

Following news item published in Dawn, Karachi on January 10, 2019:

PTI operating 18 undeclared bank accounts: SBP report

Dawn

ISLAMABAD: A report submitted by the State Bank of Pakistan (SBP) to the Election Commission of Pakistan (ECP) has revealed that the Pakistan Tehreek-i-Insaf (PTI) is operating at least 18 undeclared bank accounts across the country.

According to the information gathered from scheduled banks and submitted to the ECP by the SBP, the PTI is operating 26 bank accounts in different cities of the country, but only eight of them have been declared before the commission. The remaining 18 bank accounts fall in the category of fake or illegal bank accounts as these have not been declared in PTI's annual audit reports submitted to the ECP as required under the law.

The annual audit reports submitted to the ECP include a certification of authenticity and accuracy by PTI chairman Imran Khan — a legal requirement for all party heads.

It is feared that details of these illegal accounts and their money trails could put Mr Khan, Imran Ismail and others — some of whom are in senior government positions — in legal jeopardy as they are principal and co-principal signatories of these accounts.

Sources said the details of these undeclared bank accounts, including two in Karachi and one each in Peshawar and Quetta, had been shared at a meeting of the ECP's scrutiny committee headed by the commission's director general (law) in October last year.

In July 2018, after exhausting all attempts to requisition PTI bank statements and record, the ECP wrote to the SBP to requisition the party's bank statements. Consequently, the SBP wrote letters to the presidents of all scheduled banks, seeking PTI bank statements for the period 2009-13 to be submitted to the ECP by July 16, which was finally done.

Since the revelation of fake or illegal PTI accounts in the presence of the party's representatives at a meeting of the scrutiny committee last year, the PTI has stopped cooperating with the ECP — a reflection of which was the absence of any PTI representative in the scheduled scrutiny committee meeting on Wednesday.

The meeting was adjourned after petitioner and PTI's founding member Akbar S. Babar, his legal team headed by Badar Iqbal Chaudhry, the ECP director general (law) and two

senior auditors from the defence establishment waited for over an hour for any PTI representative to show up.

The result of PTI's non-cooperation is that the ECP scrutiny committee has yet to finalise the audit of PTI's foreign funding and submit its findings to the commission since its inception in March despite holding over two dozen meetings. Initially mandated to complete the scrutiny process in one month, but due to lack of PTI cooperation to submit its accounts and bank statements requisitioned by the committee, its time frame was extended by two months and subsequently for an indefinite period.

When contacted, Mr Babar termed the whole episode the biggest funding fraud and said that it probably required a detailed forensic audit to know the exact extent and depth. He, however, refused to divulge any information on the undeclared bank accounts of the PTI.

The PTI has been pushing for keeping the scrutiny committee's proceedings as secret and had also filed an application to this effect in the ECP and a writ petition in the Islamabad High Court.

PTI reaction

PTI's central finance secretary Azhar Tariq, when contacted, said: "We have submitted all the central accounts being handled by us." He said the PTI had asked the State Bank to share the details of the accounts it had submitted to the ECP, but the SBP governor asked the party to seek information directly from the banks. He said these might include some accounts being run by the party's provincial offices and some of them might not be operational.

He said the ECP scrutiny committee was exceeding its jurisdiction as under the Supreme Court orders it was supposed to authenticate the details submitted by petitioner Babar, which had not yet been done.

SBP issued following clarification/rebuttal on January 10, 2019 for publication in Dawn, Karachi:

“Apropos to the news item appeared on page 3 of daily Dawn dated 10-01-2019 titled “PTI Operating 18 undeclared bank accounts: SBP Report”, SBP categorically denies the issuance of any such report relating to the bank accounts of Pakistan Tehreek-i-Insaf (PTI) to the Election Commission of Pakistan (ECP).

SBP neither maintains the database of banks’ individual accountholders nor possesses any related information / record thereof. Banks being the custodian of customers’ information may directly provide this information to various agencies, on case-to-case basis, as per procedure laid down under the respective laws. Therefore, it is out of question that SBP has reported 18 undeclared bank accounts of PTI out of total 26 to the ECP as reported by the daily Dawn.

In fact, during July 2018 ECP approached SBP for assistance to obtain the bank accounts related information of PTI from 2009 to 2013 as per Commission’s mandate enshrined in the Constitution of Islamic Republic of Pakistan and the Election Act, 2017. SBP while discharging of its duties advised all banks to provide the required information / data directly to ECP by due date, as per procedure laid down under the law.”