



# TRANSPARENCY INTERNATIONAL-PAKISTAN

25<sup>th</sup> July 2013

Mr. Ishaq Dar,  
Federal Minister of Finance,  
Government of Pakistan,  
Islamabad

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,  
Defence Housing Authority, Karachi.  
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Sub: Illegal remunerations drawn by Civil Servants as nominated members in the Board of  
Directors of Public sector Enterprises, and Listed companies

Dear Sir,

Transparency International Pakistan appreciates your response dated 22<sup>nd</sup> July, 2013, that you have taken action in this regard. However, your action is not complete, as civil servants are also nominated in the Board of hundreds of private sector listed companies on the strength of government share holders viz. Habib Bank, Fauji Fertilizer, UBL, Hubco, Pak Oman, Pak Kuwait and many financial holding companies. etc.

The act of taking fees and not depositing in Exchequers account is a criminal act. It is also known that many officers were taking fee in cash. As in . Pak Oman Holding the fee is Rs 500,000 per meeting. And the fee for Pak Kuwait is reported to be US \$ 10,000 per meeting. The nominations in such heavy fee organizations were and are prize nominations are obtained through political influence.

It is also reported that last year in NBP alone more than 100 meeting of director were held as Board and Board Committee meetings. At Rs 85,000 per meeting , annual extra illegal earning of one director comes to Rs 8.5 million.

Transparency International Pakistan requests the Minister to order that all Civil Servants who are representing government in any boards of Public Sector Enterprises or Public Listed Companies, to declare all such income for last 5 years, and deposit it in the exchequers account.

The Minister may also order the Secretary Finance, who is the Chairman of SECP Policy Board, that SECP shall amend its Corporate Governance Rules for PSEs, to include that government nominated directors will be given TA and DA according to their entitlement only.

TI Pakistan is striving to have transparency in procedures and Rule of Law in Pakistan, which is the only way to eliminate corruption and have good governance in country.

Regards,

  
Syed Adil Gilani  
Adviser,

Copies forwarded for information and appropriate action under the mandate vested, to,

1. Secretary to the Prime Minister, for information of the Prime Minister, Islamabad.
2. Minister of Interior, Islamabad
3. DG NAB (A & P) Chairman, NAB, Islamabad.
4. Registrar, Supreme Court Pakistan, Islamabad