

From: **Asif Siddiq Kasbati** <asif.s.kasbati@professional-excellence.com>

Date: Wed, Dec 17, 2025 at 5:36 PM

Subject: TLQC3396= IMF 11 New Conditions for \$7 billion: Anti Sugar Mafia & Corruption, Tax Legal Reference, etc

590+ Taxes & Levies Quick Commentary - TLQC 3396

A. Background

1. We also refer to the related Important TLQC's **in trail, blue, italic and double Line** (a) 3391 of 12.12.25 about IMF directions: Improve FBR Structure and Reduce FBR Rules making authority & Officers Powers (b) 3373 of 4.12.25 about IMF Corruption, etc Report details Ex Sindh Governor; Govt could not Counter IMF Report
2. We also refer to several Other TLQCs including (a) 3387 of 11.12.25 about IMF direction: Tax Simplification Plan by May 2026 (b) 3370 of 3.12.25 about IMF Indicts Rampant Corruption Governance, Elite Capture, Institutional Breakdown but No accountability (c) 3366 of 1.12.25 about IMF highlighted over Rs 4.5 Billion Corruption (while Budget Revenue is 12.5 Billion) – Mr Kamran Khan, etc (d) 3360 of 24.11.25 about IMF highlighted Ad hoc Changes in Tax Policies and Governance & Corruption Issues

B. Updated Commentary

1. Further to KQU 3701 of 15.12.25, **being an important matter**, we would inform you about [IMF imposes 11 new conditions to Pakistan's \\$7 billion bailout package](#) (**Attachment 3396.1**) in the ensuing paragraph, with emphasis ours in **bold** & underline for quick reading.
2. **The IMF has slapped Pakistan with 11 more stringent conditions to address corruption vulnerabilities, end elite capture of the sugar sector and unearth the true cost of foreign remittances. The new conditions have also been imposed to reduce losses in the power sector through private sector participation, improve governance and service delivery, and enhance the effectiveness of the highly inefficient FBR.**
3. The IMF released the Staff-level Report for the Second review of the [\\$7 Billion bailout package](#), which disclosed that the lender has imposed 11 additional conditions on Pakistan. **With the fresh additions, the total number of conditions has risen to 64 in the short span of one and a half years.**
4. **According to the report, Pakistan will publish on a government website the asset declarations of high-level federal civil servants by December next year.** The purpose is to identify mismatches between income and assets. The report stated that the government also plans to expand this obligation to high-level provincial civil servants and allow banks full access to their declarations.
5. **By October next year, Pakistan will publish an action plan to mitigate corruption vulnerabilities in 10 identified departments based on institutional-level risk assessments.** The National Accountability Bureau will lead and coordinate the development of action plans for agencies identified as facing the highest risks.
6. **To strengthen provincial capacities to mitigate corruption risks, provincial anti-corruption establishments will be empowered to receive financial intelligence and continue receiving capacity-development support** for financial investigations of corruption offences within their jurisdiction. The IMF's new conditions followed the publication of the Governance and Corruption Diagnostic Assessment report, which exposed deep weaknesses in Pakistan's legal and governance systems.
7. The IMF has also instructed Pakistan to complete a comprehensive assessment of remittance costs and structural impediments to cross-border payments, complemented by an action plan by May next year. The condition comes after remittance costs were projected to rise to \$1.5 billion in the next couple of years. Remittances remain the single largest source of financing Pakistan's contained imports.
8. **By September next year, the government will conduct a comprehensive study of bottlenecks hindering local currency bond market development and publish a strategic action plan to address required improvements.**

9. To break the elite capture of the sugar industry, the IMF has imposed a condition requiring the federal and provincial governments to agree and the federal cabinet to adopt a national policy for **sugar market liberalisation by June 2026**. The policy must include recommendations on licensing, price controls, import and export permissions, zoning, and clear implementation timelines. The FBR's poor performance has also triggered new conditions. The IMF has asked the government to finalise a roadmap by end-December to prioritise reforms; assess staffing requirements and roles; set timelines and milestones; estimate revenue impacts; and determine key performance indicators (**KPIs**) to monitor progress.

10. Based on this roadmap, the government must complete all actions necessary to fully implement at least three priority areas agreed with IMF staff, including any required subordinate legislation, staff hiring and allocation, and initial KPI reporting.

11. By December next year, the government must also develop and publish a comprehensive medium-term tax reform strategy, including a sequenced roadmap of tax policy, administration and legal reforms, clear governance arrangements, and a resource plan for implementation.

12. By the same deadline, the government will finalise preconditions for private-sector participation in HESCO and SEPCO and sign public service obligation (**PSO**) agreements with each of the seven largest entities before the next budget is submitted to Parliament.

13. The government will also prepare and submit to Parliament amendments to the Companies Act, 2017 to strengthen compliance for unlisted firms, modernise corporate governance structures and align regulations with international best practices. It will also publish a concept note outlining the scope, objectives and expected outcomes of proposed amendments to the SEZ Act, including the rationale for reform and KPIs.

14. The government has agreed to the need for a mini-budget if revenues fall short of expectations by end-December 2025, according to the IMF. The measures would include raising federal excise duty on fertilisers and pesticides by 5%, imposing excise duty on high-value sugary items and broadening the sales tax base by moving select items to the standard rate. The IMF has also extended the deadline to publish an action plan to address vulnerabilities highlighted in the Governance and Corruption Diagnostic report.

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Statement, Advisory, Return Filing or Review services, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com, asif.s.kasbati@professional-excellence.com.

Best regards for Here & Hereafter
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Managing Partner

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From: Asif Siddiq Kasbati <asif.s.kasbati@professional-excellence.com>

Date: Fri, Dec 12, 2025 at 12:15 PM

Subject: TLQC3391= IMF directions: Improve FBR Structure and Reduce FBR Rules making authority & Officers Powers

A. Background

1. This refers to Important relevant QCs in trail, in blue, in italic and after double line TLQC3387 of 12.11.25 about IMF direction: Tax Simplification Plan by May 2026

2. We also refer to several other TLQCs including (a) 3243 of 24.8.25 about So-called Simplified & Delayed Salaried class (with no business) TY 2025 Form - SRO 1561 (b) 2580 of 20.12.23 about Tax Simplification and Huge Electricity & Petrol Free from Taxpayers money

B. Updated Commentary

1. Further to KQU 3691 of 8.12.25, **being an important matter**, we would inform you about Video Pakistan told to Release Tax Simplification Plan by Next Year (as covered in detail in TLOC 3387 in trail) plus matter in para 2 & 3 (Attachment 3391.1) in ensuing paragraph, with emphasis ours in **bold** & Underline for quick reading.

2. The IMF's Recommendations include limiting the FBR's authority to make Rules, issuing annual progress reports on the implementation of FBR's recommendations, and improving the FBR's organizational structure.

3. The Fund has also advised reducing the powers of FBR's field offices and increasing accountability in FBR operations.

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com.

Best regards for Here & Hereafter
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From: Asif Siddiq Kasbati <asif.s.kasbati@professional-excellence.com>

Date: Thu, Dec 4, 2025 at 6:16 PM

Subject: TLQC3373= IMF Corruption, etc Report details Ex Sindh Governor; Govt could not Counter IMF Report

A. Background

1. We also refer to the related Important TLQCs in **trail, blue, italic and double Line** (a) 3370 of 3.11.25 about IMF Indicts Rampant Corruption Governance, Elite Capture, Institutional Breakdown but No accountability (b) 3366 of 1.12.25 about IMF highlighted over Rs 4.5 Billion Corruption (while Budget Revenue is 12.5 Billion) – Mr Kamran Khan, etc

2. We also refer to several Other QCs including (a) 3360 of 24.11.25 about IMF highlighted Ad hoc Changes in Tax Policies and Governance & Corruption Issues (b) 3353 of 18.11.25 about High Tax Policies, etc lead to 1000s Industries Closure or Moved abroad & Action please(c) TLQC3354 of 19.11.25 about Tax Records Manipulation & Administrative Negligence and FST Fraud – FTO detailed deliberation against FBR (d) TLQC2884 of 30.8.24 about High Taxes, Bills & Corrupt System but Brain Drain not Advisable (e) TLQC2881 of 27.8.24 about ST at Import Stage be abolished to reduce Corruption - SZ (f) EIQC268 of 11.11.23 about Corruption acceptance by PPP Representative on Media

B. Updated Commentary

1. Further to KQU 3627 of 27.11.25, **being an important matter**, we would inform you about Video by Mr Zubair PML-N, etc Corruption Report details being explained by Ex Sindh Governor Mr M Zubair (& Nawaz Sharif Supporter) (Attachment 3373.1) in ensuing paragraph, with emphasis ours in **bold** & Underline for quick reading.

2. **IMF corruption report accusing Pakistan of misappropriating 5,300 billion rupees, described as historically significant and damaging particularly to the poor. The speaker demands accountability from PM Mr Shahbaz Sharif, accusing him of ignoring the report and suppressing transparency. The report highlights policies that enrich the wealthy at the expense of the poor majority, deepening economic disparity. It criticizes the government's alleged cover-up involving the imprisonment of political opposition, especially PTI and its leader Imran Khan, claiming the charges lack legitimacy.**

3. The speaker urges a public response from the Prime Minister, either by disputing or investigating the IMF findings, emphasizing the need for transparency and justice. The narrative ties economic stagnation and lack of investment to systemic corruption and governance failures. The call for transparency is framed as essential for national trust and economic recovery,

contrasting Pakistan's situation with other countries attracting investment. The speaker also references political amendments and rigged elections as factors worsening economic conditions and undermining democratic mandate.

4. The IMF report alleges corruption amounting to 5,300 billion rupees, damaging Pakistan's economy and society, especially the poor. Prime Minister Shahbaz Sharif is criticized for not addressing the report or providing clarifications.

5. Accusations state that policies benefit the rich while the poor suffer increased hardship.

6. Opposition leaders, specifically Imran Khan and PTI members, are claimed to be unfairly imprisoned as part of a political cover-up. The speaker demands a transparent investigation and public disclosure of who is responsible for corruption and how much money was recovered.

7. Economic growth is stagnant, with Pakistan lagging behind countries like India, Bangladesh, Vietnam, and Cambodia due to lack of transparency. The report suggests that with transparent policies, Pakistan's growth rate could improve to 6.4%, compared to the current average of 1.6%. Economic policies are linked to worsening poverty and loss of investor confidence in Pakistan.

8. The political leadership is accused of lacking a legitimate mandate, resulting from rigged elections, and using force to silence opposition.

9. The speaker calls for immediate action from the government, including holding a press conference or parliamentary session to respond to these serious allegations.

C. Multiplication - for better Corruption Free Pakistan for your Family

If Media & Public support continues to discuss above matters and you send to your friends & relatives to be a part of this great struggle based on regular increase in Jamaat e Islami membership form being filled (atleast multiply this), then you will find the best Govt, as JI has all Sector Experts. We expect that you would support and be a Member of the JI, whose workers are taking risks and working in your Favour; and Against Corruption, Unreasonable Inflation, Electricity Prices due to Capacity, Line Losses, etc; We expect that you will atleast multiply this email. Otherwise, be ready for constant increase in Corruption, Inflation, Taxes etc and Brain Drain including your Children.

D. Further Details & Services

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