



**SECURITIES & EXCHANGE COMMISSION OF PAKISTAN  
NIC BUILDING BLUE AREA, ISLAMABAD**

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**Before the Joint Director (Securities Market Division)**

**In the matter of Show Cause Notices No. SMD/Co.62/3/2004-S dated January 23, 2006 and January 26, 2006 issued to Mr. Omer Rasheed under Section 18-A of the Securities and Exchange Ordinance, 1969 for submission of more than one application for subscription of shares of Sui Southern Gas Company Ltd. (the Company) which were offered to the general public on February 9-11, 2004.**

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**Date of hearing:**

**January 31, 2006**

**Present at hearing:**

Representing the applicant:

- i. Mr. Raza Hassan Jafri (Manager Accounts of Central College run by Mr. Omar Rashid)
- ii. Mr. Omer Rashid
- iii. Mr. Faisal Mahmud (Accountant of Mr. Omer Rashid)

Assisting the Joint Director (SM):

- i. Ms. Asma Tayyiba

Deputy Director, CI

## **ORDER**

1. The matter arises from the show cause notices No. SMD/Co.62/3/2004-S dated January 23, 2006 and January 26, 2006 issued by the Securities and Exchange Commission of Pakistan (the Commission) to Mr. Omer Rasheed, S/o Muhammad Ahmad Javed, NIC No. 35202-8990057-5, address: House No. 116-J, Model Town, Lahore (the Applicant)

2. Facts of the case are that AMZ Securities (Pvt) Ltd., Consultant to the Offer, on behalf of the Privatisation Commission (the Offerer) vide letter dated March 13, 2004 furnished to the Commission a list of cases of all those applicants which were detected by Noble Computer Services (Pvt.) Limited (the balloters to the offer) as being filed in violation of Section 18A of the Securities and Exchange Ordinance, 1969, which stipulates that:

*“(1) No person or any other person on his behalf shall make a fictitious application or submit more than one application for shares of companies offered to the public. (2) In case of contravention of the provisions of subsection (1), the application money shall be liable to confiscation.”*

3. Mr. Omer Rasheed’s name appeared in the aforementioned list of multiple applicants. One application bearing No. 04-125-0067 was submitted through Faysal Bank Limited, DHA Branch, Lahore and the other application bearing No. 06-0134-0022 was submitted through Habib Bank Limited, Shah Alam Market Branch, Lahore. Both the applications were submitted under the same name with the same NIC number, father’s name and signatures.

4. The Commission called for a written explanation from Mr. Omer Rashid vide letter dated March 31, 2004 by sending a letter at the address mentioned on Application No. 04-125-0067. Reminders dated May 14, 2004, June 9, 2004 were also issued in this regard. However, no reply to these letters was received.

5. A letter dated October 18, 2005 was also sent to Faysal Bank Limited, DHA Branch, Lahore (FBL) requesting them to deliver the aforementioned letters to Mian Omar Rasheed, holder of account number 2008262-001 with FBL. A reply dated December 1, 2005 was received from FBL stating that the letters were delivered to Mr. Omer Rasheed who refused to acknowledge the said letters.

6. Since, no address was mentioned in the Application form No. 06-0134-0022, the Commission requested Habib Bank Limited, Shah Alam Market Branch, Lahore (HBL) vide letter dated October 18, 2005 to deliver the aforementioned letters to Mr. Omar Rasheed, holder of account number 13855-19 with HBL. No reply to the said letter was received.

7. In order to ascertain the factual position and to reach to a conclusion, the aforementioned show cause notices were issued and subsequently a hearing was held on January 31, 2006 at the Companies Registration Office, Lahore. During the course of the hearing, Mr. Raza Hassan Jafri appeared before me on behalf of Mr. Omar Rasheed, stating that Mr. Omar Rasheed is a landlord and is usually away from Lahore in connection with matters relating to his lands which are situated outside Lahore . He said that Mr. Omar Rasheed is also the owner of “Central College” Lahore and had instructed one of his employees to apply to the shares of Sui Southern Gas Company Ltd (SSGC). His employee by mistake submitted two applications in his name. He said that the employee was unaware of the provisions of the law and that he had inadvertently submitted two applications in the name of Mr. Omar Rasheed. He requested for refund of the subscription money against both the applications i.e No. 04-125-0067 & 06-134-0022. In support of his arguments, Mr. Raza Hassan Jafri presented an authority letter duly signed by Mr. Omar Rasheed, however he did not present the original Identity card of Mr. Omar Rasheed. In order to establish the existence of Mr. Omar Rasheed I advised Mr. Raza Hassan Jafri to inform Mr. Omar Raheed to appear in person before me on Wednesday February 15, 2006 at the Head Office of the Commission at NIC Building , Blue Area, Islamabad.

8. Mr. Omar Rashid then requested for refixing of his hearing on Monday February 20, 2006 which was acceded to and subsequently Mr. Omar Rashid appeared before me in person alongwith his accountant Mr. Faisal Mahmud on February 20, 2006 at the Head Office of the Commission at Islamabad. During the course of the hearing, Mr. Omar Rashid stated that he resides in his village which is situated outside Lahore. He said that he signed two application forms for subscription of shares of SSGC and asked one of his employee of Central College Lahore namely Mr. Mustafa to submit only one application, however, inadvertently he submitted both the application forms. He requested the Commission to condone his mistake as this was the first time ever he had submitted more than one application in his name and said that this mistake was unintentional.

9. I have considered the arguments presented before me by Mr. Omar Rashid. A perusal of the applications and the correspondence exchanged in the matter reveals that these applications have been submitted by the same person, however, since Mr. Omar Rashid admitted to his mistake of filing more than one application in his name and keeping in view the Commission’s policy to refund the subscription money in all such cases of first time violation of Section 18A of the Securities and

Exchange Ordinance, 1969 where the violation was unintentional, the Privatization Commission is advised to refund the subscription money against both applications bearing No. 04-125-0067 & 06-134-0022 submitted by Mr. Omer Rashid through Faysal Bank Limited, DHA Branch, Lahore and Habib Bank Limited, Shah Alam Market Branch, Lahore respectively.

**Jahanara Sajjad Ahmad**  
**Joint Director (Securities Market Division)**

***Announced:***  
***March 31, 2006***  
***Islamabad.***