FOREX RESERVES TO GET MUCH-NEEDED BOOST: CHINA LENDS A HAND AMID IMF PROCRASTINATION

ISLAMABAD: Formali-ties completed and the Board of China Development Bank has approved the facility of $700 million for Pakistan, said Finance Minister Ishaq Dar. The finance minister announced through a tweet that "formalities completed and Board of China Development Bank has approved the facility of US $ 700 million for Pakistan. This amount is expected to be received this week by the State Bank of Pakistan which will shore up its forex reserves."

Reuters adds: The credit facility, made through the state-owned China Development Bank will boost Pakistan's forex reserves by about 20% and comes as the country is thrashing out a deal with the International Monetary Fund (IMF) to unlock funds from a $6.5 billion bailout. A finance ministry official said the loan was in addition to other facilities that China has already extended to Pakistan. The money could come as early as Thursday, he added. China Development Bank did not respond to a faxed request for comment. China is already Pakistan's single largest creditor with its commercial banks holding about 30% of its external debt.

RS346.745BN BIDS RECEIVED AT AUCTION FOR MTBS: INTEREST RATE ON SHORT-TERM GOVT PAPERS SOARS TO 19.95PC

KARACHI: Interest rate on short-term government papers rose to 19.95 percent in the auction held on Wednesday. The State Bank of Pakistan (SBP) conducted the auction for Government of Pakistan Market Treasury Bills (MTBs) on Feb 22 and received bids worth Rs 346.745 billion.

The federal government aggressively borrowed Rs258 billion at higher cutoff yield. The cut-off yield of 3-month was set at 19.95 percent and government raised Rs 152 billion. Overall, the cut-off yield increased by almost 2 percent compared to previous auction. Half-yearly MTBs interest rate was set at 19.90 percent and the government borrowed Rs 12 billion. In addition, the cut-off yield of one year T-Bills rose to 19.7 percent for Rs 10 billion.

Analysts said that the market seems to be expecting a significant increase in interest rates, as is evident from the participation at such high rates. But even strange is the fact that the SBP lifted the offered amount till such high rates.

An analyst Samiullah Tariq said that for the 3-month T-Bills, the weighted average participation was at a yield of 19.2652 percent. This is substantially lower than the cut-off rate of 19.95 percent. Usually, the difference between the cut-off rate and weighted average rate isn't more than 15 to 20 bps for the 3-month T-Bills, he added.

TELECOM LICENCE PRICE PEGGED WITH USD: CMOS WARN OF 'DIGITAL CATASTROPHE'

ISLAMABAD: The Cellular Mobile Operators (CMOs) Wednesday gave SOS call to the government and warned that the country is heading towards a digital catastrophe due to the wrong policy of pegging telecom licence price with the US dollar and non-opening of letters of credit (LCs)—fearing further degradation of services in coming days, it is learnt.

CEO Jazz Amir Ibrahim, President and Group CEO PTCL and Ufone Hatem Bamatraf, CEO Telenor Irfan Wahab and Kamran from Zong called on Federal Minister for IT and Telecom, Syed Aminul Haque here. The meeting discussed matters related to the IT and Telecom sector and issues being faced by the industry.

Official sources revealed to Business Recorder that the chief executive officers of Pakistan's largest telecom companies appraised the minister about the uncertainty caused by the fluctuating exchange rate, rising interest rates, and fuel and electricity tariffs, making it impossible for them to make a business plan.

The industry also talked about the pricing restrictions put in by the regulator which did not allow operators to increase prices. And also, the current ARPU of 80 cents is the lowest in the world. For the industry to survive this must stay above $1.5 in dollar terms as the cost structure is dollarized (spectrum fees, capex, fuel, electricity etc.

The minister was apprised that due to the expensive spectrum auction in the past, telecom companies are yet to reach a profitable position.

The devaluation of Pakistani rupees has jeopardized the business case for telecom companies, as telecom licence fees and interest on installments are pegged to the US dollar. Continuous devaluation poses the single biggest threat and precludes any sound financial planning whatsoever.

Another issue raised in the meeting was the delay in finalising infrastructure-sharing policy which could reduce their expenses manifold. Further due to restrictions on opening LCs, telecom operators are unable to upgrade their capacity and meet the growing demands. As summer is approaching and load shedding is expected to further increased, said one of the officials, adding that telecom networks are running on backup power supply and telecom services are expected to further deteriorate. With increasing the outage in different parts of the country, it is getting more challenging to keep the network up and running. Back-up power and fuel are limited to a certain time frame and not for prolonged outages. When asked about the 5G lunch in the country, the industry sources said that in the current economic situation in the country, it is impossible to launch the services in the current year.

The federal minister for information technology and telecommunication informed the CEOs that the government is well aware of the issues being faced by the telecom sector. He assured that the ministry would put a complete picture of the scenario before Prime Minister Shehbaz Sharif and Finance Minister Ishaq Dar and would urge immediate action to resolve their issues.

R 23-2-2023

TALIBAN SETS UP INVESTMENT CONSORTIUM WITH FIRMS FROM PAKISTAN, RUSSIA, IRAN

KABUL: Afghanistan's Taliban-led administration has set up a consortium of companies, including some in Russia, Iran and Pakistan, to create a investment plan focusing on power, mining and infrastructure, the acting commerce minister said on Wednesday.

The consortium included 14 Afghan businessmen and his ministry had signed a memorandum of understanding with the foreign companies who would send delegates to Kabul to look into projects worth up to $1 billion, Nooruddin Azizi told *Reuters*.

Afghanistan's economy has been severely hampered since the Taliban took over in 2021, sparking the international community to cut most development funding and enforce sanctions on the banking sector.

A series of attacks waged by the Islamic State against foreign targets has also worried some investors. Azizi said the administration was focused on launching several long-term business plans including the consortium and special economic zones, and that it was working on ensuring security. "Lots of discussions on security have taken place in cabinet meetings also, commissions have been established and … the hiding places (of militants) have been destroyed," he said.

"The Islamic Emirate will ensure security and will support the private sector in the security field," he said, referring to the Taliban administration. As well as mining and power projects, he said the consortium was eyeing the possibility of building a second tunnel through the Salang pass that connects Afghanistan's north to the rest of the country, and a project to divert water from northern Panjshir province to the capital as well as re-building the main highway connecting Kabul to western Herat province.

The minister said the Taliban administration was planning to focus on building special economic zones it hoped would attract foreign investment. His ministry has helped develop a plan to convert foreign bases into the zones, and a board was being set up with representatives of different ministries. He declined to elaborate while the details were finalised with other ministries and senior leadership.

Shipments of oil, gas and wheat under a major deal with Russia last year had begun arriving in Afghanistan by road and rail through Central Asia, he said, after the payments were made via banking channels despite sanctions that have limited many international payments. He did not elaborate on which banks had facilitated the payment.

R 22-2-2023

PPIB TELLS GOVT: SINOSURE RELUCTANT TO INSURE ANY NEW POWER PROJECT

ISLAMABAD: Private Power & Infrastructure Board (PPIB) has notified the government that Chinese insurer M/s Sinosure is reluctant to insure any new power project especially Gwadar power project due to rising overdue payments on commissioned CPEC power projects, sources close to MD PPIB told *Business Recorder*.

PPIB, sources said, has apprised the government that CIHC Pak Power Company Limited (CPPCL), the developer of 300-MW coal power project has requested PPIB for extension in Financial Closing (FC) Date, which shall be submitted for consideration of PPIB Board in its forthcoming meeting. Subsequent to approval of PPIB Board and fulfilment of necessary formalities by CPPCL, an amendment to Letter of Support (LoS) incorporating extension in the FC date shall be issued.

Managing Director PPIB Shah JahanMirza has also shared updated brief of the project for information and further necessary action.

According MD PPIB, project is under Financial Closing and construction activities were started at the site but later suspended as Company is not getting Sinosure insurance approval, adding that Sinosure is reluctant to insure any new power projects in Pakistan, especially Gwadar power project, owing to the trend of increasing overdue payments to commissioned CPEC power projects. During a meeting held on January3, 2023 under chairmanship of Ministry of Planning, Development and Special Initiatives it was decided that work on the project must start immediately at already earmarked land at Karwat (Gwadar), with Commercial Operations by December2025. In another meeting held between Special Assistant to Prime Minister on Coordination with Chinese Ambassador on January 4, 2023, it was inter-alia discussed that CPPCL should complete all necessary work including achievement of FC by December 31, 2023, to ensure that power plant may start generating electricity by December 2025 and to commence construction prior to FC.

Earlier, PPIB Board extended FC Date of CPPCL up to December 31, 2022 (135th meeting) on June 21, 2022 and later for three months, i.e., March 31, 2023(137th meeting) on December 13, 2022. Managing Director PPIB maintained that despite repeated reminders CPPCL did not fulfil formalities (extension in performance guarantee, FC date extension fee) for obtaining a formal extension in FC date through an amended Letter of Support. CPPCL instead has requested for only one-time extension up to December 31, 2023 in FC date pursuant to decisions of the meetings held on 3rd and 4th January 2023. The request of CPPCL for financial close date extension will be submitted for consideration of PPIB Board, Mirza added.

GOVT, KE INK DEAL TO SETTLE RS312.7M DISPUTE

ISLAMABAD: The federal government and K-Electric (KE) are said to have inked a pact to settle 27-year old dispute of Rs 312.733 million, after litigation, a part of which has already been deposited with Collectorate of Customs Karachi, well informed sources told *Business Recorder*.

Sharing the details, sources said, KESC (now K-Electric) imported high voltage equipment and electrical material for rehabilitation and expansion of Transmission, Grid and Distribution system during 1995-96. However, owing to non-payment of custom duty amounting to Rs. 321.733 million by KESC, 40 consignments of equipment remained blocked at port for some time.

ECC in its meeting held on May 18, 1998 deliberated and decided that the issue of payment of duties/ taxes and demurrage should be looked into by a committee, to be convened by the then Secretary Water and Power. ECC further decided that the equipment lying at the port should be released immediately on submission of indemnity/ guarantee by the KESC.

Consequently, CBR (now FBR) released the equipment on submission of indemnity bonds ofRs.32.1.733 million by KESC. However, the issue remained unresolved till the time of privatisation and later included in Implementation Agreement (IA) of April 2009, as an unsettled issue.

K-Electric filed a writ petition in the Sindh High court in 2018 and the case was dismissed by the court with the direction that “liability of Rs.321 million outstanding towards duty and taxes for more than 20 years shall be paid by the petitioner within four weeks from the date of the order.”

Finally, K-Electric aggrieved by the order of the High Court of Sindh, filed a civil suit in 2019 before the Supreme Court which in its interim order of May 6, 2019 directed the petitioner to deposit 25 percent of the claimed liability of Rs 321.733 million and directed Government of Pakistan to discharge its obligation under Article 8.7 of Amended Implementation Agreement.

Consequently, K-Electric deposited Rs. 80.5 million in the government treasury. During hearing of the case on October 05, 2022, the Supreme Court directed Government of Pakistan to resolve the matter within three months.

The sources said, to comply with the order of Supreme Court and to resolve a long pending issue related to the implementation of Article 8.7 of the AIA, the Prime Minister on December 26, 2022 constituted a high level committee with following composition: (i) Minister for Power (Chairman); (ii) Minister for Privatisation (Member); (iii) Minister of State for Finance (Member); (iv) Secretary, Finance Division (Member); (v) Secretary, Power Division (Member); (vi) Secretary, Law and Justice Division (Member);(vii) Secretary, Privatisation Division; and (viii) Chairman FBR.

Federal Minister for Power Division chaired two meetings of the committee and amicably concluded the issue by devising a settlement mechanism, which is mutually agreed and signed by all stakeholders.

According to the agreement, K-Electric to pay 50 per cent of the total disputed customs duty and taxes amounting to Rs 312,733,000 from its own revenue/ profit and shall not charge it from its consumers. However, as K-Electric has already deposited Rs 80,500,000 on May 13, 2019 to the Collector Customs Karachi; therefore, the power utility company will only deposit remaining amount of Rs 80,366,500 to the Collector Customs by March 31, 2023, making total aggregating to Rs 160,866,500, i.e., equivalent to 50 per cent of the total disputed amount of Rs 321,733,000. For the remaining 50 per cent, K-Electric will file a tariff petition before Nepra to allow it as a pass through amount in tariff. Consequent upon approval from Nepra, KE will also deposit the remaining 50 per cent amount with Collector of Customs FBR with 90 days of tariff approval.

However, in case, Nepra does not approve the payment, the payment of remaining 50 per cent as a pass through in KE's tariff, the matter will be brought before the federal government for a mutually acceptable resolution. Once the complete amount of Rs 321,733,000 is received by FBR in the manner agreed between the parties, the indemnity bonds submitted by KE with the Customs/ FBR will be released forthwith. Further, the amount to be paid by KE as per agreement shall be treated as the final settlement.

'FINANCIAL SERVICES ISLAMIC ACT': SECP INITIATES WORK ON ROADMAP

ISLAMABAD: The Securities and Exchange Commission of Pakistan (SECP) has initiated working on developing a dedicated and full-fledged primary law (Financial Services Islamic Act) for Islamic financial industry within non-bank financial sector in Pakistan.

The proposed law, that may be called Islamic Financial Services Act, may consolidate all the relevant provisions in one piece of legislation while serving a reference point for development of case laws in judicial system.

The proposed law will encapsulate development of Islamic financial products from the need to wrap the Islamic concepts into conventional framework e.g. developing commodity Murabaha as "futures contract", reflecting Murabaha as financing tool instead of trading where holding inventory is possible, etc.

The primary law will also serve as basis for developing a parallel structure of capital market institutions capable of replacing the conventional market and achieving Islamization of financial system and economy.

The SECP has released a diagnostic report to document key issues and challenges for Islamic finance in the non-bank financial sector. The report also takes stock of the current state of development of Islamic finance in the country and contains specific recommendations for its promotion.

The diagnostic study was launched in a roundtable, organised in collaboration with the IBA Centre for Excellence in Islamic Finance, at the IBA City Campus. Another diagnostic study and a proposed FinTech framework prepared by Islamic Finance Advisory and Assurance Services (IFAAS), a consultant to the ADB under a technical assistance, specifically covering issues pertaining to product offerings by the non-banking Islamic financial institutions, were also issued on the occasion.

In his message, Akif Saeed, Chairman SECP, stated that the exercise's goal was to comply with the Federal Shariat Court's ruling while also standardising and improving the quality of Islamic goods and services. He emphasized that the suggested actions are specifically intended to speed up the growth of Islamic finance in SECP's regulated sectors. Abdul Rehman Warraich, the SECP's Commissioner on Islamic Finance, thanked the worthy Shariah scholars and professionals from industry for their valuable contributions while also lauding the SBP's collaboration and support for the growth of Islamic finance in Pakistan.

Director of CEIF, Ahmad Ali Siddiqui, and Associate Professor, Dr Irum Saba, also spoke at the event. The roundtable participants agreed that Islamic finance is inevitable and that it is a driver for shared prosperity. Tariq Naseem, Head Islamic Finance SECP, and Farrukh Raza, CEO, IFAAS, presented key findings of the diagnostic reports.

Members of SECP's Shariah Advisory Committee and functional committee on Islamic finance, industry professionals and Shariah scholars attended the events in large numbers. Mufti Dr Irshad Ahmed Aijaz praised the efforts of all stakeholders to transform the financial system in accordance with Shariah principles, constitutional requirements, and the decision of Federal Shariat Court.

The diagnostic reports, which cover key aspects of Islamic finance development in the non-banking sector, are expected to accelerate efforts for growth of Islamic capital markets, Takaful industry, and Islamic financial institutions. The reports are expected to create a conducive environment for the implementation of a strategic action plan and serve as a conduit for further research, the SECP added.

OCT-DEC QTA FOR DISCOS: NEPRA AGREES TO APPROVE RE0.5/UNIT HIKE IN TARIFF

ISLAMABAD: National Electric Power Regulatory Authority (Nepra) on Wednesday gave its consent to approve Paisa 50 per unit positive adjustment in Discos QTAs for second quarter (October- December) of CFY 2022-23 to be effective from March 1, 2023, in addition to existing QTA of Rs 3.08 per unit, which will expire on March 30, 2023.

The Authority comprising, Chairman, Tauseef H Farooqi; Member KPK, Maqsood Anwar Khan; Member Balochistan, Mathar Niaz Rana and newly appointed Member Punjab Ms. Amina Ahmed regulated the public hearing. Joint Secretary (Power Finance), Power Division, Mahfooz Ahmed Bhatti, CEO, CPPA-G Rehan Akhtar represented Power Division whereas CFOs of Discos were available on zoom to justify their claims of QTAs and response to the questions of the Authority.

The Authority expressed displeasure at some Discos for not consuming allocated quota of electricity despite having knowledge that federal government has to pay to the power generation companies against the booked quantity of electricity.

The Authority intended to start recovery of second quarter QTA from April 1, 2023, after the expiry of the prevalent QTA of Rs 3.08 per unit but Joint Secretary Power Division requested the Authority to start its applicability from March 1, 2023 keeping in view cash flow problems of the power sector.

Chairman Nepra enquired from his Tariff Team if the Authority can recover two QTAs at one time, which responded that such precedents exist as it was done in the past. Chairman Nepra advised Joint Secretary Power Division to send his request in writing and the Authority would look into it. He offered CEO CPPA-G that the Regulator is ready to host a session with Discos' representatives to sensitize them about the issue.

Member Balochistan Mathar Niaz Rana directed Nepra's tariff team to also make it a routine to present the impact of unutilized electricity by Discos in future.

Member KPK Maqsood Anwar Khan grilled PESCO team for not utilizing allocated quota and unleashing load shedding. However, newly appointed Member who is dealing with legal affairs did not respond. CPPA-G intends to recover Rs17.391 billion from their consumers for the second quarter of current fiscal.

According to data shared by Discos, they have filed their requests for adjustments on account of capacity charges, transmission charges and Market Operator Fee (MOF), impact of incremental units, impact of T&D losses on FCA and variable operation and maintenance charges for the second quarter of FY 2022-23.

The Discos have sought overall negative adjustment of Rs6.186 billion on account of capacity charges, positive adjustment of Rs2.024 billion as variable Operation and Maintenance (O&M), positive adjustment of Rs 28.496 billion on account of transmission charges and Market Operator Fee i.e. CPPA-G.

The main share of QTA's proposed adjustment is related to UoSC and MOF. Of the total amount of Rs 28.496 billion, share of Iesco is Rs 2.434 billion, Lesco, Rs 6.395 billion, Gepco, Rs 3.283 billion, Fesco, Rs 4.131 billion, Mepco, Rs 4.9 billion, Pesco, Rs 3.031 billion, Hesco, 1.694 billion, Qesco, Rs 1.230 billion, Sepco, Rs 617 million and Tesco, Rs 781 million. During the hearing, it was revealed that the huge impact of UoSC charges is due to revised determination of transmission line tariffs with a delay of over a year.

The Discos have sought negative adjustment of Rs 2.04 billion on account of impact of T&D losses on monthly FCA whereas negative adjustment of Rs 4.770 billion has been sought as impact of incremental units.

The documents show that Iesco has sought positive adjustment of Rs 1.322 billion on all accounts, Lesco, Rs 6.347 billion, Gepco, 6.712 billion, Fesco, Rs 4.612 billion, Mepco, Rs 2.393 billion, Hesco, Rs 1.738 billion and Tesco Rs 1.306 billion. However, Pesco, Qesco and Sepco have sought negative adjustments of Rs 1.957 billion, 1.633 billion and 3.449 billion, respectively. During the hearing responding to a question, Chairman Nepra said that neither the revised Circular Debt Management Plan (CDMP) has been shared with the Regulator nor was it involved in any such discussions with the IMF. "We are not aware what commitments Power Division has made with the IMF; we are running our business as usual. Whatever Power Division will bring before us, we will examine it and take a decision on merit," said Chairman Nepra.

R 23-2-2023

STATE BANK SETS UP DIVISION TO INNOVATE DATA COLLECTION

KARACHI: The State Bank of Pakistan (SBP) has begun an exercise to strengthen its statistics department by making it "go beyond traditional economic data". Speaking at conference organised by the Association of Chartered Certified Accountants (ACCA) on Wednesday, SBP Deputy Governor Sima Kamil said the central bank has set up a new division by the name of Avant-Garde Digit, which will bring innovation to data collection and presentation methods with the help of artificial intelligence. "We've set up a team of economic agents across the country to collect anecdotal data about business conditions. Inflation, for example, is very much based on expectations. We'll have teams of people that'll meet businesses, small and large, and assess and gain economic intelligence," she said.

The SBP will also introduce a digital consumer price index to track real-time inflation while using "multiple layers of non-traditional data" using satellite images. "We're trying to be a responsive organisation. We've increased the frequency of monetary policy committee meetings from six to eight times a year," she said.

In her speech on "building economic resilience in uncertain times," the SBP deputy governor said leaders must resist the urge to oversimplify problems in the midst of uncertainty. At the same time, leaders shouldn't blow the risks out of proportion either, she said. Uncertainties came in "very quick succession" after Covid-19, she said. The Russian-Ukraine war stoked a global crisis in the commodities market that caused concerns on energy and food supplies. At home, political uncertainty, delay in the IMF ninth review, high inflation, depletion in foreign exchange reserves and depreciation came one after another. "And just when we thought we were adjusting to this, we had floods. Many things that you think are unlikely to happen together did happen together," she said.

As a result of these events, the SBP has increased the frequency of its stress-testing exercises that gauge the state of resilience in the banking sector for "severe but plausible" shocks, she said. Ms Kamil listed four specific measures to prepare for a world full of surprises. One, steps to build economic resilience are best taken before, and in preparation of, uncertainty. Two, the system has to build upon the basics like risk recognition, conserving liquidity, maintaining solvency and not forgetting that one has a future to plan for. Three, leadership in uncertain times has to be "agile yet measured". Lastly, understanding that it's not possible to keep everyone happy in a crisis. "You need to have the courage to set priorities," she said.

Calling the new sources of risks and uncertainties "Four Ds," the SBP deputy governor said decarbonisation, digitisation, de-globalisation and demography are likely to produce unprecedented risks for businesses and households. Speaking on the occasion, Habib Bank Ltd CEO Muhammad Aurangzeb said the ongoing economic crisis also presents an opportunity in the sense that the government's "hand has been forced" by the IMF.

Dawn 23-2-2023

'BIGGEST FINANCIAL SCAM': 16 OFFICIALS OF BANK, PETROLEUM COS PLACED IN JUDICIAL CUSTODY

KARACHI: As many as 16 officials of the National Bank of Pakistan (NBP) and petroleum companies, etc., have been placed in judicial custody for their alleged involvement in a Rs54 billion 'biggest financial scam' after a Special Banking Court rejected their interim bails on February 20, 2023.

The officials from the NBP, petroleum companies – Hascol Petroleum Limited (HPL), Byco, etc, were booked by the Federal Investigation Agency (FIA) in a case in 2022 on charges of fraud, criminal breach of trust and money laundering etc. As per details, on February 20, 2023, a Special Banking Court rejected the officers' interim bails. And the FIA arrested them on the court premises and sent them to jail. As soon as the court's decision was announced, the accused had tried to flee the court room but they were arrested inside the premises of the court.

Among the detained are said to be eight bank officers and eight petroleum company management personnel.

FIA Commercial Banking Circle Karachi had filed the case under sections 477/471/468/420/409-A/109 PPC r/w 5(2) of PCA 1947 r/w 3/4 AMLA 2010 Amended in 2020. One of the founding directors of Hascol Petroleum, Mumtaz Hasan, was arrested in the case (charge number 01/2022). As many as 30 officials of 'partner' companies, including Vitol, Fossil Energy and NBP, were also nominated in the same case.

FIA claimed that they had committed financial fraud in the shape of bank loans, over-invoicing, costly storage arrangements, kickbacks, money laundering and funded and non-funded financial facilities in violation of the banking laws, causing losses to the national exchequer and gains to the petroleum company.

The officials under judicial custody are Saleem Butt, Tahir Ali, Khurram Shehzad Veenjhar, Usman Shahid, Nawabzada Akbar Hassan Khan, Rima Athar, Wajahat A. Baqai, Tariq Jamali, Muhammad Saleem Saleemi, Muhammad Asmar Atique, Syed Jamal Baquar, Muhammad Ali Ansari, Saeed Ahmed, Syed Hassan Irtiza Kazmi, Aqeel Ahmed Khan and Muhammad Ali Haroon.

Four of the accused, including Muhammad Hamid Khan, Abdul Aziz Khalid, and Farid Arshad Masood, have been declared as proclaimed offenders in the case. One of the accused, Syed Ahmad Iqbal Ashraf, has been declared as absconder. Another accused, Mumtaz Hassan Khan, is on bail.

On Tuesday, the Hascol Petroleum notified that its board has authorized Chief Financial Officer Amad Uddin to exercise authority as Chief Executive Officer (CEO) after the trial judge refused confirmation of bail applications of CEO Aqeel Ahmed Khan along with others'.

"Following today's decision by the Trial Judge to refuse confirmation of bail applications from a number of individuals, in the matter of FIA Enquiry No. 127/2021, it has led to the detention of numerous persons, including the CEO of Hascol Petroleum Limited (HPL), Aqeel Ahmed Khan," said Hascol Petroleum Limited in a statement. "While we are advised by the legal counsel representing the CEO that post-arrest bail should be granted, in the meantime, in order to operate the affairs of HASCOL, the board has authorised the CFO, Amad Uddin, to exercise the authority of the CEO until this issue is resolved or there is a further decision taken by the board," the notice sent to the Pakistan Stock Exchange (PSX) added.

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