



TRANSPARENCY INTERNATIONAL-PAKISTAN

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18th June, 2015

The Chairman
National Accountability Bureau,
Islamabad.

Sub: Allegation on the Ministry of Industries and Production (MoI&P) is said to have been "outsourced" to an influential person"

Dear Sir,

Transparency International Pakistan refers to the News report published on 18th June, 2015 with caption " MoI&P outsourced" to an influential person", **Annex-A**.

The newspaper report has disclosed following irregularities;

1. *That a influential person who reportedly receives treatment as de facto Minister for Industries and Production is invariably found at the Minister's residence and is in constant contact with all the top brass of the Ministry including Secretary and heads of attached organisations and departments and issues them instructions from time to time with regard to appointments, transfers/postings and for favourable comments on "proposals" from "special people".*

That this influential person also frequently holds meetings for hours with the incumbent Secretary Ministry of Industries and Production, Arif Azim at his office.

2. *That the Secretary Industries has directed the National Fertilizer Corporation (NFC) to draw about Rs 3 billion from different banks and deposit the amount in a private bank, without providing any reason for the transfer of funds.*
3. *That this issue has become a bone of contention between the Secretary Industries and Finance Ministry as Finance Ministry is represented at the NFC board.*

That the Finance Ministry, has written a letter to the Secretary Industries, saying that the NFC Board had given this amount to the Finance Ministry, adding that the Secretary cannot draw the amount.

4. *That the issue of recent procurement of sugar for the Utility Stores Corporation (USC) allegedly at exorbitant rates is already in the media and acting Managing Director USC claims that he has nothing to do with sugar procurement.*
5. *That the Minister for Industries and Production, Ghulam Murtaza Jatoi has sent a reference against the incumbent acting MD USC to NAB for investigation just months before giving him acting charge.*

That the Chairman USC Board has also written a letter to the Prime Minister saying that he will resign if USC affairs continue to be run as at present. And when



contacted, he denied writing any such letter, adding that he "doesn't play to the galleries". Managing Director Dr Mukhtar Ahmad reportedly went on leave when he was pressurized to do illegal things.


That the appointments of new Managing Director Utility Stores Corporation (USC) is also being closely monitored by the Board as the " real " deal makers want to hire the services of Rizwan Bhatti, a person who performed in a subsidiary of Railways Ministry when Arif Azim was Secretary Railways. "A troika tailored and executed the plan after hours of mutual consultations,".

Such allegations were frequent against many Federal Minister during 2008 to 2013, and many Suo Moto cases were taken up by the Supreme Court on TI Pakistan letters sent to departments , viz. NICL, PIA, Islamabad Airport, Pakistan Steel EOBI, etc.

The Chairman NAB is requested to examine the allegations, which are reported in press, and are very serious allegations on a Federal Minister, and if the allegations are found correct, action under Section 9 of the NAO 1999, Corruption & Corrupt practices, may be taken against all those who are found responsible in these offences.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,



Sohail Muzaffar
Chairman

Encl: Copy of Complaint

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

1. Secretary to Prime Minister, Islamabad.
2. Mr. Ghulam Murtaza Jatoi Minister of Industries and Productuion, Islamabad
3. Chairman, Prime Minister's Inspection Commission, Islamabad.
4. Registrar, Supreme Court of Pakistan, Islamabad.

MoI&P outsourced to influential person?

June 18, 2015

MUSHTAQ GHUMMAN

0 Comments



Ministry of Industries and Production (MoI&P) is said to have been "outsourced" to an influential person engaged in making deals on matters relating to appointments in the Ministry and its more than a dozen attached entities and organisations.

According to sources, the influential person who reportedly receives treatment as de facto Minister for Industries and Production is invariably found at the Minister's residence and is in constant contact with all the top brass of the Ministry including Secretary and heads of attached organisations and departments and issues them instructions from time to time with regard to appointments, transfers/postings and for favourable comments on "proposals" from "special people".

According to sources, this influential person also frequently holds meetings for hours with the incumbent Secretary Ministry of Industries and Production, Arif Azim at his office. Reports also suggest that Secretary Industries has directed the National Fertilizer Corporation (NFC) to draw about Rs 3 billion from different banks and deposit the amount in a private bank, without providing any reason for the transfer of funds. This issue has become a bone of contention between the Secretary Industries and Finance Ministry as Finance Ministry is represented at the NFC board.

Finance Ministry, sources said, has written a letter to the Secretary Industries, saying that the NFC Board had given this amount to the Finance Ministry, adding that the Secretary cannot draw the amount. This correspondent sought replies of four questions from the Secretary Industries and Production but has not yet received a response even after the passage of four days.

The questions related to NFC amount transferred from one to another private bank, Finance Ministry's reaction, Secretary's relation with the influential person and his (Secretary) meetings with the influential person. The issue of recent procurement of sugar for the Utility Stores Corporation (USC) allegedly at exorbitant rates is already in the media and acting Managing Director USC claims that he has nothing to do with sugar procurement. Minister for Industries and Production, Ghulam Murtaza Jatoi sent a reference against the incumbent acting MD USC to NAB for investigation just months before giving him acting charge.

According to sources, Chairman USC Board has also written a letter to the Prime Minister saying that he will resign if USC affairs continue to be run as at present. When contacted, he denied writing any such letter, adding that he "doesn't play to the galleries". Managing Director Dr Mukhtar Ahmad reportedly went on leave when he was pressurized to do illegal things.

The appointments of new Managing Director Utility Stores Corporation (USC) is also being closely

monitored by the Board as the " real " deal makers want to hire the services of Rizwan Bhatti, a person who performed in a subsidiary of Railways Ministry when Arif Azim was Secretary Railways. "A troika tailored and executed the plan after hours of mutual consultations," said an insider. A couple of cases pertaining to attached departments of Ministry of Industries and Production are being investigated by the National Accountability Bureau (NAB).

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