

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

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SBP Banking Services Corporation (SBP BSC) was established in January 2002 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 the Federal/Provincial/Local Governments, financial institutions. It is also conducting development finance activities in support of Development Finance Group (DFG) of State Bank of Pakistan (SBP), implementing export refinance schemes, for sale/purchase of Prize Bonds including managing prize money draws. SBP BSC handles sale/purchase of instruments of National Savings Schemes (NSS) or any other functions assigned to it by 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 Board of Directors of SBP; and
- b) Managing Director, SBP BSC.

The members of Board of Directors of State Bank of Pakistan include 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.

Mr. Tariq Bajwa is serving as Governor, SBP since July 7, 2017. Mr. Jameel Ahmad<sup>2</sup> and Mr. Shamsul Hasan<sup>3</sup> joined as Deputy Governors on April 11, 2017 and February 12, 2018 respectively. Earlier, Mr. Riaz Riazuddin remained Deputy Governor until his term ended on March 29, 2018.

The Board of SBP BSC met six times during FY18 and provided strategic leadership and oversight to the management in corporate restructuring, amendments in SBP BSC Ordinance 2001, significant policies and financial statements etc.

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<sup>2</sup> Mr. Jameel Ahmad remained Deputy Governor, SBP from April 11, 2017 to October 15, 2018. He was reappointed as Deputy Governor, SBP on October 25, 2018.

<sup>3</sup> Mr. Shamsul Hasan remained Deputy Governor, SBP from February 12, 2018 to October 4, 2018.

## **Board of Directors<sup>4</sup>**



**Mr. Tariq Bajwa**, Governor, Chairman Board of Directors and Chairman Monetary Policy Committee

A career civil servant by profession, Mr. Bajwa joined the Civil Service of Pakistan in 1981 and assumed various Secretariat, Field and Staff assignments, including, amongst others, General Manager PIA, Head of Pakistan's Trade Mission in Los Angeles, and Advisor Finance to the United Nations Development Program (UNDP). Mr. Bajwa also served as Chairman, FBR for over 2 years till October 2015, before his appointment as Secretary, Economic Affairs Division. He retired as Secretary Finance Division on June 18, 2017. He holds a Master's degree in Public Administration from Kennedy School of Government, Harvard University, where he was awarded the prestigious Littauer Fellowship, and holds an LLB from the University of the Punjab, Lahore.



**Mr. Arif Ahmed Khan** (Member, SBP Board since January 9, 2018)

Secretary, Finance Division, Government of Pakistan and ex-officio member of the Board. A civil servant with 35 years of experience in Public Administration. He has served the federal and provincial governments in various positions. Mr. Khan holds a Masters in Public Policy from Concordia University, Quebec. Before joining Finance Division, he served as Secretary Economic Affairs Division, Secretary Interior and Secretary Climate Change. Mr. Khan has served as Additional Chief Secretary, Planning and Development Department, Government of Sindh. He was Secretary Finance for the Government of Sindh during 2012-13. Prior to that, he remained Home Secretary to the Government of Sindh for three and a half years.



**Dr. Tariq Hassan** (Member, SBP Board since March 22, 2016)

Attorney and Advocate, Supreme Court of Pakistan and Chairman, Audit Oversight Board. Dr. Hassan is a former Chairman, Securities and Exchange Commission of Pakistan and has served as advisor to the Finance Minister of Pakistan and Governor, SBP. He has also been associated as legal Counsel with the World Bank Group in Washington, DC, International Fund for Agriculture Development in Rome, and Shearman & Sterling in New York. In addition to practicing law, he has been teaching law as an adjunct professor at George Washington University and Fletcher School of Law & Diplomacy, USA and Departments of Law at LUMS and International Islamic University, Pakistan. He is also Chairman, PCP (Pakistan Centre for Philanthropy) Panel. He did his PhD in Juridical Science from Harvard University, USA.

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<sup>4</sup> Board Composition as of June 30, 2018.



**Hafiz Mohammad Yousaf** (Member, SBP Board since March 22, 2016)  
A Chartered Accountant by profession with professional experience of over 30 years. He had served as Member SECP Board and President, Institute of Chartered Accountants of Pakistan, besides holding other important responsibilities. He is Fellow member of Institute of Chartered Accountants of Pakistan.



**Mr. Zubyr Soomro** (Member, SBP Board since March 22, 2016)  
Zubyr Soomro graduated from the London School of Economics and then obtained an MA from SOAS (London University). He also has several Executive Courses from the Harvard Business School and the Harvard Kennedy School in Financial Inclusion. He has been a career international banker with over 30 years at Citibank with assignments in the Middle East, Turkey, UK and Pakistan. In 1997 he was appointed as Chairman and President of United Bank and tasked with restructuring it for Privatization after which he stayed on to head Citibank's Pakistan franchise. Since his retirement from Citibank he has been consulting on strategy and governance, primarily in the financial sector. He has been Chairman / President of Pakistan Banks Association, American Business Council, OICCI and the Pakistan Microfinance Investment Company. Currently, he is on the Boards of the Grameen Foundation USA, EFG Hermes, LRBT, Acumen and Aitchison College.



**Khawaja Iqbal Hassan** (Member, SBP Board since March 22, 2016)  
A seasoned banker who established a commercial bank and a leading investment banking firm, with 35 years' experience in the financial sector. He is serving on the Boards of prominent public and private enterprises. He has also served on many Task Forces established by the Government of Pakistan. Mr. Hassan was awarded the Sitara-i-Imtiaz for his meritorious contributions to the national interest.



**Mr. Ardeshir Khursheed Marker** (Member, SBP Board since March 22, 2016)  
A businessman by profession, Mr. Ardeshir Khursheed Marker is partner and Director at Green Bean Coffee Company Ltd. He is also a partner in MerckMarker Pvt. Ltd and manages its financial and business development areas. Mr. Marker holds a Masters Degree in Economics from the London School of Economics.



**Mr. Mohammad Riaz** (Member, SBP Board since March 22, 2016)  
A public servant of long standing, Mr. Mohammad Riaz served as Secretary, National Assembly of Pakistan. He has successfully undertaken various assignments at the Federal Board of Revenue in the capacity as Member, Director General and Head of the Customs & Excise. Mr. Riaz has also served as Counsel General of Pakistan at Turkey and Commercial and Economic Counselor at Embassy of Pakistan in France. He holds a Masters Degree in Development Economics from Williams College, USA.



**Mr. Sarmad Amin** (Member, SBP Board since March 22, 2016)

A progressive entrepreneur and a businessman, Mr. Sarmad Amin is a member of Lahore Chamber of Commerce and Industry (LCCI) and All Pakistan Textile Mills Association (APTMA). He was also on the Board of Governors of Chand Bagh School. He was Chief Executive of Interhom Ltd. Presently, Mr. Amin is Chairman of Samin Textiles Limited besides being member of the Boards of several conglomerates. He is also honorary Consul of the Republic of Austria for Pakistan and has received the high award ‘Goldenes Ehrenzeichen’ from the president of Austria. He graduated from the University of the Punjab, Lahore, and later went to the London School of Economics (LSE).



**Mr. Qasim Nawaz** (Managing Director SBP BSC)

Mr. Qasim Nawaz, a business graduate from the Quaid-i-Azam University, Islamabad, joined the State Bank in April 1988. During his over 30 years of association with the Bank, he served in various capacities and contributed towards the development of banking policies, supervision of banking system, financial inclusion and promotion of exports and industries. Mr. Qasim Nawaz, who is serving as Managing Director (MD) SBP BSC since 2014, is also a member on the Boards of National Institute of Banking and Finance (NIBAF) and Pakistan Security Printing Corporation (PSPC), 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, 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 four committees of the Board, which look after the matters relating to Human Resources (HR), Audit, Security and Publication. The details of these committees are as under:

#### **A. Human Resources Committee\***

This committee assists the Board in human resources area. It reviews all 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 four meetings and has the following composition:

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|------------------------------------|----------|
| 1. Mr. Zubyr Soomro                | Chairman |
| 2. Mr. Mohammad Riaz <sup>5*</sup> | Member   |
| 3. Managing Director, SBP BSC      | Member   |

#### **B. Audit Committee**

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

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|----------------------------------|----------|
| 1. Hafiz Muhammad Yousaf         | Chairman |
| 2. Khawaja Iqbal Hassan          | Member   |
| 3. Mr. Ardeshir Khursheed Marker | Member   |
| 4. Mr. Sarmad Amin               | Member   |

#### **C. Security Review Committee\*\***

The committee provides input to the management on existing safety aspects of the Bank. It reviews the existing security measures in place for protection and safety of all human and physical assets of the Bank including cyber-related security components and security of gold vaults. During the year under review, the committee held three meetings and is comprised of the following members:

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|-------------------------------------|----------|
| 1. Mr. Mohammad Riaz <sup>6**</sup> | Chairman |
| 2. Khawaja Iqbal Hassan             | Member   |

#### **D. Publications Review Committee\*\*\***

The committee is mandated to assist the Board in fulfilling its oversight responsibilities relating to the review and approval of the Annual Performance Review (APR) and other publications of SBP BSC. The committee is comprised of the following members:

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|--------------------------------------|----------|
| 1. Mr. Ardeshir Khursheed Marker     | Chairman |
| 2. Mr. Mohammad Riaz <sup>7***</sup> | Member   |
| 3. Managing Director, SBP BSC        | Member   |

<sup>5\*</sup> Mr. Ardeshir Khursheed Marker has joined the HRC since August 31, 2018.

<sup>6\*\*</sup> Dr. Tariq Hassan has joined the SRC since August 31, 2018.

<sup>7\*\*\*</sup> Mr. Zubyr Soomro has joined the HRC since August 31, 2018.

**Management Structure**

The Managing Director (MD) is the Chief Executive Officer of SBP Banking Services Corporation and manages the business and operations of SBP BSC, and is assisted by a team of Group Heads, Directors, Heads of Department, Regional Heads and Chief Managers.

**Heads of Department Forum**

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

**Chief Managers Forum**

This forum, which consists of Regional Heads and Chief Managers of SBP BSC's Field Offices situated in 15 major cities of Pakistan, mainly discusses the operational areas and suggests measures for improvements.