

# SECP orders removal of Hussain Lawai as PSX chairman

The Securities and Exchange Commission of Pakistan (SECP) on Tuesday asked the Pakistan Stock Exchange (PSX) to immediately remove Hussain Lawai from his post as PSX chairman .

Lawai was detained by the Federal Investigation Agency (FIA) last week over charges of money laundering. Subsequently, a judicial magistrate in Karachi had remanded him in FIA custody till July 11.

The agency has accused him of facilitating the opening of 29 'fake' accounts in Summit Bank, Sindh Bank and United Bank Limited.

The commission has asked PSX for Lawai's removal from the post of chairman and, as per disciplinary rules, the appointment of a new chairman.

The SECP's orders have been issued in light of the FIR filed by FIA on July 6 under the Anti-Money Laundering Act, 2010, and the Prevention of Corruption Act, 1947.

According to the FIR registered against Lawai and others, billions of rupees were deposited into the said fake accounts and subsequently transferred to different accounts, including that of PPP Chairperson Asif Ali Zardari and his sister Faryal Talpur's company – Zardari Group – which is shown to have received Rs15 million.

The FIR stated that the bankers accused in the case "opened fake/forged accounts by fraudulently fulfilling the codal formalities i.e. obtaining signatures".

Meanwhile, during a meeting of PSX directors on Monday, it was decided that the board should keep any action on Lawai's case

in abeyance as no instructions were received from SECP and the FIA action against Lawai had nothing to do with PSX, but was some unresolved issue with another bank.

The relevant laws did not prevent a person from holding the office of the chairman of PSX until he was convicted or he voluntarily resigned. Since nothing of the sort had happened, the board had decided to wait and watch, it was earlier reported.

## **'I am innocent'**

In a brief chat with media personnel earlier, Lawai had maintained his innocence and said he would ask for relief from the court on account of his medical condition. "I have nothing to do with this case. Nothing has been recovered from me," he said.

"This case is about money laundering: those who did this [launder money] are abroad, and I have been accused."

"I am a heart patient. I will ask the court to give me medical relief," he added.

When asked if he had been arrested due to his rumoured friendship with Zardari, Lawai said: "I do not know if I have been arrested because of Asif Ali Zardari or something else. Only time will tell why I am being targeted."