

India clears purchase of Russian combat jets worth \$2.4 billion

Reuters | New Delhi

India's government yesterday approved the purchase of 33 Russian fighter jets and upgrades to another 59 planes, acting to beef up its air force at a time when the military is locked in a border stand-off with China.

The approval for 21 MiG-29 planes and a dozen Su-30 jets will together cost 181.48 billion rupees (\$2.43 billion), the defence ministry said. The purchase, along with the upgrade of 59 other MiG-29s, was an attempt to address the "long felt need of the Air Force to increase its fighter squadrons."

The green light for the Russian planes followed a visit to Moscow last month by Defence Minister Rajnath Singh where he urged his hosts to speed up deliveries, officials said.

More than half of India's military hardware is still of



Mig 29 are parked on runway during the air show, dubbed Sloboda 2017 (Freedom 2017) at Batajnica military airfield in Belgrade, Serbia

Russian origin even though over the last decade India has turned to the United States and Israel for high-tech arms transfers.

The Defence Ministry also approved the purchase of air-to-air missiles developed indigenously that it said will add to the strike capability of the air force.

Novartis pays over \$700m to settle US kickbacks case

Geneva

Swiss pharmaceutical giant Novartis will pay some \$729 million to settle a lawsuit brought by Washington accusing it of paying kickbacks to doctors, among other allegations.

The company's chief executive Vas Narasimhan described the settlements as "an important milestone on our journey

to build trust with society".

"Today's settlements are consistent with Novartis commitment to resolve and learn from legacy compliance matters," he said in a statement.

Novartis is accused of having hosted tens of thousands of speaker programmes and events which the Department of Justice said were used to bribe physicians.

US economy 'roaring back'

● Employers brought 4.8 million people back to work last month

● Leisure and hospitality added 2.1 million positions and retail grew by 740,000 jobs

● Layoffs have averaged 1.5 million a week over the past four weeks,

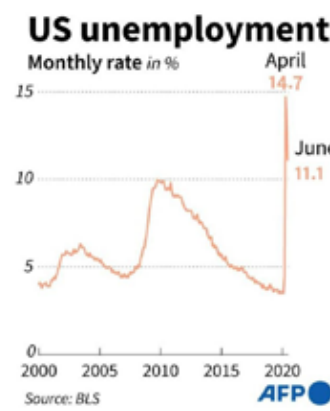
AFP | Washington

President Donald Trump yesterday hailed new data showing huge jobs gains in June, but continued to downplay surging COVID-19 cases that could reverse the tentative recovery.

Employers brought 4.8 million people back to work last month, two million in the hard-



US President Donald Trump



hit leisure and hospitality sector, the Labour Department reported, which dropped the jobless rate by two points to 11.1 per cent.

The new data together with the 2.7 million jobs won back in May means the economy has regained 7.5 million of the more than 22 million jobs lost since mid-March amid the coronavirus pandemic as businesses

were closed nationwide to prevent the spread of infections.

Speaking to reporters at the White House, Trump, who needs a strong economy to help his re-election bid in November, went through the report line-by-line, saying some of the job gains were records -- without mentioning the massive losses suffered since March due to the pandemic.

"Today's announcement proves that our economy is roaring back," Trump said.

"The crisis is being handled," he continued. "This not just luck, what is happening. This is a lot of talent."

He also cheered the soaring US stock market, but left without taking questions from reporters on the surge in cases of coronavirus, or the scandal over reports that US intelligence believed a Russian unit paid bounties for Taliban-linked militants to kill US troops.

The welcome news on jobs adds to positive signs in other reports showing the world's largest economy is on the mend backed by massive government support for workers and businesses, which also helped firms rehire some employees.

But as the United States faces the world's worst coronavirus outbreak with more than 127,000 deaths and a record 50,000 new cases a day, economists fear a renewed malaise as local authorities roll back efforts to return to pre-pandemic normal and businesses are

forced to shut down again.

Leisure and hospitality added 2.1 million positions and retail grew by 740,000 jobs, while manufacturing and construction also rehired in large numbers.

But a separate Labour Department report showed job losses continued, as 1.43 million people filed initial claims for unemployment benefits last week, only slightly less than the prior week.

Layoffs have averaged 1.5 million a week over the past four weeks, according to the weekly claims data.



US infectious diseases expert Anthony Fauci said the United States was heading in the "wrong direction" and warned it could soon see 100,000 cases a day.

Several US states imposed 14-day quarantines on travellers from other states ahead of the annual July 4 festivities on Saturday while California suspended indoor dining at restaurants in Los Angeles.

India opens vast railway network to private players



Mumbai

India has opened up its vast railway sector to private companies, allowing firms to operate trains on certain routes, in a bid to boost its stuttering, virus-hit economy.

In an announcement late Wednesday, the railway ministry said it would now permit businesses to run trains along 109 routes, inviting bids from firms weeks after New Delhi opened up coal mining to the private sector.

"This is the first initiative of private investment for running passenger trains over Indian Railways network," the ministry said in a statement.

"The objective of this initiative is to introduce modern technology rolling stock with reduced maintenance, reduced transit time, boost job creation, provide enhanced safety, provide world class travel experience to passengers," it added.

The project will require an investment of \$4 billion and private players will have to pay the government fixed haul charges and a percentage of profits determined during the bidding process.

t'azur Company b.s.c. (c)

CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In United States Dollars ('USD')

	31 Dec 2019 (audited)	31 Dec 2018 (audited)
ASSETS		
Cash and cash equivalents	9,949,749	4,864,943
Statutory deposits	5,976,578	7,945,851
Deposits more than 3 months	9,602,642	9,318,965
Investments	13,401,551	12,831,105
Contributions receivable	20,358,792	20,124,145
Receivable from takaful and retakaful companies	3,972,436	2,752,499
Deferred acquisition cost	5,046,814	4,215,014
Deferred retakaful share of contribution	5,599,471	7,667,100
Retakaful share of outstanding claims	25,829,100	13,175,079
Property and equipment	728,485	575,911
Other assets	6,164,646	6,748,656
Total assets	106,630,264	90,219,268

LIABILITIES, PARTICIPANTS' FUND AND SHAREHOLDERS EQUITY

	31 Dec 2019 (audited)	31 Dec 2018 (audited)
Liabilities		
Technical reserves	71,476,470	58,337,122
Payable to takaful and retakaful companies	3,763,900	4,561,516
Other liabilities	14,603,285	11,515,160
Total liabilities	89,843,655	74,413,798

Participants' fund

	31 Dec 2019 (audited)	31 Dec 2018 (audited)
Accumulated deficit	(41,351,931)	(42,173,072)
Foreign currency translation reserve	327,866	375,696
Total of participants' fund	(41,024,065)	(41,797,376)

	31 Dec 2019 (audited)	31 Dec 2018 (audited)
Equity		
Share capital	58,000,000	58,000,000
Statutory reserve	1,356,312	1,324,137
Investment fair value reserve	796,250	934,484
Foreign currency translation reserve	(790,772)	(844,795)
Accumulated losses	(8,954,930)	(9,209,323)
Total equity	50,406,860	50,204,503
Non-controlling interest	7,403,814	7,398,343

Total shareholder' equity

	31 Dec 2019 (audited)	31 Dec 2018 (audited)
Total shareholder' equity	57,810,674	57,602,846

TOTAL LIABILITIES, PARTICIPANTS' FUND AND SHAREHOLDERS EQUITY

	31 Dec 2019 (audited)	31 Dec 2018 (audited)
TOTAL LIABILITIES, PARTICIPANTS' FUND AND SHAREHOLDERS EQUITY	106,630,264	90,219,268

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INCOME

In United States Dollars ('USD')

	Year ended 31 December	
	2019 (audited)	2018 (audited)
Income		
Wakala fee	9,936,255	9,504,160
Investment profit income	383,391	322,175
Mudarib share	80,072	53,475
Other income	287,559	219,813
Total income	10,697,277	10,099,623
Expenses		
General and administration expenses	(9,726,800)	(10,005,135)
Qard Hassan written-off	(500,000)	-
Impairment on investment in Associate	(142,547)	-
Total expenses	(10,369,347)	(10,005,135)
Profit for the year before contribution to KFAS	327,930	94,488
Contribution to KFAS	(1,463)	(1,496)
Zakat	(1,624)	(1,340)
NET PROFIT FOR THE YEAR	(324,843)	91,652
Profit attributable to:		
Owners of the parent	286,570	56,687
Non-controlling interests	38,273	34,965
NET PROFIT FOR THE YEAR	324,843	91,652

*The Board of directors have approved the consolidated financial statements.

CONSOLIDATED STATEMENT OF PARTICIPANTS' REVENUE AND EXPENSES

In United States Dollars ('USD')

	Year ended 31 December	
	2019 (audited)	2018 (audited)
Contributions		
Gross contributions	73,993,157	67,073,658
Retakaful share of gross contributions	(12,413,698)	(12,586,281)
Retained contributions	61,579,459	54,487,377
Unearned contributions adjustment	(1,725,154)	(4,653,554)
Net earned contributions	59,854,305	49,833,823
Policy issuance fee	334,045	344,114
Policy acquisition costs	(5,634,938)	(4,513,524)
Re-takaful discount	2,678,517	2,606,310
Net acquisition costs/ discount income	(2,622,376)	(1,563,100)
Unearned acquisition costs / discount income adjustment- net	648,965	421,164
Net earned acquisition costs / discount income	(1,973,411)	(1,141,936)
Net earned revenue	57,880,894	48,691,887
Claims		
Gross claims paid	50,321,671	44,951,339
Retakaful share of claims paid	(4,685,039)	(3,843,381)
Change in Outstanding claims - gross	11,658,233	(5,851,864)
Change in Outstanding claims - retakaful share	(12,600,371)	2,655,407
Net claims	44,694,494	37,911,501
Net earned revenue over net claims incurred	13,186,400	10,780,386
Wakala fee	(9,936,253)	(9,504,160)
General and administrative expenses under mudarib model	(3,285,607)	(2,756,013)
Deficit from takaful operations	(35,460)	(1,479,787)
Profit income	601,177	848,714
Mudarib share	(80,072)	(53,475)
Other expense	(165,368)	(163,436)
Qard Hassan written back	500,000	-
SURPLUS / (DEFICIT) FOR THE YEAR	820,277	(847,984)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In United States Dollars ('USD')

	Share capital	Statutory reserve	Foreign currency translation reserve	Accumulated losses	Investment fair value reserve	Total	Non-controlling interest	Total equity
2019								
Balance at 1 January	58,000,000	1,324,137	(844,795)	(9,209,323)	934,484	50,204,503	7,398,343	57,602,846
Foreign currency translation reserve	-	-	54,023	(2)	-	54,021	23,522	77,543
Investment fair value reserve	-	-	-	-	(138,234)	(138,234)	(56,324)	(194,558)
Statutory reserve	-	32,175	-	(32,175)	-	-	-	-
Net profit for the year	-	-	-	286,570	-	286,570	38,273	324,843
Balance at 31 December	58,000,000	1,356,312	(790,772)	(8,954,930)	796,250	50,406,860	7,403,814	57,810,674
2018								
Balance at 1 January	58,000,000	1,314,688	(748,181)	(9,256,561)	1,883,085	51,193,031	7,816,245	59,009,276
Foreign currency translation reserve	-	-	(96,614)	-	-	(96,614)	(46,323)	(142,937)
Investment fair value reserve	-	-	-	-	(948,601)	(948,601)	(406,545)	(1,355,146)
Statutory reserve	-	9,449	-	(9,449)	-	-	-	-
Net profit for the year	-	-	-	56,687	-	56,687	34,966	91,653
Balance at 31 December	58,000,000	1,324,137	(844,795)	(9,209,323)	934,484	50,204,503	7,398,343	57,602,846

CONSOLIDATED STATEMENT OF CHANGES IN PARTICIPANTS' EQUITY

In United States Dollars ('USD')

	Accumulated deficit	Foreign currency translation reserve	Total
2019			
Balance at 1 January	(41,351,931)	375,696	(41,797,376)
Deficit for the year	864,277	-	820,277
Foreign currency translation reserve	864	(47,830)	(46,966)
Balance at 31 December	(41,351,931)	327,866	(41,024,065)
2018			
Balance at 1 January	(41,325,085)	281,679	(41,043,406)
Deficit for the year	(847,984)	-	(847,984)
Foreign currency translation reserve	864	94,014	94,878
Balance at 31 December	(42,173,069)	375,693	(41,797,376)