

Scenario 215

JIT REPORT PLACED BEFORE SC

The Supreme Court [SC] had given sixty days to the Joint Investigation Team [JIT] for investigation into those thirteen [13] questions which were framed in the SC bench decision announced on 20th April 2017. The said period's start counted from the day JIT was formed in May 2017.

The JIT compiled the said report for the SC bench in time with day & night labour and was to be submitted in the court on 10th July 2017. Same day the **Jang Media Group**, including **GEO News TV** and its Urdu and English daily newspapers tried to mislead the whole nation with concocted stories and fake reports.

SC BENCH RECEIVED JIT REPORT:

In the main decision on Panama-Leaks dated 20th April 2017, the SC had passed very powerful and well-built orders; it said:

".....the bench thereupon may pass appropriate order for filing of reference against respondent No.1 [Nawaz Sharif] or any other person having nexus with the crime if justified on the basis of the material thus brought on the record before it".

In the light of SC's judgement, one could conclude that further proceedings against the Sharif family would involve all cases connected with each other in view of bank transactions from one source to the other. Renowned legal expert S M Zafar said that since the JIT was a '**fact-collection entity**', it would submit the compilation of facts to the apex court.

The Supreme Court, through the terms of references, had tasked the JIT with collecting evidence in connection with the **given 13 questions** only. On the other side, since two members of the five-member SC bench, Justice Khosa and Justice Gulzar, had already disclosed their mind by

calling for disqualification of the PM, so the three other members took up the JIT report and proceeded with the case.

After hearing the parties in the case, the 3-members bench had to pass a final verdict on disqualification of PM Sharif or / and other persons; it was apex court's discretion to either disqualify the PM or exonerate him or send a reference against him to an appropriate forum for further probe or trial.

In case the SC bench, on the basis of available material, found that the PM was not honest and sagacious, it could disqualify him and send the matter to the Election Commission of Pakistan [ECP] for formal notification. Earlier, former CJP Iftikhar M Chaudhry had sent several parliamentarians home for fake degrees. But for the case of PM Nawaz Sharif, the apex court had to consider it under Article 62 and 63 of the constitution.

On the composition of the bench, most jurists opined that as the two members of the bench had already given their decision, the rest of the three judges would hear and decide the case.

On 10th July 2017; the three-judge bench of the SC received a report submitted by the JIT and ordered for registration of a criminal case against SECP's Chairman Zafar Hijazi who was earlier suspected of record tampering by the FIA team specially deputed by the SC.

The bench, comprising Justice Ejaz Afzal, Justice Sh Azmat Saeed and Justice Ijazul Ahsan, after examination of the report, ordered so to find out who was behind the tampering of Sharif family business records – the natural beneficiaries were the Sharif family.

The apex court also asked for the transcripts of all speeches made during the last 60 days by PML[N]'s Talal Chaudhry, Railways Minister Saad Rafique, and the PM's Special Assistant on Political Affairs Asif Kirmani, presumably to examine them for contemptuous content.

The bench further ordered that the name and institution of the individual responsible for leaking a photo of Hussain Nawaz sitting before the JIT should be made public saying that ***'the matter does not fall within the SC's jurisdiction, so the government may form a commission to probe the matter'***.

The bench also took a strict stand against a local newspaper for publishing a story it said contradicted actual JIT proceedings over the past 60 days. It

was 'the News' dated **10th July 2017** in which the reporter named **Ahmad Noorani** had published a hear-say and concocted story.

The SC ordered the filing of a contempt of court notice against the printer, publisher and reporter of *The News* for that fabricated story titled as **"Panama JIT 'doesn't find PM guilty,' but his sons"**.

After receiving two large cardboard boxes labelled 'Evidence', carted into the SC as the JIT made their way into court, the Panama Leaks Case was adjourned for a week, with the next hearing scheduled for 17th July 2017. PML[N] spokesperson Daniyal Aziz, while commenting on the JIT report though was still in boxes, said:

*"...although the party would read the report, it believed it was **dead on arrival; it is still-born**. The PTI should have taken a look at the actual documents before commenting on it.*

Wajid Zia said that the 10th volume of the report should be kept secret because it contains the legal section. Why are they afraid to share this section with the country?

We demand that Volume 10 should be released publicly, and video recordings are shared so that 10 years down the road, there is not another Raymond Davis who writes a book and tells us what Volume 10 contains."

The JIT report was spread over 10 volumes, the last of which was concerned with matters of international jurisdiction. PML[N] believed that the statement of Sheikh Hamad bin Jassim bin Jaber Al-Thani, the former Qatari premier, could better be a part of the evidence.

The intelligentsia, while reacting to the news, claimed that it had been **"proved again"** that the government was pressuring the JIT and courts. Some said that the whole system was being tampered with; most institutions feeling crippled. For the oppressed and helpless people, a powerful judicial system was the need of the day. People wanted to see an independent judiciary and institutions. Democracy would not weaken, but become stronger due to accountability.

PTI leader Fawad Chaudhry expressed hope and trust in the SC and urged:

"It is better that Hijazi names the people who told him to submit false records. And we are sure none other than

Ishaq Dar is behind it. I believe that Abid Sher Ali and Daniyal's transcripts should also be examined by the SC."

The JIT Report consisted of statements recorded by PM Nawaz; Punjab Chief Minister Shahbaz Sharif; the PM's children Hussain, Hassan and Maryam Nawaz Sharif; son-in-law Captain Safdar; PM's cousin Tariq Shafi; friend Javed Kayani and Finance Minister Ishaq Dar, who was also father-in-law of the PM's younger daughter, among other documents.

The case had taken start with two parallel money trails for the Sharif family's apartments in London's Park Lane neighbourhood: one based on the FIA & NAB investigations, and the other provided by Sharif family themselves to the apex court.

The second money trail — '***allegedly a forced confession***' of Finance Minister Ishaq Dar in the Hudaibiya Paper Mills case — was also used to establish a case against the Sharif family. Dar had claimed after his appearance before the JIT that the statement submitted before a magistrate on 25th April 2000 was not 'written by his hand'; Kh Asif had, in a media statement in February 2017, declared it 'under duress'.

Dar's confessional statement under section 164 CrPC contained that Sharif brothers used the Hudaibiya Paper Mills as a cover for money laundering during the late 1990s. This was why the JIT summoned almost all important characters involved.

The JIT did not record the statement of former Qatari premier Sheikh Hamad bin Jassim bin Jaber Al-Thani, because the whole bench of five judges had declared it bogus in the judgment dated 20th April 2017. Therefore, the public perception was that the JIT would not consider the money trail provided by Hussain Nawaz and others.

The leadership of the ruling PML[N] was seen unhappy over the JIT report and made no secret of its disdain for it. They had made it clear during a press conference of 8th July 2017 that the ruling party would not accept the findings of the JIT if the statements of the former Qatari prime minister were not made part of the report.

When the Panama Papers Leaks came to light on 3rd April 2016 after the International Consortium of Investigative Journalists [ICIJ] made documents from **Mossack Fonseca** available to the public, wherein the documents contained confidential attorney - client information for more than 214,488 offshore entities, eight offshore companies were reported to have links with the family of Prime Minister Nawaz Sharif.

In October 2016, PTI's Imran Khan announced his plans to 'lock-down' Islamabad, calling on agitators to paralyse the capital until the PM Sharif gave into his demands for resignation or accountability. As tensions in the capital came to a head on 2nd November 2016 – the proposed date of the lock-down – the Supreme Court announced that it would start hearing the Panama Leaks case.

A five judges bench of the SC, headed by Justice Asif Saeed Khosa, heard the said claim and announced a split decision on 20th April 2017 in which it was proposed to form a JIT for further probe; thus the whole above narrated show.

Referring to Nasir Iqbal's reporting appeared in the daily '**Dawn**' dated **11th July 2017**; the fact remains that the JIT had stirred a political turmoil by reporting that PM Nawaz Sharif and his children had accumulated wealth beyond their known sources of income. The JIT's report declared that both Hussain Nawaz and Hassan Nawaz were used as proxies to build Sharifs' family assets. The report:

- ***Maintained that PM's family had assets beyond known sources of income***
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- ***Recommended NAB references against PM & his children***
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- ***Found Sharifs - owned enterprises mostly 'loss-making', didn't justify family's wealth***
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- ***Qatari letters declared an after-thought & 'myth'***
-
- ***Unearthed new offshore company chaired by PM Nawaz Sharif himself***

The six-man JIT concluded that it was compelled to refer to sections 9(a)(v) and 14(c) of the NAB Ordinance 1999, which deal with corruption and corrupt practices. An editorial note of the same dated daily held:

*"... from snippets of the JIT report that have been shared with the media, it does appear that **the JIT has made a number of damaging observations about the legitimacy of the wealth of Prime Minister Nawaz Sharif and his children.***

Furthermore, the JIT appears to have recommended that the matter be turned over to the National Accountability Bureau for further proceedings.....The [SC's] goal must surely be to deliver a

verdict that can stand the test of time, further the cause of accountability and act as a judicial precedent.

*Finally, the PML[N] must be prepared to do the right thing for the sake of democracy.... **the constitutional position is clear: the PML[N] government can exist without Mr Sharif.***

SHARIFs HAD NO ANSWER - JIT:

In a 28-page section titled '**Assets beyond means - [Nawaz Sharif]**' the JIT looking into the Panama Leaks probe, questioned veracity of the documentation submitted by the Respondents Nawaz Sharif & his family to the Supreme Court [SC].

PM Nawaz Sharif maintained that he had been actively involved in politics since 1981 and **"has devoted his entire life to his occupation as a politician."** The same position has been taken by him in various public speeches. His stance had also been reinforced by Respondents 6-8 [Maryam Nawaz, Hussain Nawaz and Hassan Nawaz] in their concise statements filed before the SC bench, that their father [the PM]] had no role in their business and properties.

However, the JIT observed otherwise; see the excerpts from the JIT Report:

1. Nawaz Sharif opened accounts as CEO of Chaudhry Sugar Mills Limited:

Mr Sharif **"opened five PKR bank accounts and three Foreign Currency accounts in four different banks during the period from 1-7-2009 till date."** In the bank account opening forms submitted to the bank, he mentioned his occupation as 'self-employed' and name of the employer / business as '**Chaudhry Sugar Mills Limited**'.

However, as per the JIT's findings, in two accounts opened at Standard Chartered Bank (Pakistan) Limited, he showed himself as CEO of the Chaudhry Sugar Mills Limited, while in an account opened at ABL, he had shown him as shareholder.

2. PM concealed Rs:45 million:

As per the Wealth Statement submitted by Mr Sharif for the tax year 2013, he donated Rs:100 million to his party, the PML[N]. However, during analysis of the account statement:

"It was also observed that an amount of Rs:45 million was transferred back by the PML[N] on 10th June 2013 to Respondent No.1. This inflow of Rs:45 million, although reflected in the account statement, was not disclosed in the Wealth Statement."

The report also said: *"it appears that the Respondent No.1 not only concealed his assets to the tune of Rs:45 million but also misreported in the Wealth Statement for the tax year 2013 submitted under Section 116 of the Income Tax Ordinance, 2001."*

3. Claims of the PM's father owning assets worth millions may be overstated:

"Respondent No.1 in his address to the nation and speech on the floor of the National Assembly claimed that his father owned multimillion rupees assets in the 1970's before the industry was nationalized; a claim that cannot be ascertained through his personal Tax returns as well as of his parents."

4. An 'exorbitant hike in build-up' of assets became apparent:

"An exorbitant hike in build-up of his [PM's] assets is observed during his first tenure of premiership [1990-93], however, inflows mentioned in his tax returns are not commensurate with his growth which leads to the presumption that this empire was not based on legal monetary sources."

5. PM enjoying 'pecuniary benefits' from family businesses:

As per the facts provided by the Sharif family, Mr Sharif ***"ostensibly has confined his role to that of an equity holder only in the family owned businesses, who does not hold any formal position or role in running the businesses and is not a Director on any Board."*** The report noted that the objective of such a stance was to distance himself from a formal

role in running of the businesses in "**strictest regulatory and legal sense**".

This part of the JIT report concluded that:

"...it is evident that he [the PM] is enjoying pecuniary benefits, other than dividends from these businesses in the shape of unexplained inflows in his personal bank accounts, on a fairly regular basis, from the business profits of his sons and businesses run by them purportedly as gifts."

At other places, the JIT report also highlighted Articles 122, 117, 129 and other sections of the *Qanoon-i-Shahadat Order 1984* [Law of Evidence], which places the burden of disproving the allegations on the person facing accusations – in the said case on Sharifs.

The JIT pointed out failure on part of the Sharifs to produce the required information that could confirm their "**known sources of income**", saying that prima facie, it amounted to saying that they were not able to reconcile their assets with their means of income.

*[JIT Report revealed that the state's tax machinery had a **very limited tax record** of the Sharif family. The available income tax returns and wealth statements, however, emerged as a leading source of evidence in probing the assets of PM Nawaz Sharif and other members of his family.*

*As per report, **PM Nawaz Sharif** had started filing income tax returns in 1983-84. However, the Federal Board of Revenue [FBR] did not provide the record of his tax returns / wealth statements to JIT for the assessment years 1997-98, 2001-02, and from assessment years 2004-05 to 2007-08; it was so because the family was not in Pakistan.*

***Federal Finance Minister Ishaq Dar** did not file income tax returns for almost 10 years — from 1981-82 to 2001-02; limited tax record of Mr Dar was available with the FBR. His income tax returns were missing from 1981-82 till 1985-86. Wealth statements were not provided by FBR for assessment years 1994-95 till 2001-02 and tax year 2002-03 till 2007-08 despite repeated requests.*

Hussain Nawaz started filing tax returns in 1991-92. He was a student at that time and owned assets in the form of shares of companies; he filed tax returns till 2003.

Hassan Nawaz started filing income tax returns in 1995-96. Nawaz Sharif was managing the assets owned by Hassan Nawaz till 1995-96 as he was a minor. Mr Sharif had been filing Hassan's income tax returns since 1989-90 till 1995-96. Hassan Nawaz moved to the United Kingdom in 1994. After studies he started his business there and had set up 10 companies.

Maryam Safdar started filing returns in 1991-92. The FBR did not provide a complete tax record—income tax return / wealth statement of Maryam Nawaz were not provided for assessment years 1991-92, 1992-93, 1995-96, 1998-99, 1999-2000, 2004-05 and 2008-09. Wealth statements were not available for most of these assessment years. The income tax returns for year 1991-92, 2004-05 and 2008-09 were not filed by Maryam.

Captain [Rtd] Muhammad Safdar, Maryam's husband, had filed his income tax returns only for 2013-14 and 2014-15. The wealth statement was filed during tax year 2014-15 only. Mr Safdar had not filed income tax returns / return of wealth tax and wealth statement since 1990.

Asma Nawaz: The tax returns of Nawaz Sharif's younger daughter, were filed by her father from 1995-96. However, she started filing her returns in 2001-02, but never filed a wealth statement. **Mrs. Kulsoom Nawaz** had been filing returns since 1984-85. The **late Mian Muhammad Sharif** had been filing tax returns / wealth statements since 1969-70.]

The report also said the financial structure and health of companies in Pakistan that are linked to the Sharifs did not substantiate the family's wealth and a significant disparity was seen between the wealth declared by the Sharifs and the means through which they generated income.

'Irregular' movement of money: The report highlighted the "irregular movement of huge amounts in shape of loans and gifts" from the Saudi-based company **Hill Metals Establishment**, the UK-based **Flagship Investments Limited** and the UAE-based **Capital FZE**, to Nawaz Sharif, Hussain Nawaz and the Pakistan-based companies of the prime minister and his family. The report said:

*"The role of offshore companies is critically important as several offshore companies [**Nescoll Limited, Nielson Enterprises Limited, Alanna Services Ltd, Lamkin S.A. Coomber Group Inc and Hiltern International Ltd**] have been identified to be linked with their businesses in UK.*

These companies were mainly used for inflow of funds into UK-based companies, which not only acquired expensive properties in UK from such funds but also revolve these funds amongst their companies of UK, KSA, UAE and Pakistan".

The JIT also highlighted that the companies where the Sharifs were acting as shareholders, directors or beneficial owners were primarily family-owned businesses. These companies were incorporated in the 1980s and 1990s, when Nawaz Sharif was holding public office in Pakistan.

Being shareholders, the Sharifs injected nominal capital as seed money and these companies were mainly entrusted with borrowed funds from banks, financial institutions or foreign - incorporated '**special purpose vehicles**'.

The companies also borrowed funds, at their inception, and rolled over funds with other facilities; foreign currency funds were generated to install plants and machinery. The report further explained that:

*"...but going forward, **majority of the companies were** either non-operational or were not functioning at maximum capacity and **were in loss**, having negative equity, such as Mohammad Buksh Textile Mills Limited, Hudaibiya Paper Mills Limited, Hudaibiya Engineering Company Private Limited, Hamza Board Mills Limited, and Mehran Ramzan Textile Mills Ltd.*

Due to weak performance and in absence of accumulated or operational profits, dividends were not declared, except for a few years. **These companies were mainly loss-making units** and no significant turnaround was observed over the past 20 years."

Accumulating assets by proxy: About Ms Kulsoom Nawaz, wife of Nawaz Sharif, the JIT stated she had been part of the family business and filing tax returns since 1984-85. Her total assets increased 17.5 times during the course of one year; from Rs:1.64 million in 1991-92 to Rs:28.62 million in 1992-93, against a reported income of only Rs:279,400.

The JIT found that the accumulation of **Hussain Nawaz' assets showed a sharp spike in the early 1990s, and then again in 1997-98, with**

no declared source of income. The JIT believed that this build-up of assets was through "*irregular means*" and that Hussain was used as a '*proxy*' to build the family's assets.

Hassan Nawaz' assets also showed a similar spike in the early 1990s with no declared source of income. This was a period when the Sharif family was in power.

The report pointed out that Ishaq Dar did not file income tax returns between 1981-82 and 2001-02, which amounted to tax evasion. An exorbitant increase was also observed in his assets since 2008-09, for which source of funds and income details were not furnished, despite repeated requests.

The JIT clearly stated that prima facie, Mr Dar possessed assets disproportionate and beyond his known means, adding that he *invested £5.5 million in Baraq Holdings in the UAE*, but the source of these funds was not disclosed, only that around £4.97 million were given to him by his son. *Mr Dar also gave Rs:169.27 million to charity*, but a major chunk of that was given to his own organisation, keeping the funds within his own access.

Similarly, National Bank of Pakistan [NBP] President *Saeed Ahmed registered as a tax-payer in 2015*, but no record of his returns was available prior to 2015. In his income tax returns for 2014-15, Saeed Ahmed declared foreign income amounting to Rs:20 million, but no evidence was available regarding the source of that income. In his wealth statement for the same year, Mr Ahmed declared foreign remittances worth Rs:17.13 million, the source of which could not be ascertained.

The JIT also recommended re-opening the cases of Hudaibiya Paper Mills Ltd and Hudaibiya Engineering Ltd for further investigation and re-trial on the basis of new evidence. *The Hudaibiya Mills reference remained in the cold storage for 12 years after it was adjourned in 2007 because the Sharifs were in exile. It was later quashed by the Lahore High Court in 2014, after the incumbent Qamar Zaman Chaudhry was appointed NAB chief.*

Suspicious transactions: Investigations also revealed that the process of money laundering actually started in September 1991, as opposed to the first transaction in August 1992 identified by FIA and NAB investigations. These transactions showed that funds of \$2.23 million were deposited in the first two accounts, opened in the name of incumbent NBP president

Saeed Ahmad and Ch Mukhtar Hussain, the then Manager of Ittefaq Foundries Lahore.

Subsequently, all the money from these accounts was transferred to the accounts of Musa Ghani and Talat Masud Qazi through dollar bearer certificates [FEBCs] to hide the source of the funds.

Referring to Mutual Legal Assistance [MLA] provided by the UAE Ministry of Justice, the JIT held that:

'No transaction worth 12 million UAE Dirhams, claimed by Sharifs to be the sale proceeds of 25pc shares of Ahli Steel Mills [previously known as Gulf Steel Mills] ever took place in the name of Tariq Shafi — the prime minister's cousin.'

The JIT observed that there was not a single document that could provide the basis for any money trail for the purchase of the Avenfield [Park Lane] London properties and the businesses of the sons of PM Nawaz Sharif declaring the documents produced as fabricated and fake.

After checking with Dubai Customs, the JIT concluded that **no scrap machinery was transported from Dubai to Jeddah in 2001-02**. Thus the JIT concluded: it was proven that the documents or record produced by the Sharifs regarding the sale of 25pc of the mill's shares were **"unauthentic, unverified, fake and fabricated"**.

Besides, the [attached] share sale agreement of 1980 and the letter of credit for the transportation of scrap machinery from Dubai to Jeddah were also declared fictitious.

Similarly, **Tariq Shafi never handed over 12 million dirhams** to former Qatari prime minister Shiekh Hamad bin Jassim bin Jaber Al Thani in 1980, as claimed by Sharifs before the apex court. **Tariq Shafi, in fact, tried to mislead the Supreme Court, the JIT deplored.**

'Evasive' Prime Minister: The JIT held that during his interrogation PM Nawaz Sharif was visibly evasive on most of the questions related to Gulf Steel Mills and, **after two and half hours of questioning, the prime minister only admitted to knowing Mohammad Hussain as his maternal uncle.**

The JIT also dubbed the two letters from Sheikh Al Thani **"a myth and not a reality"**.

The JIT highlighted how the prime minister not only concealed assets to the tune of Rs:45 million, but also misreported in his wealth statement for the year 2013. PM Nawaz Sharif enjoyed pecuniary benefits other than dividends from his businesses in the shape of unexplained inflows to his personal bank accounts on a regular basis from the business profits of his son and businesses run by him, purportedly in the form of gifts.

JIT Report held that PM Nawaz Sharif was a minor direct shareholder in the closely-held family companies when they were not profit-bearing, but these companies were continuously revolving funds in millions amongst themselves and their shareholders / directors and offshore companies.

The JIT also unearthed a new offshore company, FZE Capital in the UAE, which had PM Nawaz Sharif as its Chairman having a salary structure and IQAMA through it.

The JIT report said the prime minister kept shares in the name of his wife, sons and daughters, who were not financially independent at the time; thereby retaining control over the business due to his strong political and family influence.

The five-judge larger bench of the apex court had observed in its 20th April 2017 verdict that:

*"...after the receipt of the final report from the inquiry panel, the matter of the **premier's disqualification shall be considered**. If found necessary for passing an appropriate order in this behalf, respondent No.1 [PM Nawaz] or any other person may be summoned and examined."*

Most importantly; in court orders language, **the word 'SHALL' becomes binding and carry the meanings of 'MUST'**.

Ch Faisal Hussain, counsel for the PTI [the petitioner in the case] believed that the SC's 20th April 2017 verdict had reflected that:

'The case is not being disposed of but being treated as part of the heard case, pending adjudication before the larger bench, headed by Justice Asif Saeed Khosa.

The implementation bench was legally constituted to implement the court's that judgment and will be absolved and the matter be

referred to same five-judge larger bench, which was headed by Justice Khosa."

DAILY 'the NEWS' MISLEAD; WHY:

In climax of the social media age, one top media group of Pakistan's organs twisted the facts about JIT report and launched filthy propaganda against the JIT members and senior judges of the Supreme Court [SC].

The general populace felt disturbance for a while but when the JIT report was made public on the same day [10th July 2017] by the SC, a floodgate was seen open on all other media channels against that [GEO] group and the PML[N]'s stalwart politicians who had been continuously orchestrating their leadership's rotten and stinking past.

In '**the News**' dated **10th July 2017**; reporter Ahmed Noorani got published another misleading report in the Panama & JIT context with a totally an ambiguous and deceptive caption titled **Panama JIT 'doesn't find PM guilty, but his sons'**; some scripts of it are placed below:

"While answering 13 questions raised by the Panama Bench of the Supreme Court, the Panama Joint Investigation Team [JIT] has not held PM Nawaz Sharif responsible of any wrongdoing.

..... that the JIT failed to find out answers to four questions; question 5, 7, 8 and 9. Sharif family has given detailed answers to these questions. The JIT is not satisfied from answers but at the same time could not obtain any evidence to prove the answers given by the Sharif family as wrong. Regarding last four questions; question 10, 11, 12 and 13, the JIT has mostly relied on the answers and evidences given by Sharifs.

..... that regarding first four and sixth question, JIT has relied on the documentary evidences provided by the Sharif family and couldn't get anything substantial against the submissions made before the apex court and statements made by the Sharfis before the JIT whatsoever.

..... that the JIT has gone beyond the mandate given to it in the 13 questions by the apex court."

Here are those 13 questions raised by the Panama Bench of the apex court along with the replies submitted by the respondents, the members of the Sharif family, to each question as placed by them before the apex court and the JIT:

1- How did Gulf Steel Mill come into being?

Sharif family stance: After Nationalization in Pakistan in January 1972, the business was set up by arranging money from UAE mostly from banks in 1974. Gulf Steel was made with no or very little equity but by and large financing by the UAE banks.

2- What led to its sale?

Sharif family stance: The factory was developed and made operational but as the interest rates at that time were very high, hence there were financial problems and it was decided to sell a part of the company and pay off the loans. The mill was held in the name of Tariq Shafi the 20 year old nephew of Mian Sharif.

3- What happened to its liabilities?

Sharif family stance: A new company called **Ahli Steel** was created to hold the FIXED assets [factory and plant] of Gulf Steel with 75% belonging to Ahli family and 25% to the Sharif family. As per the first contract of sale, the proceeds of sale amounting to 22m Dirhams went directly to BCCI. The ancillary and additional assets of the plant [*receivables, stock of scrap and manufactured steel etc*] were not sold to Ahli. These were used to pay the remaining bits of the loan.

4- Where did its sale proceeds end up?

Sharif family stance: In 1980, Mian Sharif was no longer interested in continuing with that investment following denationalisation of Ittefaq Foundries Ltd. The final 25% of the shares ended up being sold in 1980 at a higher price of 12 million DHS for 25% stake as compared to 22 million for the initial 75%. This money was received in cash two million DHS every month over 6 months. The sale proceeds were entrusted to a friend of Mian Sharif called Jassim bin Jaber Al Thani for safekeeping / investment. The money was received in cash by Fahad bin Jassim Al Thani, the son of Jassim bin Jabr Al Thani, and the brother of His Highness Hamad bin Jassim the current Qatari Prince.

5- How did they reach Jeddah, Qatar and the UK?

Sharif family stance: By the time the disbursements were made Sheikh Jassim bin Jabr Al Thani had died. The money was sent in 2001 to London and Jeddah through bank transfers. However banks do not keep such records for more than 5/6 years and after a passage of 17 years all such records are not available.

Even if all evidence provided by the Sharifs is rejected, the fact remains that no evidence of corruption, misuse of office, money laundering or misconduct is available.

6- Whether respondents No: 7 & 8 [Hussain & Hassan Nawaz respectively] in view of their tender ages had the means in the early nineties to possess and purchase the flats?

Sharif family stance: There is no record to suggest that the said flats were owned by Hassan or Hussain from the 1990s. However, even if presumed that the Sharif family owned these flats, the price paid in 1993-96 was £1.9 million [Pak Rs:7.5 crore] which was not at all a big deal for someone like Mian Sharif. There is no evidence to link Mian Sharif to any of these transactions.

7- Whether sudden appearance of the letters of Hamad Bin Jassim Bin Jaber Al-Thani is a myth or a reality?

Sharif family stance: Mian Sharif invested with the father of Hamad Bin Jassim. Both families always enjoyed close relations during all this time. Hamad Bin Jassim has provided all details in its communications with the apex court and the JIT.

8- How bearer shares crystallized into the flats?

Sharif family stance: Jurisdictions like the BVI and others of its like thrive on providing laws and procedures whereby the names of the investors can be kept secret. According to the statement of Hamad bin Jassim Al Thani, these companies owned the flats from the outset and were held by the Al Thani family through bearer shares which were kept in their custody in Doha, Qatar until delivered to Hussain Sharif in 2006.

9- Who, in fact, is the real and beneficial owner of Nielsen Enterprises & Nescoll Ltd?

Sharif family stance: There is no evidence to disprove the testimony of the Sharif family. There are conspiracies to link the Prime Minister to these investments by rejecting Sharif family version based on fact and assuming him to be the owner.

10- How did Hill Metal Establishment come into existence?

Sharif family Response: Hill Metals [HME] was formed after 2005 when Al Azizia Steel was sold. The proceeds of Al Azizia Steel were Saudi Riyal 63 million while SR 40million became 25% equity for Hill Metals. Two Saudi banks and the state owned Saudi Industrial Development Fund financed the remaining 75%. Evidence is provided to the JIT.

11- Where did the money for Flagship Investment Limited and other companies set up / taken over by respondent No. 8 [Hassan Nawaz Sharif] come from?

Sharif family response: As opposed to the petitioner's claims, Flagship was started with modest capital. The business model of Flagship is that they buy a rundown property, develop it to a very high standard [takes average 2.5 years per property sometimes even more] and then sell. It's easy to find buyers in London given the high demand. Hence they get paid for 1) value addition 2) appreciation in the price of the property in the time the work goes on.

Normally if the estimated cost of the project including its redevelopment is say £2 million, £0.5 million is paid as equity whereas £1.5million is bank loan. It is very easy to sell such property for £2.5 million, even more, after 2.5 years. Since one's equity was £0.5 million, one can easily double it. Flagship has done dozens of projects like this and sold them. The money that was used in flagship came from the following sources:-

- a) From MMS through the Qatari prince, a small amount of money came in.
- b) From the sale proceeds of Al Azizia Steel money was given to Hassan Sharif by his elder brother Hussain Sharif.
- c) In 2007 after the park lane apartments were transferred to Hussain Sharif, he let his brother Hassan mortgage those properties and borrow against them from Deutsche Bank. That money was used in the business and gave it a real boost. The loan was paid off in instalments and completed in 2015.

12- Where did the Working Capital for such companies come from?

Sharif family stance: The working capital facility for Hill Metals was and is financed by two Saudi Banks. Details are with the JIT.

13- Where do the huge sums running into millions gifted by respondent No.7 [Hussain Nawaz] to respondent No.1 [PM Nawaz Sharif] drop in from?

Sharif family stance: The money that was received by the PM from Hussain Sharif was from Hill Metals. As mentioned before, Hill Metals was set up with equity of SR 40m which represents only 25% of its initial value. 75% was loans from commercial banks and the Industrial development fund of Saudi government; also cash generated from the operations has been ploughed back into equity additionally working capital lines are [still] available for business development.

Zahid Hussain, while referring to the above concocted stance in daily '**the News**', wrote in daily '**Dawn**' dated **12th July 2017**:

"A story published in a national daily on July 10, hours before the submission of the JIT report to the Supreme Court, and headlined to the effect that the investigation didn't find the prime minister guilty, in fact reflected the government's miscalculation.

The government had certainly not expected such a sweeping indictment that has left the country's most powerful political leader politically and morally damaged."

See how some Pakistani journalists behaved on NATIONAL CAUSE:

The same reporter Ahmad Noorani had asked similar 13 questions to Sharif family and had declared in his article published in '**the News**' dated **11th November 2016** that the Sharif family could not answer the questions in a convincing way.

"Panama Leaks: Waste opportunity to clear doubts; explain position about foreign assets....."

See what the same Reporter wrote in 2016: "Though replied comprehensively to some questions, Sharif family members could not respond to at least thirteen basic questions in their responses"

submitted in the apex court regarding their offshore wealth and foreign money transaction.

Apparently, Sharifs lost a golden chance to clarify their position on the questions being raised and doubts being created about them. The unanswered questions include:"

But when the reporter was allegedly '**properly greased**' from the PM's Media Cell, he changed his stance and wrote [text in above paragraphs] **on 10th July 2017** in the same newspaper describing that JIT could not find anything objectionable in questions against Sharifs – '**thus declaring JIT's report as flimsy and without substance**'.

One could see the **CHANGED / TWISTED STANCE** of daily **the News's** reporter as appeared in the paper on **11th November 2016** and compare it with that of **10th July 2017**; the earlier version is still on media pages for academic comparisons.

MARYAM IN CALIBRI FONT SCAM:

The JIT report, placed before the SC's apex bench on 10th July 2017, disclosed that Maryam Safdar was guilty of submitting "**fake / falsified documents to the JIT**"; a criminal offence under Pakistan Penal Code. Not only she, her brothers Hussain and Hassan Nawaz, as well as her spouse Captain Safdar, had also signed falsified documents to mislead the Supreme Court.

Maryam Nawaz / Maryam Safdar was also accused of accumulating "**Assets disproportionate and beyond means of known sources of income**".

Since about four years, speculation had been rife that Maryam would actively participate in the upcoming 2018 general elections but in April 2016, when her name surfaced in the Panama Leaks, it seemed as if her path to politics had been blocked. The JIT's report made things difficult for her, while saying that:

"She had been receiving heavy gifts from Rs:73.5 million to Rs:830.73 million within period of 2009-2016.....that the accumulation of Maryam's assets shows a drastic hike in the early 1990s with no declared source of income".

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However, still Maryam could contest the elections until the charges against her were proven and convicted by the court as around 70pc of Pakistani politicians faced NAB inquiries and references. Regarding the submission of '**falsified documents**', since she was not a member of parliament, she was not subject to Articles 62 and 63 of the Constitution.

The fact remained that in its order of 20th April 2017, the apex court had virtually cleared Maryam from the controversy, though she appeared before the JIT on 5th July 2017 regarding charges against her.

The JIT, during investigations, found many '**anomalies**' in respondents' statements; but none captured the public imagination like the fact that key documents submitted by Maryam Safdar were found to be '**fake**' — given away by their use of the Calibri font. The JIT report raised doubts about use of '**Calibri font**' in papers submitted by Maryam.

The otherwise harmless Calibri font became a trending topic among Pakistan's Twitterati after suspicions about its use were raised in the JIT report submitted to the Supreme Court. "**Oh. My God.**" journalist and **Zara Hut Kay** co-host Zarrar Khuhro tweeted with a screen grab of a portion of the JIT report. When Khuhro's image appeared on twitter saying that the said Calibri Font was not commercially available till 31st January 2007; **WITHIN ONE HOUR there were 191 Replies, 880 Retweets and 1,286 likes.**

*"I have identified the type font used to produce both certified Declarations as 'Calibri'. However, **Calibri was not commercially available before 31st January 2007** and as such, neither of the originals of the certified Declarations is correctly dated and happy to have been created at some later point in time."*

The screen grab was of point 15. b. (2) (b) in Section II of the report, which comes under the "**expert opinion**" of Robert W. Radley of the London-based **The Radley Forensic Document Laboratory**.

The opinion was sought regarding the **Trust declarations of Nescoll and Nielson Limited, and Coomber Incorporation** provided to the JIT by Maryam Nawaz, claimed to have been signed in 2006. See Maryam Safdar's one earlier tweet:

"2nd trust deed: I am a trustee & NOT the owner. Proof attached. #TheTruth

10:33 AM - 15 Nov 2016"

The first public **beta version of Calibri Font**, according to a Wikipedia entry, was released on 6th June 2006 — close to four months after the papers were said to have been signed by Maryam Nawaz.

LucasFont, the Dutch company who designed **Calibri Font for Microsoft**, held in their e-mail reply to daily 'DAWN' that:

"...beta versions of software are unfinished and in testing phase. Only people with an extra-ordinary interest in computer software usually subscribe to their use, as they potentially hold numerous undiscovered glitches that may interrupt their usage at any given time [- for research and improvements]."

*Office 2007 was the first product officially using Calibri on a large scale. It was made available to **volume license customers** (resellers) on November 30, 2006, and later to retail on January 30, 2007, [at] the same [time as the] respective release dates of Windows Vista.*

Why would anyone use a completely unknown font for an official document in 2006? If the person using Calibri was such a font lover that he or she had to use the new Calibri, then he or she should be able to prove that other documents were printed with Calibri in 2006, and these prints should be with other people as well."

De Groot, the Calibri Font founder, further said:

"....in his opinion the document signed by Maryam Nawaz was produced much later, when Calibri was the default font in MS Word".

The forensic expert engaged by the JIT had made basically the same argument — that the font was not available publicly before 31st January 2007 and therefore unlikely to have been used in an official document dated in February 2006. However, the PML[N] hawks, including Barrister Zafarullah Khan, ridiculed the forensic expert's opinion on 11th July 2017's evening during a press conference.

On 13th July 2017; UK's daily 'the guardian' wrote that:

*"The daughter of Pakistan's prime minister has become **subject of ridicule** in her home country after forensic experts cast doubts on documents central to her defence against corruption allegations.*

Mariam Nawaz Sharif is under Supreme Court investigation after the 2016 Panama Papers leak.... The unlikely source of this latest controversy is a font designed by Microsoft.

Documents claiming that Mariam Nawaz Sharif was only a trustee of the companies that bought the London flats, are dated February 2006, and appear to be typed in Microsoft Calibri.

*But the font was only made commercially available in [January] 2007, leading to suspicions that the documents are forged. Social media users have derided Sharif for this apparent misstep, coining the hashtag **#fontgate**."*

According to Wikipedia, the online encyclopaedia, the Calibri font was developed in 2004 but only reached the general public on 30th January 2007 with the launch of Microsoft Vista and Microsoft Office 2007.

The Wikipedia Calibri page usually receives about 500 visits per day. On 11th & 12th July combined, it received about 150,000. After users seemingly tried to change the article's content to say the font was available from 2004, Wikipedia suspended editing on its Calibri page **"until July 18 2017, or until editing disputes have been resolved"**.

The common perception prevailed that people seeking to edit the page were trying to save a corrupt political party PML[N] on corruption charges; many praised Wikipedia for its quick response and said it was proof of the company's integrity.

Referring to daily '**The Express Tribune**' dated **15th July 2017**:

"Calibri was never really designed for printed paper; it was introduced as a font for screens: a font without serifs.

Headlines proclaim — in fonts with Serifs — that 'Calibri-gate' may be the last nail in the coffin for the House of Sharifs. The font fiasco occupies a mere five lines on one page [page 54] of the 250 pages JIT report, in which Robert W Radley tells us that the font was not commercially available before January of 2007; Lucas de Groot, the font's creator, echoed the same.

The submission of false documents before any court carries a criminal charge – and this was the Supreme Court; the criminal charges was that they tend not to leave much to the realm of

*possibility - **'beyond reasonable doubt'**. Calibri single handedly was there to **bring down the Sharifs dynasty and make the first daughter to wind up in prison.**"*

In Panama Leaks hearing, the question was of flats, not fonts; of ownership, not forgery – questions that were finally to be answered. The Trust Deed itself required Maryam Safdar to *'hold bearer shares'* for her brother; both siblings categorically stated that they had never seen any such shares. If one assumes that the PM was not in the game, the JIT's report offered much more.

*The **'NY Times'** dated **15th July 2017** opined that:*

"The investigators say that she produced a forged trust deed about the London apartments. The 2006 document claims that she was only a trustee and not owner of two offshore companies that bought the apartments. But investigators say it was typed in Calibri font, which was not commercially available to the public until 30th January 2007 definitely."

HILL METALS [SAUDIA] ACCOUNTS:

JIT Report contained that PM Nawaz Sharif was the recipient of 88 percent of the net profit earned by Saudi Arab-based Hill Metals Establishment [HME] through gifts and remittances for the six years (2010-15), leaving behind only 12 percent for the purported sole owner, Hussain Nawaz.

This profit he received as gift not only from his son but also directly from the company which ***'gift was not separately declared before the court'*** and the **JIT could only notice this break-up through acquiring his bank record in Pakistan.**

The company, according to the tax laws, was not able to offer gift to any individual but only pay dividend to his shareholders and paid directors thus raising questions about Nawaz Sharif's beneficial link with this business enterprise that he had not declared in his assets.

The overall amount that Nawaz Sharif directly received from Hussain Nawaz and the HME [2010-17] was Rs:1.166 billion. The JIT established the

beneficial linkage of Nawaz Sharif with the HME on the basis of documents obtained through a law firm, **Guernica International Justice Chamber**, which confirmed to the JIT that documents were true copies of originals and their contents had been properly verified.

The said documents also revealed the company's transaction with HDS [owned by Ishaq Dar's son], Hassan Nawaz and Saeed Sheikh who allegedly deposited millions of dollars in the HME account in nine tran.

*A couple of documents obtained through the above law firm, unsigned though, showed that **Nawaz Sharif transferred a sum of [Saudi Riyals] SAR:750,000 from his account No: 462 60801 3344552 at a bank in Jeddah to the account of Hussain Nawaz maintained at the same bank branch, who further transferred that to the account of HME maintained with the same branch of the same bank.***

The JIT report explained that:

"These documents established a direct nexus and link between HME and the Respondent No:1 [the PM] in which Respondent No:7 [Hussain Nawaz] is being employed as a conduit and give much credence to the view that the Respondent No.1 has significant beneficial interest in HME and that, contrary to the claimed position, Respondent No.7 is not the true and sole owner of HME but a nominee or ostensible owner only with limited, if any, actual beneficial interests in HME."

JIT also obtained a management report of HME for the quarter ended on 31st March 2010 which established that after a long period of stress and strained performance HME finally came out of the red for the first time which indicated that the company started generating profit and started transferring funds to Nawaz Sharif from 2010 onward.

The JIT report noted that:

"Till the year 2012-13, the amount received by Respondent No.1 from Respondent No.7 & MHE was declared as gifts whereas, the same amounts were termed remittances after the year 2013-14 in tax returns of Respondent No.1 after he assumed charge as prime minister of Pakistan."

Although PM Nawaz Sharif showed all remittances as gifts from his son, but the record obtained from his bank accounts in Pakistan revealed that he [Nawaz Sharif] was the key-shareholder of the HME. It then raised many questions which could NOT be answered by Hussain Nawaz with his banking record in Saudia.

Hussain Nawaz told the JIT that *'the said amounts were gifted so as to free his father from any financial constraints, given his full time involvement in politics'*, however the scrutiny of Nawaz Sharif's bank accounts revealed that more than 70 percent of the gifts he received were in turn gifted to Maryam Safdar – money circulation to avoid taxes.

The documents that JIT obtained from the law firm also included one of the HME papers containing a table bearing the headline "**Funds Returned**" and which among others contained entries showing:

- payment of £6000 to Flagship Investments Limited owned by Hassan Nawaz;
- payment of SAR:1,912,500 to Hassan Nawaz,
- payment of SAR:1,875,000 to HDS [owned by Ali Dar, son of Ishaq Dar and son-in-law of Nawaz Sharif],
- payment of SAR:560,000 to HDS and
- payment of SAR:3,752,300 to CFZ, purportedly owned by Hassan Nawaz with Nawaz Sharif its Chairman of the Board of Directors.

Yet another document acquired through the law firm indicated that the HME also received funds amounting to SAR:59,999,860 (\$15,999,963) *in nine separate tranches from Saeed Sheikh* which Hussain Nawaz didn't mention during any of his appearance before the JIT.

Saeed Sheikh was maternal uncle of Javed Kiyani; allegedly involved in sending substantial amounts in the shape of traveller cheques to Javed Kiyani from America **through a personal courier named Phil Berry** which were deposited and converted into dollars bearer certificates and liquidated and handed over to Sharif family at Model Town for onward deposit into Hudaibiya Mills Accounts.

QATARI PRINCE DIDN'T FACE JIT:

On 8th July 2017; the PML[N] government showed its hand vowing not to accept the JIT's investigation report in the absence of the statement of

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former Qatari prime minister Sheikh Hamad bin Jassim bin Jaber Al-Thani, a key defence witness.

The media held that the case was basically based on money trails for the Park Lane apartments but travelling through the Steel mills in Dubai and Jeddah. The said trails were to be provided by the PM Nawaz Sharif and his family members.

In addition, the '**confession statement of early 2000s**' of Finance Minister Ishaq Dar was also being used to establish the case against the Sharif family. This was why the JIT summoned almost all important characters named in various files of FIA and Mr Dar's confession.

The JIT also summoned CEO National Bank of Pakistan Saeed Ahmed, and some officials from the State Bank of Pakistan [SBP]. Among others, a British-Pakistani Kashif M Qazi, was also summoned; four bank accounts in Qazi family's name were used to allegedly launder the Sharifs' money.

The leadership of the ruling PML[N] was visibly unhappy with this development, and made no secret of its disdain for the report, which did not include the statement of Sheikh Al-Thani. This message was conveyed by four key cabinet ministers at a press conference held in Islamabad on 8th July 2017, two days before JIT Report's submission.

The JIT in fact had written to Sheikh Al-Thani thrice and the prince responded in writing raising questions over JIT's jurisdiction. The JIT wanted him to testify inside the territorial jurisdiction of Pakistan and offered to host him in Pakistan or record his statement at the Pakistani embassy at Doha but the Prince Hamad bin Jassim wanted to talk them [the JIT members] at his palace.

The Supreme Court, during hearing of the Panama Papers case, had already observed that the Qatari evidence could be discarded if Sheikh Al-Thani did not testify before the JIT in person.

The JIT had also questioned the first NAB Chairman Lt Gen [R] Syed Amjad, under whom the bureau had filed three corruption references against the Sharif family. He was the NAB Chief who had pardoned Ishaq Dar, the then accused in the corruption references against Sharifs, but later turned an approver.

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Lt Gen [R] Munir Hafeez, the second NAB Chairman, was also examined by the JIT; the Hudaibiya Paper Mills reference was adjourned sine die while Gen Hafeez was heading the NAB.

Incumbent Chairman Qamar Zaman Chaudhry was the last witness examined by the JIT. Mr Chaudhry was asked why NAB did not appeal the Lahore High Court [LHC]'s order to quash the Hudaibiya reference, and why he did not authorise a re-investigation.

In response, the NAB chief handed over a minute sheet, signed by then Prosecutor General of NAB, K.K. Agha, along with his legal opinion for why the LHC order should not be appealed. Besides the Prosecutor General, an Additional Deputy Prosecutor General who handled the case had also opined against filing an appeal.

Documents, handed over to the JIT by the NAB Chairman, explained that:

"Since the elder Mian Sharif [Nawaz Sharif's father] is now deceased, it would be a waste of NAB's time and resources and may be presumed as 'victimisation'. In the opinion of prosecution this is not a fit case for an appeal."

Separately, an FIA team investigating allegations of record tampering by the SECP found its chairman, Zafarul Hijazi, guilty of altering the records of Chaudhry Sugar Mills Ltd, owned by the Sharif family, and recommended the registration of an FIR against him.

The FIA submitted the 28-page report to the apex court a day before, where it endorsed the JIT's allegation of record-tampering against the SECP. Besides the registration of a criminal case against the chairman under Sections 466, 472 of the Pakistan Penal Code [PPC] and Section 5(2) of the Prevention of Corruption Act 1947, the FIA also recommended disciplinary proceedings against SECP Director Ali Azeem and Maheen Fatima, who headed the Internal Audit and Compliance Department.

What PERSONAL ASSETS Pakistan's PM Nawaz Sharif made during his governance AND who else was involved - JIT's report made surprising revelations in that context.

During his first slot of premiership, PM Nawaz Sharif had sold 98 national assets / organisations to his cronies and friends and had earned billions as commission or kick-back; on papers they all were shown 'running in loss'

thus only Rs:60 billion were put in government treasury valuing them all as peanuts.

Amongst PM Nawaz Sharif's friends, Tariq Saigal, Mian Mansha, Haji Saifullah and Ashraf Baluch [contractor] were more prominent.

Some of the details of national assets / institutions sold were that:

Al-Ghazi Tractors was sold in Rs:106 million; National Motors for Rs:150 million; Millat Tractors for Rs:310 million; Balochistan Wells for Rs: 270 million; Pak Suzuki for Rs:172 million; Nya Daur Motors for Rs:22 million; Bolan Castings for Rs:69 million and Maple Leaf Cement was sold to Mian Mansha for Rs:486 million.

JIT report carried names of all other units which were de-nationalised during the first term of PM Nawaz Sharif. The units were declared redundant first showing nil or negligible income but the units are still running and making fortunes for their later owners. Before PM took over the Government, the Sharif family had assets worth Rs:250 million BUT in 1993 when their Government was dismissed on corruption, Sharif family had assets worth more than Rs:23.50 billion.

JIT revealed in the report that the Sharif family made tremendous increase in their assets in 1992, while their sources of income were the same as of 1980s and were under the administration of PM's father, Mian Sharif.