



TRANSPARENCY INTERNATIONAL-PAKISTAN

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18th August, 2015

Honorable Justice Jawad S Khawaja,
Chief Justice of Pakistan,
Supreme Court of Pakistan,
Islamabad.

Attn: Human Rights Cell

Sub: Allegation that EOBI has paid over Rs. 5 Crore Fee to Advocates to defend Ex-Chairman EOBI Mr. Zafar Gondal.

May it please your Lordship,

My Lord, the Transparency International Pakistan has noted from the newspaper about the alleged misuse of EOBI funds by ex-Chairman EOBI Mr. Zafar Gondal as over Rs. 5 Crore fee allegedly paid to 18 private lawyers by the ex-Chairman who is facing corruption charges of over Multi-Billion Scam in the EOBI in the Supreme Court of Pakistan in the constitution petition no.35 of 2013.

Following were the allegations published in Newspapers;

In previous years during Gen Musharraf's era, as maximum per year expenditure on lawyers was only Rs2.1million in 2006, in year 2007 it was only Rs2.4 million and in year 2008 it stood at Rs2.5 million.

Interestingly, while such big number of lawyers were on payroll of the institution, it still hired services of senior lawyers including Aitzaz Ahsan, Asma Jahangir, Babar Sattar (on regular monthly stipend plus payments against cases) and Athar Minallah etc. All these lawyers, the inside sources confided to this correspondent, were engaged in a bid to influence the higher judiciary due to their role in movement for independence of judiciary. While these senior lawyers' documents (available with this correspondent) were paid over Rs30.59 million, the regular lawyers were doled out more than Rs80 million over the three years.

In the year 2010,

*Mr. Babar Sattar was paid Rs2.91 million,
Mr. Aitzaz Ahsan's share was Rs5.5 million
Mr. Athar Minallah was paid Rs0.7 million for their services.*

In the year 2011,

*Ms. Asma Jahangir share was Rs0.55 million,
Mr. Athar Minallah Rs0.650 million,
Mr. Babar Sattar Rs8.6 million*

In year 2012



*Ms. Asma Jahangir share was Rs2.497 million,
Mr. Aitzaz Ahsan Rs2 million,
Mr. Babar Sattar Rs4.7 million
Mr. Aqeel Ahmed Awan was paid Rs1.6 million.*

Thus, in three years

*Mr. Aitzaz Ahsan got Rs7.5 million,
Ms. Asma Jahangir Rs2.9 million and
Mr. Babar Sattar with biggest amount of Rs16.1 million.*

Apart from 211 legal aids, the EOBI also employs district legal advisers who are 124 in number. Apart from getting substantial amounts for each case Babar Sattar's services were hired on regular basis at Rs200,000 per month.

It has been brought to knowledge of Transparency International Pakistan that no government organization/ public sector enterprise is authorized to hire the services of private lawyers for over Rs. 100,000 fee. The Ministry of Law/ Attorney General of Pakistan should be the only forum to defend the government and/or appoint private lawyers and determine the fees according to the government rules

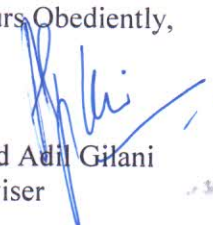
TIP requested EOBI Chairmen to examine the allegations and take action to recover the illegal fees vide letters dated 21st September, 2013 as well as 16th April, 2015 (Annexure A and B). The copies of the two letters were also sent to the registrar of the Supreme Court of Pakistan.

As no response has been given by the Chairman EOBI since last 2 years, and government loss has not been recovered, and may be the same practice is going on in other GoP organizations.

An indulgence of the Honorable Court in the matter is prayed for to safeguard the principal rule of law.

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

Yours Obediently,


Syed Adil Gilani
Adviser

Encl; Annexes, A & B



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16th April 2015

Chairman
Employees Old-Age Benefits Institution,
G.P.O Building,
I.I. Chundrigar Road,
Karachi

Sub: Allegation that EOBI has paid Rs 5 Crore fee to Advocates to defend ex Chairman
EOBI Mr. Zafar Gondal

Dear Sir,

I refer to the Transparency International Pakistan's letter on the subject matter sent to the Chairman EOBI on 21 September 2013, that EOBI has paid Rs 5 Crore fee to Advocates to Defend ex Chairman EOBI Mr. Zafar Gondal. Copy of the complaint was also sent to the Prime Minister. The Chairman was requested to examine the allegation, and if the allegation is found correct, and it suggested EOBI shall terminate the appointments of all the advocates who were appointed to defend individual persons related to EOBI on corruption charges and recover the fee paid to them from all those EOBI / Ministry of Human Resource Development Officers who are found responsible for approving these illegal payments to defend the ex-Chairman / officers EOBI. Annex-A.

No response was received at Transparency International Pakistan from EOBI.

However a news report of 21st January 2014 revealed that the Prime Minister House, vide its letter No (E-I)/2013 DS 11 has directed EOBI for report on this complaint. Annex-B.

The caption of the news is, " EOBI, inspite of having a Law Department private advocates paid Rs five Carors, 18 Advocates were hire including Aitjaz, Asma Jehangir without approval of Ministry of Law, Prime Minister has asked for Report".

The news report has also stated that Mr Faqir Muhammad Shaikh, Head of EOBI Legal Cell has sent a detailed report to the Dy. Sec PM House in which he has certified that during the tenure of Mr Zafar Iqbal Gondal payments given to 18 renowned Advocates were illegal.

Another news report of 2 August 2013 in NEWS International with heading "Critic of SC turns out to be EOBI lawyer" is attached which revealed more serious issues, quoted below. Annex-C.

According to the documents, the money doled out to lawyers during these three years was far more than given to them in previous years during Gen Musharraf's era, as maximum



per year expenditure on lawyers was only Rs2.1 million in 2006, in year 2007 it was only Rs2.4 million and in year 2008 it stood at Rs2.5 million. With the inception of PPP government the budget for lawyers started jumping up and in first year 20082009 it rose to Rs4.3 million but in the successive years the spending rose to new heights. According to the documents available with this correspondent, in year 2010 Babar Sattar was paid Rs2.91 million, Aitzaz Ahsan's share was Rs5.5 million and Athar Minallah was paid Rs0.7 million for their services. In next year 2011, Asma Jahangir was paid Rs0.55 million, Athar Minallah Rs0.650 million, Babar Sattar Rs8.6 million while in year 2012 Asma Jahangir received Rs2.497 million, Aitzaz Ahsan Rs2 million, Babar Sattar Rs4.7 million and Aqeel Ahmed Awan was paid Rs1.6 million. Thus, in three years Aitzaz Ahsan got Rs7.5 million, Asma Jahangir Rs2.9 million and Babar Sattar with biggest amount of Rs16.1 million. Apart from 211 legal aids, the EOBI also employs district legal advisers who are 124 in number. Apart from getting substantial amounts for each case Babar Sattar's services were hired on regular basis at Rs200,000 per month. Despite the Lahore High Court's declaration that after completion of one year on passage of 18th amendment, the federal government ceases the right of regulating and running the affairs of EOBI the above said lawyers were paid Rs36.72 million in year 2012.

Transparency International Pakistan may kindly be informed what action was taken by EOBI on its letter 21 September 2013 and whether all the illegal payments have been recovered or not.

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

Copy forwarded for necessary action as per rules to,

Secretary to the Prime Minister, Islamabad
Chairman NAB, Islamabad,
Minster for Human Resource Development, Islamabad
Chairman, PMIC, Islamabad
Registrar, Supreme Court of Pakistan, Islamabad

