



NO DPL/E/66/2010/CBC/ 31946
OFFICE OF THE DIRECTOR
FEDERAL INVESTIGATION AGENCY
PUNJAB LAHORE
DATED 06-10-2010


The Director General
FIA/Hqrs Islamabad

Attention: The Director/Law
FIA/Hqrs Islamabad

Subject: OPERAITON ZARCO-APPLICATION FROM MRS. KAUSAR BANO.

In continuation of this office letter No DPL/E/66/10/CBC/LHR/19969 dated 18.06.2010.

The Enquiry Team further probed the issue in the light of the report of Director/SIU FIA Islamabad, re-examined the record and submitted report and pointed out the observations. The copy of Report is enclosed. The Enquiry Team further suggested that observations pointed out may be submitted in the court in the shape of supplementary challan. Therefore necessary permission may kindly be accorded.


(Zafar Ahmad Qureshi)
Director

q/c

REPORT

Subject:- ENQUIRY NO 66/10 DATED 22.04.10 OF FIA CBC LAHORE

Kindly refer to Zonal office letter No DPL/Zarco/14042 dated 19.04.2010 and in continuation of CFR dated 18.08.2010 regarding the subject noted above. The matter was referred to the Enquiry Team alongwith interim facts finding report prepared by Director/SIU FIA Islamabad with the direction to look into all the allegations by registering an enquiry in CBC Lahore and submit report. Accordingly Enquiry No 66/10 was registered in FIA CBC Lahore and Team of five officers was constituted. The Enquiry Team had initially submitted CFR dated 18.06.10 regarding allegation of opening of fake bank accounts in the name of Mr. Lakhat-e-Hasnain and his wife Mst. Kausar Bano. On the basis of said CFR Case FIR No.23/2010 was registered against Mubasshir Hayat and others responsible.

As for as the matter of other allegations are concerned, record of Case FIR No 09/2009 and record collected from the Director/SIU FIA Islamabad has been examined carefully. The following points have come into notice which are worth probe:-


1. Mubasshir Hayat was Executive Senior Vice President and Company Secretary who was practically dealt all the functions/working of Zarco Exchange Company and was wholly solely Incharge of the company while Lakhat-e-Hasnain was residing in abroad who visited Pakistan once or twice in a year. Mr. Mubasshir Hayat had joined the investigation on behalf of Zarco Exchange and when he seem that he is going to be involved, he took u turn and became a witness in the case and painted a picture against Lakhat-e-Hasnain who only share holder of Zarco Exchnage.
2. Investigation Team of Case FIR No 09/2009 of FIA Crime Circle Lahore had relied upon the report of Najam-us-Saqib Joint Director SBP Karachi. However no independent opinion from banking financial experts was


obtained to calculate the financial loss caused by Zarco Company to national exchequer as well as the public money.


3. The Director/SIU FIA Islamabad had obtained the services of financial expert/chartered accountant of M/S Micro Financial International Consultant Private Limited Lahore. The said experts submitted their detailed Report in which they concluded that the amount of Rs.422.15 millions as mentioned in challan which is incorrect. The team of FIA Crime Circle Lahore had emphasized their conclusion on the report of SBP which was not prepared after perusal of company record but framed on the basis of letter sent by FIA, while M/s Micro Financial International Consultant Pvt Ltd submitted reports after examining all the company record.
4. During investigation of Case FIR No 09/2009, Investigation Team found that cash payment of Rs.80 million was made to Lakhat-e-Hasnain on 24.02.09 whereby copy of his passport reflects that the accused was not present in Pakistan on the said date of payment.
5. For construction of house of Lakhat-e-Hasnain in Baqar Lane a huge amount was drawn by Mubasshir Hayat from Company. The Investigation Team did not look this fact whether any new construction was made or not. Accordingly the present team has reservations on this issue and involvement of Mubasshir Hayat.
6. A serious allegation regarding construction of Bungalow No 53-G Johar Town Lahore by Mubasshir Hayat has been raised whereas his legitimate income was reported to be in normal then how can he construct such a valuable Bungalow in the posh area of Lahore. The team has not bothered to get evaluate the said bungalow and obtained explanation of its expenditures from Mubasshir Hayat. The payment regarding the claims of individual has already been paid while the claims regarding Franchise/payment both are of civil nature/contractual liability as observed by Honourable High Court Lahore.
7. Case FIR No 09/2009 is under trial in the court of Special Judge (Offences in Banks) Lahore on 18.09.10. The Honourable Court observed that the prosecution and the accused may settle the issue and if any liability of government exchequer or public money defect upon Zarco Exchange Company or Lakhat-e-Hasnain the same may be fulfilled. The accused and

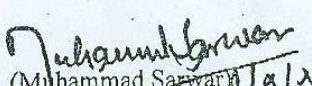
his counsel have verbally under taken that they are ready to reconcile the matter and to redress any liability if made against them. Therefore the case was adjourned for 28.09.10 and on that day the case was further adjourned for 04.10.2010 with the direction to submit result of the investigation in the court.

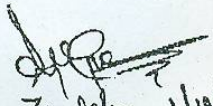
In view of the above circumstances it reveals that during investigation of Case FIR No.09/2009 FIA Crime Circle Lahore, the above facts mentioned at serial No 1 to 6 were over looked by the Investigation Team which made the case doubtful and support the version of Lakhat-e-Hasnain. Mubasshir Hayat has played pivot role while Lakhat-e-Hasnain was in abroad. However Mubasshir Hayat has been made as witness and Lakhat-e-Hasnain as accused. It is evident that ZARCO Exchange Company had valid License of 'A' Category issued by SBP and only violation of SBP rules is made out. Direct involvement of Lakhat-e-Hasnain is suspicious. It is therefore suggested that supplementary challan may be submitted in the Court of Special Judge (Offences in Banks) by highlighting all the above facts with the permission of Director General FIA Islamabad.


(Malik Javed Ahmad)
Deputy Director/Law-1
FIA Lahore


(Sajid Akram Chaudhry)
Deputy Director NR3C
FIA Lahore


(Jamil Akhtar Khan)
Assistant Director
FIA ACC Lahore


(Muhammad Sarwar)
Inspector FIA CBC
Lahore


Zia Islam
as legal 1/10/2010



HEADQUARTERS
FEDERAL INVESTIGATION AGENCY
ISLAMABAD
(Economic Crime Wing)

No. FIR-No. 09/2010 / CC/LHR/ 2111

Dated: 26-10-2010.

To:

The Director / FIA
Punjab Zone, Lahore.

Sub: - **OPERATION ZARCO- APPLICATION FROM MRS. KAUSAR BANO**

Please refer to your letter No. DPL/E-66/2010/CBC/31946 dated 06.10.2010 on the subject noted above.

2. Director/ Law HQ has observed as under:

"Vide PUC, Director FIA, Punjab Lahore has forwarded the report of the Enquiry Team for approval of DG/ FIA, containing various observations supporting the contention of accused Lakhat-e-Hasnain, for bringing into the notice of the trial court, in the form of supplementary charge sheet.

Legally, no approval from FIA HQs is required as Director Zone himself is the competent authority in this case; Besides, the entire record of the case is available with the field directorate along with investigating officers and two senior law officers, for deciding the matter on merit.

It is, however, pointed out that on filing of Writ Petition No. 9648/2010 in the Lahore High Court, Lahore by the wife of accused Lakht-e-Hasnain, parawise comments/ report was submitted by DG/ FIA as respondent No. 1 on the basis of information provided by the field directorate. It is necessary that the said report/ comments should be kept in view by the enquiry committee. Besides, the application of Section 409 PPC and other relevant provisions (except the offences falling under Foreign Exchange Regulation Act) were challenge before the Supreme Court of Pakistan during bail petition of Lakhat-e-Hasnain

but the Apex Court did not agree to the contention of Mr. S.M Zafar. Learned ASC appearing on behalf of the accused. All these aspects need to be kept in mind before submitting supplementary charge sheet, if deemed necessary, so that any legal complication may not arise at a later stage".

(WAJID ZIA) PSP
Director / ECW