

## **Governance Structure of SBP Banking Services Corporation**

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SBP Banking Services Corporation (SBP BSC) was established as a wholly-owned subsidiary of State Bank of Pakistan, under the SBP Banking Services Corporation Ordinance 2001.

As an operational arm of the Central Bank, SBP BSC is engaged in managing currency and foreign exchange operations, providing banking services to Federal and Provincial Governments, financial institutions and general public. It is also conducting development finance activities in support of Development Finance Group (DFG) of SBP, implementing export refinance schemes and performing agency functions like sale/purchase of prize bonds including managing prize money draws. SBP BSC also handles sale/purchase of instruments of National Savings Schemes (NSS) or any other functions assigned to it by the SBP.

### **Board of Directors**

According to the Ordinance, general superintendence, direction and management of the affairs and business of SBP BSC and overall policy making in respect of its operations is vested in the Board of Directors. The Board may exercise all such powers and perform all such acts and deeds that may be exercised or done by SBP BSC. In discharging its functions, the Board ensures compliance of the orders and directions that may be issued by SBP from time to time.

The Board of Directors of SBP BSC is comprised of:

- a) Members of the Central Board of Directors of SBP; and
- b) Managing Director, SBP BSC.

The members of Central Board of Directors of State Bank of Pakistan comprise SBP Governor, Finance Secretary and eight Independent non-executive Directors nominated by the Federal Government. SBP Governor acts as the Chairman of the Board. The Directors, at least one from each province, are appointed by the Federal Government. They are eminent professionals from the field of economics, finance, banking and accountancy. Managing Director (MD) is appointed by SBP as mandated by the SBP BSC Ordinance 2001. During the year under review, Mr. Shahid Ahmed Khan resigned from SBP and SBP BSC's Boards, whereas Mirza Qamar Beg completed his second term as Director on May 25, 2015.

The Board of SBP BSC met three times during FY15 and the decisions taken by it included the approval of financial statements of SBP BSC, annual budget and HR policies etc.

## Board of Directors<sup>1</sup>



### **Mr. Ashraf Mahmood Wathra, Governor/Chairman**

Governor and Chairman since April 29, 2014, Mr. Wathra brings 35 years of commercial and investment banking experience to the Bank. He has worked in eight regulatory regimes in South East and Far East Asia including Singapore, Hong Kong and Australia. He has also served on the Board of Directors of several financial institutions.



**Dr. Waqar Masood Khan** (Director since April 16, 2013)  
Secretary, Finance Division, Government of Pakistan and ex-officio member of the Board of Directors of SBP and SBP BSC, Dr. Waqar has also served as Special Secretary to the Prime Minister, Secretary, Economic Affairs Division and Additional Secretary, Prime Minister's Secretariat.



**Mr. M. Nawaz Tiwana** (Director since February 26, 2013)  
Former Managing Director, Pakistan International Airlines, Mr. Tiwana has a vast experience of serving on the Board of Directors of leading organizations as well as holding key positions in public and private enterprises. He is also Fellow of Chartered Institute of Transport, UK, Royal Aeronautical Society, UK and has been the Chairman of Chartered Institute of Logistics and Transport, Pakistan.



**Khawaja Iqbal Hassan** (Director since February 26, 2013)  
A seasoned banker, who established a commercial bank and a leading investment banking firm, Mr. Hassan is serving on the Board of Directors of prominent public and private enterprises. He has also served on many Task Forces established by the Government of Pakistan. He was awarded Sitara-i-Imtiaz for his meritorious contributions towards national interest.



**Mr. Mehmood Mandviwalla** (Director since February 26, 2013)  
Founding and Senior Partner of the law firm, Mandviwalla & Zafar, Mr. Mandviwalla has professional experience of over 30 years. He has contributed in drafting various statutes and regulatory frameworks of the country. Mr. Mandviwalla is also the founder member of South Asian Association for Regional Cooperation (SAARC) LAW and is currently serving as a member of its Executive Council.

<sup>1</sup> Position as on June 30, 2015.



**Mr. Iskander Mohammed Khan** (Director since February 26, 2013)  
Director of Premier Group of Companies, Mr. Iskander has served as Chairman of several industrial bodies and was twice elected as Chairman of Pakistan Sugar Mills Association. He has also served on the Board of Directors of Pakistan State Oil, Oil & Gas Development Company, Zarai Taraqati Bank and Islamabad Stock Exchange.



**Mr. Muhammad Hidayatullah** (Director since March 15, 2013)  
A Chartered Accountant by profession and a Senior Partner of M. Hidayatullah & Company (MHCO), Mr. Hidayatullah has extensive experience of 35 years in providing consultancy services for privatization, disinvestment, merger and acquisition of top-notch public and private sector institutions involving local and overseas clientele.



**Mr. Zafar Masud** (Director since March 16, 2013)  
Director and Co-founder of Burj Capital, a leading private equity firm, Mr. Masud has served at senior level positions with international financial institutions in their local and international operations as well as on their key management committees. Presently, he is on the Board of Directors of leading public sector organizations.



**Mr. Qasim Nawaz** (Managing Director SBP BSC)  
Joining the State Bank in 1988, Mr. Qasim Nawaz is a business graduate from the Quaid-i-Azam University, Islamabad. During his over 27 years of association with the Bank, he served in various responsible capacities and contributed towards the development of banking policies, supervision of banking system, financial inclusion and promotion of industries. Mr. Qasim Nawaz, who is serving Managing Director (MD) SBP BSC since 2014, is also a member of the Board of National Institute of Banking and Finance (NIBAF) as SBP's nominee. He has also served SBP BSC as its MD from 5<sup>th</sup> September, 2009 to 17<sup>th</sup> September, 2012.

## Committees of the Board of SBP BSC

The SBP BSC Ordinance 2001 allows the subsidiary to set up committees consisting of an adequate number of directors, having specific Terms of Reference (ToRs), which outlines powers, functions, duties and other terms of appointment of such committees as it may determine. The designated committees independently deal with matters entrusted to them by the Board.

Presently, there are two committees of the Board, which look after the matters relating to Human Resources (HR) and Audit. The details of these committees are as under:

### A. *Committee of SBP BSC Board on HR*

This committee assists the Board in human resources area. It reviews all the proposals requiring approval of the Board regarding revision, modification or interpretation of HR policies and submits its recommendations to the Board. During the year under review, the committee held six meetings and has the following composition:

1. Mr. Mehmood Mandviwalla	Chairman
2. Mr. M. Nawaz Tiwana	Member
3. Mr. Zafar Masud	Member
4. Managing Director, SBP BSC	Member

### B. *Committee of SBP BSC Board on Audit*

The committee assists the Board on issues related to audit and reviews audit proposals required to be submitted to the Board. During the year under review, the committee held six meetings and is comprised of the following members:

1. Mr. Muhammad Hidayatullah	Chairman
2. Khawaja Iqbal Hassan	Member
3. Mr. Iskander M. Khan	Member

## Management Structure

The Managing Director (MD) is the Chief Executive Officer of SBP BSC and manages the business and operations of SBP BSC on behalf of the Board of Directors as per powers vested in him by the Board. The MD is being assisted by a team of Directors/Heads of Department and Chief Managers.

### *Heads of Department (HoDs) Forum*

The forum, which consists of Directors/Heads of Department of SBP BSC, is responsible to set the operational policy parameters that help the BSC in achieving the strategic direction as set by its Board. The forum also deliberates upon various policies for the approval of the Board as well as monitors the progress of decisions taken by the Board/Management to ensure compliance of goals and objectives of SBP BSC.

***Chief Managers (CMs) Conference***

The forum, which consists of Chief Managers of SBP BSC's Field Offices situated in 16 major cities of Pakistan, mainly discusses the operational areas of the subsidiary and suggests measures to bring about improvement in them for approval of the higher management.