



SC WANTS TO GET BACK RS600BN STASHED ABROAD BY PAKISTANIS

By Our Staff Reporter | 8/8/2018 12:00:00 AM

ISLAMABAD: The Supreme Court on Tuesday made known its desire to bring back at least Rs600 billion of a perceived Rs1 trillion stashed in foreign lands by Pakistani nationals.

Many Pakistanis maintained accounts and owned properties in foreign lands, including the United Arab Emirates and Switzerland, deplored Chief Justice Mian Saqib Nisar during a suo motu hearing pertaining to illegal transfer of money from Pakistan to foreign countries.

The case was initiated when it came to the notice of the court that a large number of Pakistani citizens are maintaining accounts in foreign countries without disclosing to the authorities or paying taxes on them under the law.

A lot of amount of money had been transferred away but the top bureaucracy of the country always came out with excuses whenever they appeared before the court, the chief justice regretted.

The court also hinted at issuing notices out of the list prepared by the Federal Investigation Agency (FIA) to learn reasons why such people did not take advantage of the amnesty scheme launched by the previous government for voluntary disclosure of foreign assets owned by Pakistani citizens.

The scheme was launched to provide an opportunity to declare or transfer foreign assets to Pakistan in lieu of payment of taxes.

On March 26, former prime minister Shahid Khagan Abbasi had announced the scheme after which the federal government promulgated the Foreign Assets (Declaration and Repatriation) Ordinance, 2018.

The significant feature of the ordinance is the promised immunity from taxation and penal action in respect of undeclared foreign assets subject to payment of taxes, etc.

Earlier, a 12-member committee of experts, headed by State Bank of Pakistan (SBP) Governor Tariq Bajwa, had informed the Supreme Court through its report that a staggering amount of \$15.25bn was transferred abroad by individual account holders in Pakistan during 2016-17 through normal banking channels. Likewise, a substantial amount of transfers also took place from Pakistan under unauthorised and undocumented hundi and hawala mechanism.

The committee had feared that both types of outflows regular channel and hundi or hawala had a huge impact on the stability of the country's foreign exchange reserves and adversely affected the exchange rate of the Pakistani rupee.

As a result, the national economy become vulnerable to pressure due to foreign currency obligations of the state, the report had explained, adding that this trend could also cause Pakistan to suffer undue and disruptive inflation and could drain the exchequer of substantial amounts of tax on account of escaped income and wealth.

The SBP governor, however, sought time from the court so that the central bank could formulate a strategy to deal with the matter.

On Tuesday, the same bench directed former presidents retired Gen Pervez Musharraf and Asif Ali Zardari as well as former attorney general Malik Qayyum to submit affidavits showing details of their properties.

The court is seized with a petition of Advocate Feroz Shah Gilani, president of the Lawyers Foundation for Justice, in which he had named Pervez Musharraf, Malik Qayyum, Asif Ali Zardari and the National Accountability Bureau

as respondents.

The chief justice observed that accountability should begin with people in powerful positions and directed senior counsel Farooq H. Naek to submit affidavits containing details of Asif Zardari's assets.

Mr Naek, however, argued that both Asif Zardari and Bilawal BhuttoZardari had recently submitted their asset details with the Election Commission of Pakistan in their nomination papers.

In his petition, Mr Gilani had requested the court to order recovery of huge amounts of public money misappropriated and wasted by the respondents through unlawful means already on record in different judgements of the Supreme Court and high courts.