with



US\$65.451m from 1.804Mt of exports in the 4MFY21-22. In local currency terms, export sales ballooned by 36.74 per cent YoY to PKR14.90bn, according to FBS.

But in October 2022 alone, export revenues dropped to US\$19.01m on the shipment of 328,581t from US\$29.13m on the export of 612,404t of cement

and clinker exports in Sept 2022. This translates to exports down by 31.65 per cent and 37.53 per cent MoM in value and quantity, respectively. On the other hand, compared with October 2021, when exports stood at US\$16.24m on the shipments of 248,833t, exports inclined by 94.32 per cent in value and 53.75 per cent in quantity YoY.

### Production in 3MFY22-23

The overall output of the Large Scale Manufacturing Industries Index (LSMI) decreased by 0.4 per cent for July-September 2022-23 compared to July-September 2021-22. Experts blamed the floods and the high cost of doing business for slowing down LSMI. The impact also felt on the local cement production.

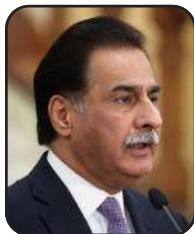
During the three months of July-September 2022-23, Pakistan's cement production slides by 20.4 per cent, YoY to 9.125Mt from 11.468Mt of a year ago period. The trend was also noticed in September 2022 alone, when production dipped by 1.5 per cent to 3.955Mt versus 4.014Mt in the same month last year.

*Courtesy - CemNet*



# PEOPLE & EVENTS

## Ayaz Sadiq given additional charge of Law, Justice



Prime Minister Shehbaz Sharif has appointed Pakistan Muslim League Nawaz senior leader Sardar Ayaz Sadiq as the new Federal Minister for Law and Justice.

According to a notification issued by the cabinet division, Sardar Ayaz Sadiq has been given the portfolio of Law and Justice in addition to his duties as minister for economic affairs.

Earlier, Senator Azam Nazeer Tarar resigned from his position as law minister due to "personal reasons" on October 23.

## Businessmen greet Zubair Motiwala

On appointment of Muhammad Zubair Motiwala as the Chief Executive of TDAP by the Prime Minister, prominent members of the business community greeted Motiwala during their visit to TDAP Headquarters.



The business leaders in a meeting with Motiwala expressed their pleasure and welcomed the appointment and discussed the way forward to enhance the overall exports of the country.

They assured their full support and cooperation and pledged for joint efforts in resolving the issues of business community.

On the occasion, Zubair Motiwala assured all the best possible assistance and facilitation by TDAP to achieve the common objectives.

He further said that he and his office will always remain available for support and facilitation of the business community.

## Asad Majeed Khan made Foreign Secretary

The government recently appointed Ambassador Dr Asad Majeed Khan as Pakistan's new Foreign Secretary, who got prominence from a cipher which former Prime Minister Imran Khan presented as an evidence of an alleged foreign conspiracy behind his ouster in April this year.

"Dr Asad Majeed Khan, a BS-22 officer of Foreign Service of Pakistan, presently

posted as Ambassador in the Embassy of Pakistan to Belgium, the European Union and Luxembourg, is transferred and posted as Secretary, Foreign Affairs Division, with immediate effect and until further orders," the notification stated.



Khan is a career Pakistan Foreign Service officer. He had been nominated as the 31st foreign secretary of Pakistan.

## Sharjeel asks TransKarachi to expedite work on Red Line



Sindh Information and Transport Minister Sharjeel Inam Memon directed TransKarachi to expedite the development work

on the Red Line bus rapid transit (BRT) project.

Chairing a meeting of TransKarachi, the implementation agency for the Red Line project, he said that after completion of the 22-km-long project it will be easier for the people of Malir and East district to reach the city

centre. Mr Memon, who is also the chairman of the board of directors of TransKarachi, said that all the issues of contractors should be solved to improve the pace of work of the project.

He asked the transport secretary to convene an official meeting with K-Electric at his office on the issue of relocation of utility lines on the route of Red Line. The board of directors reviewed the progress of infrastructure development of Red Line.

TransKarachi chief executive Wasif Ijal gave a detailed briefing on the project and said that the construction zone from Malir Halt to Mosamiyat had been handed over to the contractor for infrastructure construction.

## Mumtaz Zahra Baloch now new FO spokesperson

The government has appointed Mumtaz Zahra Baloch as the new spokesperson of the Ministry of Foreign Affairs and, for the first time in the country's diplomatic history, also named a deputy spokesperson Saima Sayed.



A notification in this regard was issued by the Ministry of Foreign Affairs recently.

In continuation of the ministry's notification of even number dated 11 November 2022 regarding the appointment of Baloch, Additional

Secretary (Asia and Pacific) as spokesperson of the Ministry of Foreign Affairs, in addition to her own duties. It has been decided that Saima Sayed, Director General (Strategic Communication Division) will serve as deputy spokesperson of the Ministry of Foreign Affairs in addition to her own duties, with immediate effect and until further orders, reads the notification.

Baloch will replace Asim Iftikhar who has been moved to Paris to assume the charge as Pakistan's Ambassador to France.

Baloch holds a Master's degree in physics from the Punjab University, Lahore, a Master's in International Relations from the Fletcher School of Law and Diplomacy, USA, and a degree from the prestigious Ecole Nationale d'Administration, France.

## Mushahid elected ICAPP co-chair



Senate Standing Committee on Defence Chairman Mushahid Hussain Syed has been elected as the co-chair of the International Conference of Asian Political Parties (ICAPP).

He was unanimously elected for the position at ICAPP's 11th General Assembly in Istanbul (Türkiye), which was attended by nearly 200

representatives and leaders of 70 political parties from 33 countries, the senator's office said in a statement issued on Sunday.

ICAPP is Asia's oldest and largest organisation of political parties. It was launched in Manila in September 2000 to promote exchanges and cooperation between political parties from different Asian countries.

The four-day meeting hosted by Türkiye's ruling Justice and Development Party (AK Party) re-elected former foreign minister of

South Korea Chung Euiyong as the body's chairman.

Senator Syed's candidature was proposed by Thailand and Iran, and supported by China, Cambodia, Russia, Lebanon, Türkiye and Indonesia before being put to a vote.

Senator Syed thanked the participants for reposing confidence in him and termed his election as a "humbling experience" for him personally and "a great honour" for Pakistan as it was an important global forum representing public opinion and political parties of the world's largest continent, Asia.



Pakistan Hosiery Manufacturers an Chairman Senate of Pakistan Mr. Sadiq Sanjrani, Governor of Punjab Mr. Baligh Ur Rehman, and President FPMCI Mr. Irfan Iqbal Sheikh presenting the Platinum Award to Ms. Rabia Butt, Deputy Director International Trade, Hamdard Laboratories (Waqf) Pakistan on outstanding performance in Export Marketing (Syrup Rooh Afza & Herbal Medicines) during 10th FPMCI Achievement Awards Ceremony at Governor House in Lahore.

## Dawood Hercules plans Rs5.3bn investment

Dawood Hercules Corporation Ltd is going to make long-term investments of more than Rs5.3 billion in its associated companies.

The holding company chaired by prominent businessman Hussain Dawood serves as a vehicle for equity investments in a number of subsidiaries and associated companies, including



Engro Corporation Ltd.

The general public, including local and foreign investors, controlled more than 58 per cent shareholding in Dawood Hercules Corporation at the end of 2021.

The holding company will invest Rs2 billion in Engro Fertilisers Ltd, Rs2bn in Engro Polymer and Chemicals Ltd, Rs350 million in Engro Powergen Qadirpur Ltd and Rs1bn in Frieslandcampina Engro Pakistan Ltd. The resolution will remain valid for five years.

Separately, the shareholders also authorised the company to dispose of its entire shareholding in its wholly owned subsidiary Empiric AI Ltd to technology firm Avanceon Ltd against a 5.68pc shareholding in Octopus Digital Ltd.

## Akif Saeed appointed SECP Chairman

The federal government has appointed Akif Saeed as Chairman of the Securities and Exchange Commission of Pakistan (SECP) with immediate effect. Saeed was appointed as SECP Commissioner on December 13 by the incumbent government. Saeed had earlier served as Commissioner SECP from December 2014 to December 2017. He joined SECP in 2004 and served as head of various divisions.

During his tenure at SECP, he has contributed significantly towards instituting various legal and regulatory reforms for enhanced corporate governance, transparency, investor education, investor protection and risk management. He was instrumental in introducing legal framework for REITS

and private equity, in addition to introducing private pension through implementation of voluntary pension rules and issuance of licence to four pension fund managers in 2007.

He played a vital role in achieving compliance with the IOSCO benchmarks principles of the securities market. Saeed also led the team that worked on overhauling the securities laws in Pakistan and drafted the new Securities Act 2015 and Futures Act 2016. He has also worked in various private sector entities including the American Express Bank and as consultant for Asian Development Bank.



## Amir Saleem elected Karachi Bar President

Amir Saleem and Waqar Alam Abbasi were elected President and General Secretary of the Karachi Bar Association (KBA) in its annual election held recently.

Mumtaz Ali has been elected Vice President, Sabeeh Mahmood, a son of Mahmood-ul-Hasan, joint secretary, Hashim Thebo treasurer and Asif Korejo elected librarian.

Abdul Rasheed, Saba Soomro, Bahzad Akbar, Abid Jatoti, Qayum Quershi, Tahir Hussain, Bilal Siyal, Saima Solangi, Faheem Mangi, Samina and Abbas Saleem were elected members of the managing committee.



## PM Muhammad Shahbaz Sharif lays the foundation stone of Sukkur Motorway (M-6)

Pakistan's Prime Minister Muhammad Shahbaz Sharif laid the foundation stone of Sukkur Motorway (M-6) in Hyderabad on December 13, 2022. According to a spokesman of NHA, this project is one of the most important projects of the Ministry of Communications, National Highway Authority.

The Techno Consortium, comprising two local firms, Techno and ACC, and an Italian construction company called Cooperativa Muratori e Cementisti (CMC) di Ravenna will construct Sukkur- Hyderabad Motorway (M-6) in Pakistan's Sindh Province.

The mega project of Sukkur Motorway will be completed in 30 months according to international standards. The speed of economic and social development will increase by providing new employment opportunities in the areas through which this motorway (M-6) will be constructed under a public-private partnership.

NHA is encouraging private sector involvement in the construction of structures, and M-6 will also be built

on a public-private partnership basis.

The M-6 will have 15 interchanges, a major bridge over the Indus River, 19 overpass bridges, 82 bridges over canals, six flyovers and ten service areas will be constructed on this 306 km long highway. M-6 Peshawar. Karachi Motorway (PKM) is the final section of the project. The construction of which will facilitate the motorway between Karachi and Peshawar. A 61 km service road will also be constructed along this motorway. This highway will cost more than 307 billion rupees. The speed limit on this highway will be 120 kilometres per hour, and service areas and rest areas will be provided on both sides of the highway at a distance of every 50 kilometres. This motorway will pass through the districts of Jamshoro, Hyderabad, Matiari, Benazirabad, Nowshehro Feroze, Khairpur and Sukkur.

The prominent feature of this highway is that by providing the fastest transport facility according to international standards between the country's two major cities, Hyderabad and Sukkur, access to the major markets of agricultural commodities of the entire region will also be easy. With the completion of the project. North-South commercial traffic and passenger movement will be speeded up and facilitated, while the path to reforms in industrial development will also be paved, NHA added.



## PCA dinner in honour of Mr Kashif Anwer



A dinner in honour of Mr Kashif Anwer, the President Lahore Chamber of Commerce and Industry, was hosted by Pakistan Coating Association (PCA). On this occasion, the country's current economic situation and the problems the traders and industry faced were discussed.

## Shah-Faruqi panel returns unopposed to Arts Council



The Ahmed Shah-Ejaz Faruqi panel has won the biannual election to office-bearers and governing body seats for 2023-2024 uncontested.

This was announced by Karachi Commissioner M Iqbal Memon at a press conference recently. Since no nomination papers were filed by any opposing groups, the panel stands victorious.

### The following is the list of winners:

M Ahmed Shah (President), Munawar Saeed (Vice President), Ejaz Ahmad Faruqi (Secretary), Noor Ul Huda Shah (Joint Secretary) and Qudsia Akbar (Treasurer).

Members of the Governing Body are: Huma Mir, S M Qaiser Sajjad, Asjad H Bukhari, Farrukh Shahab, S Shehzad Raza Naqvi, Syed Sajid Hasan, Ambareen Hasib, Akhlaq Ahmed Khan, Ghazi Salahuddin, M Ayoub Shaikh, Nusrat Haris and Shahnaz Wazir Al.

## Award Conferred upon SSGC by Shaukat Khanum Hospital



Shaukat Khanum Memorial Cancer Hospital (SKMCH) honoured Sui Southern Gas Company by conferring its Social Responsibility Award 2021 in acknowledgement of gas utility's financial contribution to facilitate free treatment of cancer patients from the lesser privileged communities. Award was presented by Dr. Faisal Sultan, CEO SKMCH that was received on behalf of SSGC by Mr. Salman A. Siddiqui, Head of Corporate Communications in an impressive ceremony.

The newly elected office bearers of the Pakistan Coating Association (PCA) have started a non-stop marathon to make new members, increase domestic sales and export and resolve coating industry problems. The team was led by its Chairman Siraj U Din, SVC Badar Haroon and two Vice Chairmen, Imran Sulehria and Waqas Mughal and other members. The two secretaries in Lahore and Karachi are also instrumental in promoting the coating industry.

They began their journey with a colourful annual dinner in Karachi, followed by meeting with the President of KCCI, Mr Muhammad Tariq Yousuf and discussed the matter of cooperation for resolving business communities' problems from the Chambers platform. They also visited the Federation Pakistan Chamber of Commerce & Industry (FPCCI) to discuss the matter of cooperation at the Federation House.

The office bearers team visited the Federal Tax Ombudsman, Dr Asif Mahmood Jah. During their visit, the business community discussed their current economic situation and hardships.

More recently, a five-member delegation from PCA headed by the Chairman, Siraj Uddin, met Zubair Motiwala, Chief Executive of the Trade Development Authority of Pakistan (TDAP) and discussed the matter of cooperation, particularly on the subject of exports.

During all their meetings, they sought cooperation from the Apex trade bodies, Chambers and government departments to work together for the progress of Pakistan and to increase export to Afghanistan, CIS and African markets and government support in PCA members for their participation in international trade events.

On the occasion of the annual dinner, Dr Asif Mahmood Jah, Federal Tax Ombudsman (FTO), Government of Pakistan, has asked PCA to nominate a member to become an advisor in member of the advisory committee of FTO to resolve the tax refund and other matters concerning FBR through FTO office. Besides custom-related complaints/issues of the coating industry in a speedy manner.

## **PCA mulls support of Govt, trade bodies and chambers to uplift the coating industry**

*A Chronicle Report*



In the picture from R to L: Mr Musa Yahya Baghpatee & Mr Usman Umer, EC Members, PCA, Mr Siraj Uddin, Chairman, PCA, Mr M. Zubair Motiwala, Chief Executive, TDAP, Mr Muhammad Yousuf, Former Senior Vice Chairman, PCA, Mr Abid Taqi, Member, PCA and Mr Iftekhar Rahat, Secretary, PCA South Region.



In the picture, R to L: Mr Musa Yahya Baghpatee, Mr Usman Umer, EC Members, PCA, Mr Muhammad Yousuf, Former Senior Vice Chairman, PCA, Mr Siraj Uddin, Chairman, PCA, Mr Suleman Chawla, President, FPCCI, Mr Khalid Khanani, Former Senior Vice Chairman, PCA, Mr Farhan Uddin, Member, PCA, Mr Khurram Ijaz, Former Vice President, FPCCI and Mr Iftekhar Rahat, Secretary, PCA South Region.



Mr Haris Agar, Vice President, Mr Arif Lakhany, Managing Committee Member; Mr Asim Ejaz, Managing Committee Member and from PCA were Mr Siraj Uddin, Chairman; Mr M. Badar Haroon, Senior Vice Chairman; Mr Muhammad Yousuf, Former Senior Vice Chairman, Mr Khalid Khanani, Former Senior Vice Chairman, Mr Musa Yahya Baghpatee, Executive Committee, Member, Mr Usman Umer, Executive Committee Member and Mr Iftekhar Rahat, Secretary, South Region.





# BANKING & INSURANCE

## The rise of Islamic fintechs

By Mutaheer Khan

Over the past two decades, Pakistani banking has undergone drastic shifts. There were the good days when foreign banks could be spotted every few kilometres in the major cities, and consumer financing was all the craze. Then came the bad days and, with them, the defaults. Global players pulled out, and everyone flocked to lending to the sovereign.

Amid these cycles, however, one trend had continued unabated: the rise of Islamic banking. Its deposit base increased from Rs83.7 billion in December 2006 to Rs4.9 trillion as of June 2022. That's a compound annual growth rate of 30 per cent — twice the industry-wide rate. As a result, the share of Islamic in overall banking deposits has jumped from 2.8pc to 20.5pc during this period.

Of course, part of the growth is due to a low-base effect, but this is nonetheless phenomenal progress. In a deeply religious society with an aversion to *riba*, many firmly believe Islamic is the way forward to increase the number of banked people. Whether those financial institutions still use the same benchmark as conventional ones or engage in *Bai' Muajjal* financing to ultimately get exposure to government securities is a debate for another day.

But the point is that an average Pakistani if given a choice, prefers Islamic financial products, however imperfect that may be. Banks having Sharia boards and very clear Islamic branding gives many a level of comfort that isn't there with conventional institutions.

Given such a clear preference, the question is: why aren't more local fintechs coming up with Islamic products? The sector has seen great progress over the past few years, having raised around \$200 million across 58 deals (some undisclosed) since 2016, as per Data Darbar. Add

companies from e-commerce and agri who have some fintech offering and that's another \$216m.

According to the Global Islamic Fintech Index (GIFT), Pakistan ranks ninth out of a list of 64 countries, with a market size projected to be \$2.8bn by 2025. Yet, very few identify themselves as Islamic fintechs or even use the word in their branding.

Obviously, many of the biggest names in the sector are actually payment players, primarily digital wallets, thus making it sort of understood that they are Sharia-compliant. The topic is more complicated than that, but for now, let's keep it simple. However, there are quite a few players in the lending and investment categories as well, where Sharia compliance can be a major factor.



And that's where you see the lack of Islamic fintechs, based on a basic audit of their websites. Of the 27 funded startups working on lending or investment products, only nine define them as Sharia compliant. Three on the list are buy-now, pay-later companies who all proclaim to be Pakistan's first Islamic BNPL without really giving anything to substantiate the claims.

Which leads to the question, what makes a company (or a product) Islamic? Omer Bin Ahsan, founder and CEO of Haball — one of the nine startups, pins it down to three pointers: "a) Board and governance structure include Sharia audit,

b) Sharia controls on financing transactions, merchant onboarding, shareholding/equity structure, and vendor/employee contracts, and c) ideological commitment and the ethical homogeneity of founders, leadership and the board." This is a comprehensive checklist, one that Haball itself is currently in the process of meeting.

"At the moment, we are bound by Meezan Bank's (which has comprehensive Shariah controls) contractual agreements, plus the founders weigh in to block any transaction that might be non-compliant. But this is partner and personality-driven, which is why Haball is evaluating a framework for Islamic Fintech governance, as there is no precedent and had to be made afresh to ensure that Haball is Islamic on its own, irrespective of the founders' personal bent.

Even globally, the debate is still pretty subjective, as one survey shows that 44pc of industry participants believed that certification or declaration isn't necessary to be considered Islamic fintech.

Among our group, the most transparent is Oraan, which has uploaded certificates to prove its Shariah compliance. It has also publicly named its Mufti, as has Trellis, while Finja's board of directors include Dr Imran Ashraf Usmani, who holds a doctorate in Islamic Finance. The remaining two startups are CreditPer and Elphinstone, of which the former is engaged in financing while the latter makes investments.

Admittedly, the methodology to identify Islamic fintechs is flawed. Perhaps it could be that some of the players just don't have a particularly active website that articulates the positioning well. However, that raises some questions about their own digital savviness and branding, which is lousy in its own right.

Courtesy - DAWN

## HBL bags top prize at banking awards

State Bank of Pakistan Governor Jameel Ahmad told the bigwigs of the country's banking industry they must "speed up" their efforts for financial inclusion, especially of women.

Addressing the Pakistan Banking Awards (PBA) 2022 ceremony, Mr Ahmad said the total number of bank accounts in Pakistan, especially of women, is still "quite low" as opposed to the economies of comparable size.

"For every three men with a bank account, only one woman has a bank account," he said, noting that the state of other financial services like access to loans is "even more challenging".

Referring to financial inclusion, climate change and digital transformation of financial services, the governor said these three areas will shape the banking system going forward. Given that a

number of factors enabling the proliferation of a tech-based financial ecosystem are "already in place," Mr Ahmad said the onus is on the banking sector to offer customer-centric financial products.

He said technology has altered the banking and payment system landscape. "Digitalisation is likely to increasingly shift the balance of power from banks to tech-savvy entities such as fin-techs. To keep pace with this fast-evolving landscape, our banks will have to revisit their traditional approach to service delivery and adapt quickly," he said.

Banks must reimagine the concept of know-your-customer and expand its scope from a mere due diligence requirement to developing deeper insights into customers' habits, preferences and spending choices, he said. Winners Habib Bank Ltd received the PBA award for the best bank.



The award for the best microfinance bank went to its subsidiary, HBL Microfinance Bank Ltd. Bank Alfalah Ltd grabbed the award for best digital banking. It also bagged the best bank in housing finance award.

The prize for the best consumer bank went to Meezan Bank Ltd. The winner of the best bank for small and medium enterprises was the Bank of Punjab. Kashf Foundation received the award in the category of the best innovative business. The Institute of Bankers Pakistan holds the annual award ceremony in partnership with the Dawn Media Group and in collaboration with A.F. Ferguson and Company.

## PQFTL and U Microfinance Bank sign BancaTakaful Agreement

Pak-Qatar Family Takaful Limited and U Microfinance Bank (U Bank), Pakistan's fastest-growing microfinance bank, have strategically signed a landmark BancaTakaful agreement. Under this collaboration, family Takaful products will be offered through U Bank's distribution network, which is amongst the largest microfinance banking branch network in Pakistan.



The Memorandum of Understanding (MoU) of this partnership was signed by Ms. Mariam Pervaiz, Chief Commercial Officer & Chief of Staff – U Microfinance Bank and Mr. Azeem I. Pirani – CEO, Pak-Qatar Family Takaful Limited, while the signing ceremony was presided over by Mr. Kabeer Naqvi, President & CEO – U Microfinance Bank, in the presence of senior management officials from both the collaborating organizations.



President Karachi Chamber of Commerce & Industry Mohammed Tariq Yousuf speaks at the 11th Islamic Finance Expo & Conference organized here in a local hotel. Consul General of Indonesia in Karachi Dr. June Kuncoro, Economic & Financial Analyst Ateeq

Ur Rahman, Additional Director SBP Ghulam Shabbir, CEO 1-LINK Najeeb Agrawala, Founding Director - IBA CEIF Ahmed Ali and CEO TPN Mehmood Tareen are also seen in the picture.



NBP Becomes the 1st Bank to sign up with 1Link to enable 3D secure digital commerce and payments for UnionPay International Debit and Virtual Cards. Mr. Muhammad Hamayun Sajjad, Chief Digital Officer

NBP, Mr. Nadeem Haroon, Country Manager UPI, Pakistan, and Mr. Najeeb Agarawalla, CEO 1Link along with their team members were present on the occasion.



## NBP & SIAPEP signed LOI to promote High Efficiency Irrigation Systems

A Letter of Intent (LOI) has been signed between the National Bank of Pakistan (NBP) and Sindh Irrigated Agriculture Productivity Enhancement Project (SIAPEP), Govt. of Sindh at Karachi for collaboration to promote High-Efficiency Irrigation Systems (HEIS) for efficient use of water and crop productivity. The SIAPEP is providing financial assistance to eligible farmers at the rate of 60% of the total cost of

the installation of HEIS. In contrast, the farmer will contribute the remaining 40% cost for HEIS. Such farmers, at times, face difficulty in mobilizing their due share upfront. In this regard, NBP and SIAPEP have agreed to provide financing facilities to eligible and needy farmers to install HEIS.

NBP and SIAPEP will also focus on capacity building of farmers through the adoption of agriculture best

practices for increasing water use efficiency and crop productivity, improving the farmers' financial literacy, ensuring the financial inclusion of farmers and enabling them to adopt modern technologies for increasing productivity and profitability.



## Faysal Bank and Bank of Khyber, partner to offer Innovative Financial & Digital Payment Services

Faysal Bank Limited (FBL) and Bank of Khyber have partnered to launch a suite of digital financial services featuring virtual & debit card services along with added digital payment solutions. Faysal Bank through its Fintech Express Program is driven by creating partnerships with Banks and Fintech to further encourage State Bank of Pakistan's (SBP) financial inclusion initiative in Pakistan.

Faysal Bank's Fintech Express Program is focused on identifying financial institutions and aiding their customers'

digital journey through innovative technologies. With this partnership, Bank of Khyber will leverage Faysal Bank's Fintech Express Program to accelerate the customers' digital journey and provide its customer accessibility to a host of digital solutions to aid their banking needs.

Speaking at the signing ceremony, Mr. Yousaf Hussain, CEO, FBL said, "Faysal Bank wants to be the cornerstone of the digital product revolution in Pakistan. We continue to focus on developing and strengthening ecosystem partnerships with multiple players that bring expertise and economies of scale in their respective domains. Faysal Bank's agreement with Bank of Khyber demonstrates our commitment to facilitate

other banks and startups in Pakistan."

Speaking at the occasion, Mr. Ali Gulfaraz, Managing Director and CEO, BoK, said, "Bank of Khyber is committed to delivering ease, convenience, and universal acceptability to our customers to transact and make payments across all channels. The partnership between Faysal Bank and Bank of Khyber will help us strengthen the BoK digital ecosystem by onboarding international payment schemes and digital services that will provide a comprehensive range of payment solutions to our customers"

The signing ceremony held at Faysal Bank, Karachi was also attended by Mr. Amin Ur Rahman, Chief Digital Officer and Fahad Mirza, Head of Digital Ecosystems & Partnerships, Faysal Bank Limited, and Mr. Asim Bashir, Group Head Digital & Consumer Banking from Bank of Khyber.



## Meezan Bank and PMRC join hands to promote Islamic Housing Finance

Meezan Bank, Pakistan's leading Islamic bank and Pakistan Mortgage Refinance Company (PMRC), a Mortgage Liquidity Facility set up by the State Bank of Pakistan, have recently inked a Master Musharakah agreement to support and promote affordable housing finance in the country. Under this agreement, PMRC will provide five years fixed-rate concessional funds to Meezan Bank, which will provide much-needed support across the housing value chain. With the acquisition of funds worth PKR five billion, Meezan Bank aims to ultimately improve access to affordable, Shariah-compliant housing finance in Pakistan through better

and more affordable rates.

The signing ceremony took place at Meezan House, Karachi and was attended by Meezan Bank's Founding President & CEO – Mr. Irfan Siddiqui, Deputy CEO – Mr. Ariful Islam, Group Head Consumer Finance – Syed Iftikhar ul Haq & Head of Housing Finance – Mr. Masroor Mohsin. PMRC was represented by their Managing Director & CEO – Mr. Mudassir H. Khan, Resident Shariah Board Member – Dr. Mufti Muhammad Yunas Ali, Head of Business – Mr. Muhammad Shahzad Khan & Head Islamic Business – Mr. Hasan Junaid

Nasir.

Mr. Irfan Siddiqui – Founding President & CEO, Meezan Bank appreciated the initiative taken by PMRC for bringing innovation in Islamic Finance market by floating funds for facilitation of end customers. "This initiative will support Islamic housing finance in the country despite rising KIBOR by making Shariah-compliant housing finance more affordable for the customers.

Mudassir H. Khan - Managing Director & CEO, PMRC while speaking at the occasion said, "It is indeed a milestone for both the institutions as we recognize the importance of mutual coordination between financial institutions for the growth and support of housing sector in the country.



## State Bank directs banks to increase footprint of Islamic banking

The State Bank of Pakistan has issued instructions to the presidents and CEOs of all banks and Micro Finance Banks (MFBs) for revising the Annual Plan Expansion Plan (ABFP) for 2023 to increase the Islamic Banking branches/offices all over the country.

According to instructions issued by the SBP's Banking Policy and Regulation Departments to all presidents/CEO of all banks and MFBs, they were encouraged to increase the footprint of Islamic banking in Pakistan.

Recently, Federal Minister for Finance Ishaq Dar instructed the SBP and National Bank of Pakistan to withdraw their petitions filed against the verdict of the Federal Shariat Court to implement Riba free banking system in Pakistan in five years. The government also showed its intentions to ensure

interest-free banking and financial system in five years period by adopting the approach of implementing the Shariah-compliant banking and financial system in a phased manner.

The SBP in its letter says that in order to encourage Islamic banking system in the country and to set direction for banks to enhance their Islamic banking footprint, it has been decided to allow banks/MFBs having Islamic banking operations to revise their Annual Branch Expansion Plan (ABEN) for 2023 to the extent of including additional Islamic banking branches/ offices/ conversion proposals. These banks /MFS may also consider replacing conventional banking branches/offices proposed in the ABEP-2023, with Islamic banking/ branches/offices.

Further, those banks/MFBs, which have not opted for any expansion during



the year 2023, are also encouraged to submit their ABEP-2023 by including their proposals for opening of new Islamic Banking branches/offices and conversion proposals.

Accordingly, concerned banks/MFBs may revise their ABFP 2023 by including the maximum possible number of new Islamic banking branches/ offices/ conversion proposals and resubmit the same to BPRD on or before December 16, 2022, positively. Other banks/MFBs are also expected to submit their ABFP-2023, as explained above, by the same date.

## Meezan Bank wins the 'Best Consumer Bank' award

Meezan Bank, Pakistan's leading Islamic bank has been declared as the 'Best Consumer Bank' at the 7th edition of Pakistan Banking Awards held in Karachi.

Meezan Bank has earlier won the 'Best Bank' award twice - in 2018 and 2020 and the 'Best Islamic Bank' award in 2016 and 2017.

Mr. Ijaz Farooq - Meezan Bank's Group Head Retail Banking, Commercial, SME & Agriculture received the award

from the Chief Guest of the event, Mr. Jameel Ahmad - Governor, State Bank of Pakistan and Mr. Salman Hussain - Territory Senior Partner A.F. Ferguson & Co., amid the presence of key members from the country's banking fraternity.



## Faysal Bank declared "Best Islamic Retail Bank in Pakistan"

With a keen focus on offering innovative Islamic retail banking products and services, Faysal Bank Limited (FBL) has been at the forefront of setting new benchmarks in the Islamic retail banking industry in Pakistan.

In recognition of the bank's continued efforts, Faysal Bank was recently conferred the prestigious title of Best Islamic Retail Bank in Pakistan 2022 by the Awards Committee of the 8th Islamic Retail Banking Awards (IRBA) organized by Cambridge IFA

at a ceremony held in Jakarta, Indonesia.

Commenting on the occasion, Mr. Yousaf Hussain, President & CEO of Faysal Bank said, "Alhamdulillah. We are humbled. This global recognition is because of the excellence achieved through belief, dedication, commitment and concerted efforts by the entire Faysal Bank team. It is due to the trust of our customers, who believe in our values



## UBL, SEDF sign agreement



United Bank Limited (UBL) and Sindh Enterprise Development Fund (SEDF) recently signed an agreement for institutional collaboration to provide subsidized credit to Small & Medium Enterprises (SME) in Sindh.

and services as a leading Islamic Bank. We owe it to our Board of Directors for their strategic guidance and support. It is the beginning of our new journey as a full Islamic Bank...many more to come, Insha'Allah."

FBL carries the highest local Sharia rating of SCFR1 by the International Islamic Rating Agency (IIRA) and provides the best and widest range of Shariah-compliant banking products and services to meet their customer's Halal banking needs with convenience. With an expanding network of almost 700 Islamic branches, Faysal Bank has a footprint in 253 cities/towns across Pakistan.



# TELECOMMUNICATION NEWS

## IT minister gives new date for 5G launch

The government is expected to launch 5G technology in July next year, which was earlier announced to be done by December.



IT and Telecommunications Minister Syed Amin ul Haq while announcing the new date vowed that the initiative would help further boost the IT industry and its export at an exponential rate. Addressing a ceremony at the UBIT Career Fest 2022, organised by the Department of Computer Science of

the University of Karachi, the minister was confident the fresh deadline for the launch of the 5G technology would be met without any further delay.

"Our IT industry has already witnessed robust growth," he said. "As compared to the other 43 ministries of Pakistan, the highest increase in exports has been registered by the IT and telecommunication sector. The exports of other ministries increased by 2 to 3pc only over the last couple of years while the exports of IT and telecom jumped by 47.44pc during the same period. "It reflects the potential which we need to capitalise on," the minister remarked.

He said that future job needs can be met with the cooperation of industry and universities as the young IT graduates can grab the growing opportunities being offered by the IT companies amid huge funding of \$373 million from the government for the startups.

## Jazz's investment in Pakistan crosses \$10.3bn

Jazz's investment in Pakistan has crossed \$ 10.3 billion, said VEON Group CEO Kaan Terzioglu. During his two-day visit to Pakistan, the CEO reiterated the Group's full support towards the government's Digital Pakistan vision.



He also appreciated the support extended by PTA and the MoITT to prioritise the provision of connectivity to every Pakistani given the current macro-economic challenges.

## Pakistan yet to develop infrastructure for 5G launch: GSMA head

Pakistan still needs huge investments to develop an enabling environment and the required infrastructure to launch 5G, said Julian Gorman, the head of GSMA Asia-Pacific.

Talking to the media, Mr Gorman expressed his disappointment that the situation had not changed much since he visited Pakistan three years ago regarding the Digital Pakistan initiative.

He referred to the GSMA intelligence report highlighting that policymakers in Pakistan had an opportunity to accelerate the progress on the Digital Pakistan initiative and lay a strong foundation for 5G launching in the country.

"This can only be done by implementing vital reforms using the Whole-of-Government Approach (WGA) to improve the financial health of the overall telecom sector and the ability of industry players to invest and innovate in the business,"

he said.

"The scale of investment needed to develop infrastructure for the launch of 5G is significant and taking into account the current rate of investment it will take a long time, maybe years, for Pakistan to achieve that level," Mr Gorman said.

He said the top challenge for Pakistan's IT & telecom sector was that at present it could not attract investment.

Mr Gorman said the IT industry in Pakistan was facing financial constraints as the cost of doing business was getting higher and higher day by day, but the returns on investment as well as options

for business developments were decreasing.

He said that the advantages of 5G were not limited to mobile phone users only, but it was more of an enabling feature for transforming the industry into a highly digitised industry, but, he claimed, it was not the right time for Pakistan to launch 5G in the country.

The head of GSMA said that apart from a competitive environment, Pakistan needed to have clear and implementable policies so that the overall economic system was transparent for modernisation of IT and telecom sectors in the country.

Mr Gorman said that Pakistan should amend certain policies such as delinking the government payments in US dollars, especially after the devaluation of the currency by around 30 per cent.

"The tariffs and earnings are in rupee terms whereas payments to the government are made at the rate of the dollar," he said, adding that the rupee devaluation had put more financial burden on the industry.



## MoIT Secretary, SAPM on Youth Affairs perform groundbreaking of Jazz 5G Innovation Lab at NUST

Mohsin Mushtaq, Federal Secretary for Information Technology and Telecom (MoITT) performed the groundbreaking of Pakistan's first 5G Innovation Lab at NUST powered by the country's leading digital operator



Jazz in collaboration with Huawei.

He was accompanied by Shiza Fatima, PM's Special Assistant on Youth Affairs; Muhammad Naveed, Member Finance PTA; Kaan Terzioğlu, VEON Group CEO; Augie K Fabela, Co-Founder Veon; Aamir Ibrahim, CEO, Jazz along with other key ICT industry stakeholders.

Congratulating Jazz, Mr. Mohsin Mushtaq, MoITT Secretary said, "This lab will play a pivotal role in helping us build an ecosystem to explore 5G-enabled use cases in Agritech, EdTech etc. while serving as a conduit

for the interplay of technologies like Artificial Intelligence/Machine Learning, Internet of Things, and Cybersecurity.

Kaan Terzioğlu, VEON Group CEO said, "While our priority is to provide 4G for all, we must also look at the future of communications where 5G will have an important role to play.

Addressing the ground-breaking ceremony, CEO Jazz Aamir Ibrahim said that back in 2020 Jazz took the lead initiative in 5G tests and trials in a limited environment and today we are taking it a step ahead by developing Pakistan's first 5G innovation lab in collaboration with NUST.

## Mobile phones worth \$290.57m imported in five months

Pakistan imported mobile phones worth \$ 290.570 million during the first five months (July-November) of the current fiscal year 2022-23, registering a negative growth of 66.08 percent when compared to \$ 856.730 million

during the same period of last year.

The Pakistan Bureau of Statistics (PBS) data showed that on a month-on-month (MoM)



basis mobile phone imports registered 1.92 percent negative growth and stood at \$ 64.520 million in November 2022 when compared to \$ 65.780 million in October 2022.

## Ufone 4G users to get 1GB free data on 'UPower 120' subscription

Pakistani telecom company, Ufone 4G after the resounding popularity of its flagship UPower offerings, is further boosting the utility of its UPower 120 offer to deliver enhanced control and enablement to its customers. Going



forward, upon subscribing any of the options in UPower 120, consumer will be awarded Free 1GB data.

The free data will be useable for top two social media platforms, Facebook and YouTube. The offer has been designed to help users fulfill their entertainment, educational, or work-related requirements, besides connecting with their loved ones. A product that is already packed with value, this limited time offer provides more convenience to UPower consumers.

The offer further enriches the value of UPower 120, which has unprecedented

value for money by allowing customers to choose their own package from amongst four options: All-In-One-Bundle, Internet Bundle, All Network Calling Bundle, or Unlimited Ufone/PTCL calling bundle, as suited to their Voice and Data needs.

Customer can subscribe to the offer through UPower 120 scratch card, by visiting the nearest retailer or simply dialing \*1234# from their handsets. The bundle can also be subscribed through digital platforms like the My Ufone App, UPaisa App, Ufone Website, or other digital applications. The 1GB free Facebook and YouTube data will be valid for 24 Hours upon subscription.

## Jazz Business showcases Garaj, AdTech at Connect 2022

Jazz Business showcased its state-of-the-art onshore cloud platform Garaj and AdTech portfolio, Data Analytics as a Service (DAAA), at an interactive event with IT industry stakeholders and corporate representatives at Connect 2022 held in Karachi.

During the event Ali Naseer, Chief Business Officer, Jazz signed a memorandum of understanding

(MoU) with Saqib Saleem, CEO & Director, MCB Arif Habib Savings & Investment Limited to provide seamless cloud services for its operations through Jazz-powered Garaj.

Asif Ikram, Secretary, Information, Science and Technology Department, Government of Sindh and



Junaid Imam, Member (IT), Federal Ministry of Information Technology & Telecommunication also attended the event and briefed the industry stakeholders about the policies being formulated to accelerate the digital ecosystem.

In addition to the cloud platform, Jazz Business also showcased its AdTech and Data Analytics as a Service (DAAA) portfolio.





# AUTOMOBILE NEWS

## Auto sales increased by 36% MoM, down by 2% YoY

As per the latest automobile sales number by PAMA, auto sales depicted an upsurge of 36% MoM, while a decline of 2% YoY. The recovery in sales volume on an MoM basis was mainly due to, i) the fulfillment of the delivery of vehicles on the backlog of demand ii) consumers moving toward affordable vehicles resulting in PSMC sales climbing up by 74% MoM, iii) streamlining production process by auto assemblers through improved



inventory management processes and higher operating days. Further, PKR volatility and increase in international commodity prices still remain a serious concern for the Automobile sector.

1,300cc segment and above showed a growth in sales by 22% MoM. Given the sales of Civic and City went up by 10% MoM. In addition, the sales of Corolla and Yaris portrayed a rise of 5% MoM.

Alternatively, experts observed a dip in 1,000cc segment sales by 2% MoM, led by the rise in Wagon R sales whose sales went down by 7% MoM to 718 units.

Sales in the below 1000cc segment majorly contributed to the rise in sales 74% MoM. The major contributor remained Alto which went up by 74%

MoM to 7,255 units.

INDU: INDU sales went down by 4% MoM, given sales of Fortuner and Hilux declined by 15% MoM to 1,309 units.

PSMC: PSMC sales depicted an increase of 55% MoM as consumers switched towards affordable cars.

HCAR: HCAR sales surged by 38% MoM, since the launch of HRV grabbed the attention of car enthusiasts and came into the limelight. With this, the overall BRV and HRV sales depicted a jump of 8.6x MoM.

Tractors: During Nov'22, the Tractors sales went down 34% MoM, majorly contributed by AGTL, whose sales went down by 65% MoM. In addition, MTL sales went down by 27% MoM.

## Auto Policy 2016-21: Local car assembling capacity jumps to 0.5m units per year: EDB CEO

Pakistan's local car assembling capacity per year has increased from 270,000 units to 500,000 within the past six years as a result of the implementation of Auto Policy 2016-21, Chief Executive Officer (CEO) Engineering Development Board (EDB) said.

While briefing the Senate Standing Committee on Industries and Production, which met here under the chairmanship of Senator Khalida Ateeb, the CEO of EDB said that following the implementation of 2016-21 auto policy almost 60 percent of the spare parts being used in vehicles are locally manufactured and rest are

being imported.

The committee reviewed matters regarding the excessive rise in steel prices and measures taken to reduce it; exorbitant vehicle prices and delayed delivery; imposition of minimum turnover tax on Special Economic Zones and withholding of LCs; allocation of industrial plots by the PIDC; issues and problems faced by



Karachi Tools, Dies and Moulds Centre; and retrenchment of employees of Pakistan Steel Mills.

The EDB CEO said that the institute has taken various steps to timely ensure the delivery of vehicles to clients, adding that government imposes penalty on a car manufacturer if it is delaying delivery over two months.

Reviewing exorbitant vehicle prices and delayed delivery to customers the committee stressed the need for timely delivery.

It was asserted that customers that have completed payments must not be charged any further difference that might occur due to fluctuating dollar rates and other local or international factors.

## Kia says Lucky Motor its exclusive partner

South Korean automaker Kia Corporation has said that Lucky Motor Corporation (LMC) is the exclusive licensee to manufacture, assemble, market and distribute and sell Kia cars and SUVs in Pakistan as per the general agreement for technical collaboration and knocked down kit supply signed between both the companies. This was informed by Lucky Cement Ltd

(LCL) to Pakistan Stock Exchange (PSX) to clear the dust regarding stock filing by Dewan Farooqui Motors Ltd (DFML) on Nov 7 relating to entering into a technology/licence agreement (TLA) with Kia Corporation for the production/assembly of vehicles.

Lucky Motor Corporation is a subsidiary of Lucky Cement. Kia said that a contract recently signed between Kia's Special Vehicle Division and DFML is limited only to special-purpose commercial vehicles

including PU (Bongo).

DFML is not and shall not in the future be allowed to produce any other Kia cars and SUVs in Pakistan as long as Kia and LMC maintain a completely knocked down (CKD) business in Pakistan.





## PIA's executive lounge opened at Lahore airport

Federal Minister for Railways and Aviation Khawaja Saad Rafique inaugurated the PIA Executive Lounge at Lahore Airport. Speaking on the occasion, he congratulated the airline management and employees for improving and enhancing passenger facilitation. He said PIA can regain its lost glory.

Talking to the media, Khawaja Saad Rafique said the upgrading the executive lounge was long overdue (ten years), which has been completed in record time.

PIA Business Class executive passengers will benefit from the

services of this lounge. Snacks, hot and cold drinks will be provided to passengers without any charges.

Apart from Lahore, the renovation of the executive class lounge has also been completed at Karachi Airport, while the latest Airbus A-320 Simulator has been installed for the training of pilots. These facilities will be inaugurated next week.

The Federal Minister said PIA is

currently operating 25 aircraft, however, this number is expected to go up to twenty-eight by January. In addition to this, 10 new aircraft will be added to PIA's fleet. Seats of seven Airbus A-320S and two Boeing 777 aircraft are being refurbished.

The new in-flight entertainment system will also be activated very soon.

CEO PIA Air Vice Marshal Amir Hayat, Chief Operating Officer Amanullah Qureshi, Chief Project Officer Khurram Mushtaq, General Manager Tariq Majeed, Station Manager Ali Asghar Zaidi, District Manager Zaheeruddin, Deputy General Manager Ali Abbas Shah and other senior officers were also present on the occasion.



## Hashoo Hotels get Shaukat Khanum Corporate Excellence Award

This October marked the sixth consecutive year since Hashoo Hotels joined hands with Shaukat Khanum Memorial Cancer Hospital and Research Centre for the Breast Cancer Awareness campaign.



Keeping the tradition alive, qualified oncologists from Shaukat Khanum Memorial

visited all of Hashoo Hotels across Pakistan to raise awareness and educate the staff, guests, and associates on the importance of early detection and self-examination.

To honour the support of the Group, Dr Faisal Sultan, CEO SKMT awarded the Shaukat Khanum Corporate Excellence Award to Hashoo Hotels for their invaluable support. The award was received by James Robert Wilson, General Manager, Pearl-Continental Hotel Lahore, during an event in Lahore on November 16.

## Emirates airline back in profit after Covid losses

Emirates has bounced back into the black after its losses during the pandemic, the airline said recently, announcing a \$1.1 billion profit and a half-year record for the group. Revenues at the Middle East's biggest carrier surged 131 percent to 50.1 billion dirhams (\$13.7 billion) in the first half of the financial year starting in April, compared to a year earlier.

Emirates Group, which includes the airline and air services provider dnata, clocked a record \$1.2 billion half-year profit which "reflects strong turnaround and recovery" after a \$1.6 billion loss last year. "Across the group, our operations recovery accelerated as more countries eased and removed travel restrictions," Sheikh Ahmed bin Saeed Al Maktoum, chairman and chief executive of Emirates airline and group, was quoted as saying.



## Flyjinnah commences commercial operations

Flyjinnah, which is commencing its commercial operations with three aircraft from November 1 (Tuesday), has planned to extend its fleet to five in the next 12 months.

Talking to media after the inaugural ceremony, Shahnawaz Nawabi, one of the directors of the airline said that Flyjinnah, Pakistan's new low-cost carrier and fourth private airline of the country, is commencing its commercial operations with three aircraft for five domestic sectors – Karachi, Lahore, Islamabad, Quetta and Peshawar from November 1.

"The process to add three more domestic sectors – Skardu, Dera Ghazi Khan, and Rahim Yar Khan is in progress and the airline has planned to induct at least two more aircraft in the next 12 months," Shahnawaz said.





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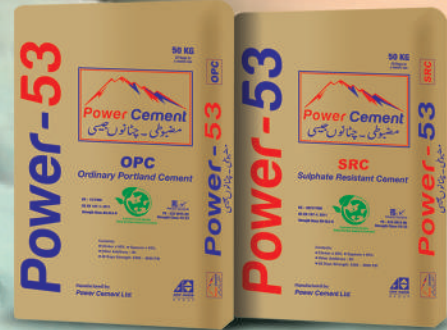
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