



**TRANSPARENCY  
INTERNATIONAL-PAKISTAN**

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5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,  
Defence Housing Authority, Karachi.  
Tel: (92-21)-35390408, 35390409, Fax: 35390410  
E-mail: ti.pakistan@gmail.com  
Website: www.transparency.org.pk

Honorable Justice Anwar Zaheer Jamali,  
Chief Justice of Pakistan,  
Supreme Court of Pakistan,  
Islamabad.

**Sub: News regarding offshore accounts of politicians, businessmen, judges and  
government officials**

May it please your Lordship,

My Lord, the Transparency International Pakistan has noted from the newspaper 'News International' about the leakage of Panama Papers which has listed the names of many Pakistanis who operate off shore accounts. (**Annex A**).

Transparency International Pakistan believes that this list has been tailored and names of sitting Prime Minister, businessmen, sitting high court judge and ex high court judge has been mentioned. It appears that many persons who have proven offshore companies have deliberately been not included in the list published in the newspaper for the reason best known to it, e.g. Asif Zardari, Mian Mansha, JS Fund Management launching 4 offshore Funds, Arif Naqvi (Abraj) KE-Abraj, Habibs offshore companies, etc.

Offshore companies established by Pakistani companies or individuals are not disallowed under FBR Laws, but the source of funds transferred from Pakistan shall be through banking channels, and funds are to tax paid, and in the annual wealth statements all details shall be declared.

All Pakistani individuals and companies which have been mentioned in the newspaper, if the news is correct, shall be required to prove their legal earnings, and in case anyone is not able to provide justification, that person or company has to be prosecuted under the laws of Pakistan.

Your Lordship is requested to take Suo Moto action to ascertain the veracity of the news item, directing the newspaper management to provide the full list of names of Pakistanis' in the 'Panama Papers', and bound the Federal Board of Revenue to check whether the people named have included the assets listed in their tax returns. If not, FBR should take start proceedings against the said persons according to the law.

Transparency International Pakistan is for across the board application of Rule of Law, the only way to eliminate Corruption

Yours sincerely,

  
Syed Adil Gilani  
Adviser

Encl: Annex A

## *Pak politicians, businessmen own companies abroad*

By Umar Cheema

April 04, 2016

*Benazir, Javed Pasha, Saifullahs, Hashwanis, Lakhanis, relatives of Shahbaz, Chaudhrys among owners; Putin, Saudi king, among 72 current, former heads of state also included; Amitabh, Aishwariya family, Jackie Chan also named; Nawaz, Shahbaz don't own any firm directly, four belong to Hussain Nawaz, his sister, brother*

ISLAMABAD: A treasure trove of leaked documents has blown the lid off the faces behind offshore companies operating in multi-layered secrecy, revealing names throughout the world, including those of Pakistani politicians, businessmen, bankers as well as a serving high court judge and a retired judge.

The findings are based on a year-long investigation of The News that obtained access to the otherwise best-kept secrets of the world, thanks to the **International Consortium of Investigative Journalists** and German newspaper Süddeutsche Zeitung.

This correspondent is a member of the ICIJ that partnered with more than 100 media organisations from 76 countries to review 11.5 million secret files that a whistleblower leaked to Süddeutsche Zeitung. The project has been given the name of the Panama Papers. About the project, the ICIJ said there are also legal means to send money abroad, and we do not suggest that all that is revealed was done unlawfully or by illegal means.

The names found in the secret files range from those of Prime Minister Nawaz Sharif's family to Punjab Chief Minister Shahbaz Sharif's relatives; from Benazir Bhutto to Javed Pasha; from Senator Rehman Malik to Senator Osman Saifullah's family; and from Waseem Gulzar (a relative of the Chaudhrys of Gujrat) to Zain Sukhera, who was co-accused with former Prime Minister Yusuf Raza Gilani's son in the Haj scandal.

Businessmen featured in the record range from hotel tycoon Sadruddin Hashwani to real estate czar Malik Riaz Hussain's son; from the Hussain Dawood family to the Abdullah family of Sapphire Textiles, Gul Muhammad Tabbu of Lucky Textiles as well as Shahid Nazir of Masood Textiles and from Zulfiqar Ali Lakhani to Zulfiqar Paracha.

Members from the bar and the bench were also spotted in the documents include one serving judge of the Lahore High Court, Justice Farrukh Irfan; and one retired judge, Malik Qayyum. Owner of Hilton Pharma, Shehbaz Yasin Malik opened the company for a Swiss bank account. Chairman ABM Group of Companies Azam Sultan, Pizza Hut owner Aqeel Hussain and Chairman Soorty Enterprise Abdul Rashid Soorty were also identified along with the family members.

At a global level, the ICIJ and its partners discovered the offshore companies controlled by the prime minister of Iceland, the late father of UK prime minister, children of Azerbaijan's president, the king of Saudi Arabia, associates of Russian president Vladimir Putin who stashed two billion dollars through banks and shadow companies, the Ukrainian president and brother-in-law of the Chinese president, among other prominent figures. Meanwhile, the BBC said that names 72 former and current heads of state have surfaced in the documents.

As many as 29 billionaires featured in Forbes Magazine's list of the world's 500 richest people and movie star Jackie Chan have also figured in the list of company owners in addition to the family of Bollywood stars Amitabh Bachchan and Aishwarya Rai's family.

Records spanning four decades buried behind the tight wall of secrecy are on open display now confirming doubts and fuelling debate about the offshore jurisdictions like the British Virgin Island, Panama and Seychelles etc. Data made available is of one little known but a big law firm based in Panama, Mossack Fonseca, having global footprints in terms of its offshore clients.

Over 200 Pakistanis have been identified and the counting is still in progress. The data under examination covers nearly 40 years from 1977 through the end of 2015. Pakistanis started figuring in the record from 1990 onward.

While a majority of Pakistanis figuring in the documents are businessmen, the politico-business Saifullah family of Lakki Marwat stays on top with a record number of 34 offshore companies in the British Virgin Islands and Seychelles owned by Senator Osman Saifullah, Anwar Saifullah, Salim Saifullah, Humayun Saifullah, Dr. Iqbal Saifullah, Javed Saifullah and Jehangir Saifullah. Bank accounts in Hong Kong, Singapore, Ireland and property in UK are owned by these companies.

Incidentally, Senator Osman Saifullah is a member of the Tax Reform Commission set up by the government to check revenue leakage, broaden the revenue base and improve tax administration.

The family of Prime Minister Nawaz Sharif is conspicuous due to its political profile. The record identifies four companies in the ownership of Maryam Nawaz, Hussain Nawaz and Hassan Nawaz. Punjab Chief Minister Shahbaz Sharif's relatives Samina Durrani and Ilyas Mehraj have also figured in the documents examined.

A company earlier accused in the oil-for-food bribery scandal also resurfaced in the record reconfirming the late Benazir Bhutto, her nephew, Hassan Ali Jaffery and Senator Rehman Malik as the only three shareholders of Petroline International Inc.

Javed Pasha has been found linked with five companies. The remaining shareholders in those companies are prominent businessmen of Indian origin.

None but Sadruddin Hashwani, Ilyas Mehraj, Justice (ret'd) Malik Qayyum and Aqeel Hussain responded among the above-mentioned individuals when contacted for their versions that have been incorporated. When contacted some said that to own and run an off shore company is lawful and according to the rules and regulation, while some did not reply.

Examination of data indicates that some are beginners in this secret world, others incorporated the companies but left them dormant ending at dissolutions whereas many have kept them active using them for the intended purposes.

The record of ownership varies as it ranges from emails to spreadsheets, passports, signatures of shareholders, bank accounts details, property documents, resolution of directors and contact details in Pakistan and abroad.

Most of the services the offshore industry provides are legal in the origin of the respective jurisdictions like British Virgin Islands, Channel Islands, The Bahamas, Republic of Panama, Republic of Seychelles, NIUE and others. What remains to be seen in terms of Pakistani individuals is the purpose of using tax havens and whether or not they have declared this business in their tax declarations.

The overall data indicates that many of the owners of such companies from different parts of the world were also involved in drug trafficking, robberies and cheating.

Associates of Dawood Ibrahim, Junaid Iqbal Memon, Nadiya Javed Malik and Hajra Iqbal Memon also own companies. In response to a query about the source of funding they replied to the British Virgin Islands administration that funds are generated "through borrowing/loan."

The files examined by ICIJ and its partners found a convicted money launderer who claimed he had arranged a \$50,000 illegal campaign contribution used to pay the Watergate burglars, drug kingpins, tax evaders and at least one jailed sex offender owning offshore companies.

The files contain new details about major scandals ranging from England's most infamous gold heist to the bribery allegations convulsing FIFA, the body that rules international soccer.

Although no offshore entity is directly owned by Prime Minister Nawaz Sharif and Punjab Chief Minister Shehbaz Sharif, as many as eight companies have been identified that are linked either with Hussain Nawaz, his sister and brother or Shahbaz's relatives, the documents show.

Maryam Nawaz is the secret beneficial owner of two companies set up in 1993-94. She is also shareholder of another company jointly owned by her and Hussain Nawaz. Hassan is sole owner of yet another

offshore holding. The companies have last been used for purchasing six properties in London during 2007-8.

Shahbaz Sharif's relative Ilyas Mehraj, has been mentioned as a major shareholder of a company though he firmly denies it. Another relative of the Punjab CM Samina Durrani owns three companies; the latest was opened in 2010.

Nescoll Limited, Nielson Holdings Limited, Coomber Group Inc., and Hangan Property Holdings Limited are four companies owned by Maryam, Hussain and Hassan.

As many as six properties were purchased in London during 2007 and 2008 through these offshore companies.

Nescoll, Nielsen and Coomber entered into a mortgage deal of seven million pounds with a Swiss bank, Deutsche Bank (Suisse) SA, for four properties. Hangan bought two properties through a loan from the Bank of Scotland.

Although Hangan's loan amount is not mentioned, documents indicate that the company itself was purchased along with its stock for 5.5 million pounds by Hassan Nawaz in 2007 from a Liberian citizen.

The oldest company among the four is Nescoll Limited. It was registered on January 27, 1993. Nielson Holdings Limited was incorporated on April 14, 1994. Both of them subscribed to the services of Mossack Fonseca on July 26, 2006 and Minerva Services Limited, a British Virgin Island based corporate service provider, acted as proxy shareholder being represented through Neel Sehail and Mark Andrew.

Mossack Fonseca was their administrator when Nescoll, Nielson and Coomber obtained a mortgage of seven millions pounds from the Swiss bank through these companies and purchased flats: 16, 16a, 17, and 17a at Avenfield House, 118 Park Lane, London, W1K 7AF. While Maryam is the sole beneficial owner of Nescoll and Nielson, Coomber is jointly owned by Maryam and Hussain.

Meanwhile, the Bank of Scotland sanctioned a loan of an unknown amount to the Hassan-owned Hangan for the purchase of property at 1 Hyde Park Place, London, W2.

Hassan transferred the company to another agent from Mossack Fonseca in 2008, the activities that followed couldn't be found in the leaked record, the remaining three companies also changed their agent in 2014 hence the post-transfer business remains unknown.

The News sent questions to Maryam, Hassan and Hussain that have not yet been responded to.

As many as four companies have been linked with the relatives of Shahbaz Sharif. Haylandale Limited, a company registered in the Bahamas on July 24, 2003 shows Habib Waqas Group/Ilyas Mehraj as a shareholder owning 127,735 shares. Other shareholders are Credit Suisse Life & Pensions (125,000 shares), High Octane Fund (900,000) and Michael Mates (100,000).

A resolution passed in a meeting held on September 4, 2004 states that "It was further resolved that the Secretary and Director shall effect a transfer of shares of 400,000 shares to Mark Wilson from Haseeb Waqas Group/Ilyas Mehraj."

Ilyas Mehraj however categorically denied this impression. "We have read the contents of your email and are surprised at the contents thereof. We are not aware of any company whether incorporated in the Commonwealth of Bahamas or anywhere else under the name: Haylandale Ltd. The question of our Group, which is Haseeb Waqas or Mr. Ilyas Mehraj having any shares of the said company, does not arise. Therefore, we are unable to answer the queries on the same," his spokesman replied.

Samina Durrani owns three offshore companies: Rainbow Limited, registered in BVI on September 29, 2010; Armani River Limited, registered in Bahamas on May 16, 2002 and Star Precision Limited, registered in BVI on May 21, 1997.

The assets of Armani have been described as a "property in London, which is not currently rented." In case of Star Precision Limited, described assets are "cash as the investment portfolio. We are also holding 1,165,238 shares in Orix Leasing Pakistan Limited."

Questions sent through Tehmina Durrani to her mother have not been responded to as yet.

While politicians gain attention due to their public profile, majority of names found in the leaked record of offshore companies are of businessmen. Prominent among them are tycoons of the hotel industry, textile sector, real estate, pharmaceutical industry, bankers and media owners.

Zulfiqar Lakhani of the Lakson group, CEO of three companies (Colgate Palmolive, Tetley Clover and Clover Pakistan) has been identified as a secret beneficial owner of a company registered in the British Virgin Islands, Lezayre Ltd since 2000. Proxy shareholders are Benson Equities Inc., Brock Nominees Limited and Tenby Nominees Limited.

Information shared only on December 4, 2015 with BVI identifies him as the beneficial owner having businesses in Pakistan. Activities carried out through the company have been described as "asset holding, bankable asset". Source of wealth has been mentioned as "proceed of inheritance and business earning, CEO of Colgate Palmolive (Pakistan) Ltd and Tetley (Pakistan) Ltd." Questions sent by The News for versions were not answered.

Founder of the Hashoo Group, Sadruddin Hashwani, is a secret beneficial owner along with his son, Murtaza, of the First Global Investments Holdings Limited registered in BVI that is run through corporate proxies as the shareholders are North Atlantic Services Limited and Rushlake Hotels (USA) Inc., registered in Florida, yet another tax haven.

When beneficial owners of the companies were disclosed upon insistence of the BVI administration, they turned out to be Sadruddin Hashwani and his son, Murtaza Hashwani. The company's activities have been described as investment and asset holding with main countries of activities being Pakistan, Nigeria, USA and UAE. About the major shareholder, Rushlake Hotels (USA) Inc., documents described Rushlakeas "specializes in Estate Planning, Real Estate...."

First Global also owns shares of Orient Petroleum Inc and a mortgage deal of 30 million pounds was signed with Standard Bank PLC., for the Orient. Another company, Celtico Capital Management, is owned by Murtaza Hashwani. A detailed explanation of the Hashoo Group has been given at the bottom.

Ahmed Ali Riaz, son of property tycoon, Malik Riaz, was a shareholder of Westhorpe International Limited, a BVI registered company. When contacted, he said he had nothing to do with that company. He explained that not a single project of his was abroad. He said they had advertised their projects and attracted huge number of overseas Pakistanis who invested billions of rupees in Pakistan in these projects and this fact appears prominently in their tax statements. He maintained that nothing could be established against them despite opposition from some figures in government and some in the legal community. He said that by the Almighty's grace, they did good work and our father, Malik Riaz, made it from scratch to the top.

Shehbaz Yasin Malik, owner of Hilton Pharma, registered a company, Bladehurst Inc., in BVI in 2000. Purpose of setting it up has been described as "for holding a bank account" which is at Dresdner Bank, Zurich, Switzerland. Five family members are signatories of the account including his father, brothers and wife. Questions sent for version have not been answered.

The Abdullah family of Sapphire Textiles Mills Limited has been identified in connection with as many as five companies registered in BVI and Seychelles. All of them were incorporated in April-May, 2014. Silver Lands Estate Limited, registered in BVI, has Muhammad Abdullah and his wife as shareholders, records show. Beneficial owners information, a document reads, "will be kept in our record of confidentiality." Estimated value of assets to be held by the company has been described more than one million dollars. Same is the asset description of Green Dale Management Limited having shareholders, Yousuf Abdullah and wife.

Shahid Abdullah and his family control the shares of Green Dale Management Limited. Nadeem Abdullah and family are shareholders of Desert Properties Limited. Amer Abdullah and family own Microtex Holding Limited. Questions sent for the version to the Abdullah family have not been answered.

Two companies linked with the Hussain Dawood family are in the files. Carlino Limited, registered in BVI in 2005, identify its directors as Hussain Dawood, Shahzada Dawood and Abdul Samad Dawood, two offshore companies (Bazaar Investment Limited and Razaran Investment Limited) and one Saad Raja.

In August, 2009, the Dawoods transferred shares to Bazar and Razaran and resigned. Who are the beneficial owners of Bazar and Razaran remain anybody's guess as they are controlled through corporate

proxies. Questions sent for versions have not been answered. Before Carlino, another company by the name of Eshter Finance Limited was registered in BVI in 2004 with Hussain Dawood, Shahzada Dawood and Abdul Samad Dawood, its shareholders.

Sultan Ali Allana, Chairman of Habib Bank Limited, and Khawaja Iqbal Hassan, former NIB bank President, held the power of attorney of Swiss Fixed Income Advisors, S.A. registered in BVI in April 1999. A letter from ABN AMRO N.V. London advised to its Singapore branch for the issuance of a draft of one million dollar favoring USB AG and to hand that over to either Sultan or Iqbal upon production of a passport. The Swiss Fixed Income Advisors was dissolved after this. Their detailed version in response to The News questions has been given at the bottom.

Shahid Nazir, CEO of Masood Textile Mills, has been identified in connection with a Bahamas-based company, Redford International Ltd, registered in 2000. Power of attorney was granted in his favour and that of Naziya Nazir with bank account at ABN AMRO N.V. London. Questions sent for version were returned with an objection that "This is not my wife's name." As a matter of fact, The News didn't claim that Naziya is his wife and that was explained. He didn't answer later.

Slot Rapid, a BVI registered company of 2005, has proxy directors whereas the power of attorney is with Bashir Ahmed and Javed Shakoor of Buxly Paints and Dr. Mehmood Ahmed of Berger Paints. The company's investor account has been maintained with Central Depository Company of Pakistan Limited. Questions sent for version have not been answered.

Azam Sultan of ABM Group of Companies has been identified as the owner of five companies in Panama alongwith his wife and son. They are: ABM Worldwide Technologies, Salateen International Corporation, Wheaten Enterprises Inc., Sason International Corporation and Royston International Corporation Inc. Questions sent for version have not been answered.

Owner of Pizza Hut (Pakistan), Aqueel Hassan and his brother, Tanwir Hassan, have been shown as the owners of Austell SA Aqueel. They replied to questions by saying that the company was created by his brother who had a business plan for the Middle East other than Pakistan and that he was not aware whether it was used or not.

Zulfiqar Paracha of Universal Corporation (Pvt) Ltd owns Munawara Holdings Inc., in Panama that was registered in 2014. He together with his family members are the shareholders. Source of the company's income has been described as "business profit." Questions sent for version have not been answered.

Mir Shakil-ur-Rahman of the Jang Group registered a BVI company, Marine Properties Limited, on October 22, 2001 that remained inactive and was eventually dissolved. This correspondent emailed him questions asking him the reason for setting up the BVI company, its bank account and whether it was declared or not in his tax return.

In response, Mir Shakil-ur-Rahman showed the documents proving the company was set up for a joint venture to bring foreign investment to Pakistan. However, the plan didn't materialise so neither was any bank account opened nor any business carried out through the company. It was eventually dissolved. He said he was ready to cooperate if the government of Pakistan and its institutions wanted to further probe this matter.

Gohar Ejaz, the financier of Channel 24 and property tycoon, owns three companies: Sun International Investment Trading Limited, Platinum International Investment Limited and Platinum Real Estate Investment Limited. The former was set up in 2004 in BVI, rendered inactive and then re-registered in January 2007. The latter two companies were registered in Seychelles in May 2008. They own a share of Al Dua'a Investments Limited and Malish Limited.

Gohar earlier told The News that offshore companies are required for business in the UAE for sole ownership as otherwise a UAE citizen is required as a partner for doing business. Offshore companies can also be registered in Ras al-Khaima. Asked why he preferred BVI and Seychelles and whether he declares them in tax returns or not, he sent back no answer.

The version of the Hashoo Group: It is customary to have holding companies incorporated offshore in the Oil & Gas sector, there are several foreign E&P companies operating in Pakistan with this structure. This is indeed quite normal not only done in Pakistan but globally as well in all parts of the world and is in practice both for private and even publically listed companies. However, please note that this in no way

compromises any statutory obligation such as taxes, royalties or other payments to GoP, because the branches operating in Pakistan have to comply with local regulations and are being monitored by regulatory authorities i.e DGPC, FBR, SECP, BOI etc. Likewise, First Global is only a holding Company of Orient Petroleum International Inc, (OPII), whereas OPII was working in Pakistan through registered branch as allowed by Authorities and has fully complied the requirements of the Ministry of Petroleum & Natural Resources, SECP, BOI, FBR under the rules and regulations. Since the operation were in Pakistan so all taxes attributable to the laws of Pakistan were fully complied and deposited i.e Taxes, Royalties, Federal Excise Duties & Sales Tax into the government treasury. First Global is also meeting all the regulatory requirements as required by law in all jurisdictions without hiding any information or details.

Version of Khawaja Iqbal Hassan on Swiss Fixed Income Advisors: 1) The funds you have referred to in your email were sent by UBS Securities Pakistan limited to UBS AG as these were funds owed to UBS AG. 2) UBS Pakistan was a subsidiary of UBS AG and there were many transactions that were settled on a daily basis between them through banking channels involving inflows and outflows in foreign exchange for settlement of trades and investment banking. UBS AG is one of the world's largest banks and was at the time one of the largest participants in Pakistan's capital markets and investment advisory businesses. 3) The funds you have referred to in your email were sent through official banking channels after deduction of taxes and the remittance was made officially from the books of UBS Securities Pakistan limited and from its bank account to Swiss Fixed Income Advisors SA for making the entire payment to UBS AG by way of a bank draft. 4) The entire funds you have referred to in your email were handed over to UBS AG in the form of a bank draft on which the beneficiary is clearly stated as UBS AG. UBS AG has evidenced receiving this bank draft. As such the entire amount of funds officially remitted was after deduction of taxes and paid officially to UBS AG.