



TRANSPARENCY INTERNATIONAL - PAKISTAN

Plot 72-F/2, 1st Floor, 9th Street, Jami Commercial,
Phase VII, Defence Housing Authority, Karachi
Phone: +92-21-35390408, 35311898
Fax: +92-21-35390410
Email: ti.pakistan@gmail.com
Website: www.transparency.org.pk

5th July, 2021

TL21/0705/1A

Mr. Shaukat Tarin,
Federal Minister of Finance,
Ministry of Finance,
Block F,
Pak Secretariat
Islamabad

**Subject: Allegations of corruption committed according to NAO 1999, Section 9, by the
illegal appointment of Chairman and President of NBP.**

Dear Sir,

Transparency International Pakistan has received a complaint on the allegations of corruption according to NAO 1999, Section 9, on the allegations of corruption committed illegal appointment of Chairman and President of NBP.

The complainant has made following allegations.

That;

1. Mr. Arif Usmani appointment as President NBP was notified on 12.2.2019, and Mr. Zubyr Somroo appointment as Chairman NBP was notified on 14.04.2019.

2. On 26 June 2021, Honorable Justice Mohsin Akhtar Kayani in the writ petition in Islamabad High Court, nos. W.P. No.2097/2020, W.P. No.3179/2020, W.P. No. 3205/2020 & W.P. No. 3725/2020, ordered that,

“the very appointment of President NBP i.e. Arif Usmani is defective and illegal as he did not possess requisite qualification provided in the advertisement in a particular manner qua the subject / discipline, which is not related to the field of banking, finance, economics, business administration, etc. although the appointment has been made through advertisement published in dailies, on the other hand the very appointment of Chairman NBP i.e. Zubyr Somroo is also declared illegal, who has not been recommended through a transparent manner by the Finance Division, especially when there was no advertisement for his position, which reflects that other best suitable candidates have not been given a fair chance to participate in the recruitment which is in violation of Article 25 of the Constitution of the Islamic Republic of Pakistan, 1973. Therefore, the captioned writ petitions are ALLOWED, the appointments of Arif Usmani, President, NBP and Zubyr Somroo, Chairman, NBP are declared to be illegal.”

3. According to NAO 1999, National Accountability Bureau has filed a number of Corruption References against Prime Ministers, Ministers, officers and beneficiaries responsible for illegal appointments, viz. PIA CEO, KPT, AEDB and many more. In 2018 a reference was filed on illegal appointment of Mr. Basharat Hassan Bashir in AEDB, against Ex-Prime Minister Mr. Shaukat Aziz and Minister Mr. Liaquat Jatoi, which caused a loss of PKR 210.6 million to the national exchequer. The most recent reference is on appointment of MD PSO, in which reference was filed



against Mr. Shahid Khaqan Abbasi, Ex Minister, Mr. Sheikh Imran ul Haq, Ex MD, PSO, Mr. Yaqub Sattar, Ex DMD PSO and others for causing Rs 138.96 million (remuneration paid to MD, PSO) loss to the national exchequer due to misuse of authority and illegal appointment of MD, PSO in violation of rules and regulations.

4. As the appointments of Chairman NBP and President NBP were not according to laid down procedures and have been declared illegal, besides the recovery of losses inflicted on the national exchequer by way of hundreds of millions of rupee remuneration paid to Chairman and President, the Ministers/officers responsible for illegal appointments, and beneficiaries should be tried for committing corruption under NAO 1999, Section 10.

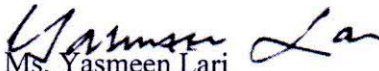
TI PAKISTAN COMMENTS & RECOMMENDATIONS:

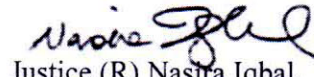
Based on NAO1999, and IHC Court Order dated 26.06.2021, allegations are prima facie correct.

Ministry of Finance is requested to examine the allegations, and immediately take measures to initiated action for recovery of the losses incurred to the exchequer and ensure that responsible officers are made accountable.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption, and achieve against Zero tolerance against corruption,

With Regards,


Ms. Yasmeen Lari
Sitara-e-Imtiaz, Hilal-i-Imtiaz
Chairperson
Transparency International Pakistan


Justice (R) Nasira Iqbal,
Sitara-e-Imtiaz
Vice-Chairperson
Transparency International Pakistan

Copies forwarded for the information with request to take action under their mandate,

1. Muhammad Azam Khan, PSPM, PM House, Islamabad
2. Chairman, National Accountability Bureau (NAB), Islamabad, all references filed quoted in para 3 were not declared illegal by any court, but the appointments of Chairman & President of NBP are declared illegal by IHC.
3. Governor, State Bank of Pakistan, Karachi,
4. Auditor General Pakistan, Islamabad
5. Registrar, Supreme Court of Pakistan