



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

\*\*\*

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

**In the matter of Show Cause Notices No. SMD/Co.62/2/2004-S dated January 23, 2006 and January 26, 2006 issued to Mr. Muhammad Rizwan Bashir under Section 18-A of the Securities and Exchange Ordinance, 1969 for submission of more than one application for subscription of shares of Bank Alfalah Ltd. (the “Bank”) which were offered to the general public on May 17-18, 2004.**

-----

**Date of hearing:**

**January 31, 2006**

**Present at hearing:**

Representing the applicant:

- i. Muhammad Rizwan Bashir
- ii. Mr. Aftab Jabbar (submitted application No. 125  
through Bank Alfalah Limited, Circular Road,  
Lahore)

Assisting the Joint Director (SM):

- i. Ms. Asma Tayyiba

Deputy Director, CI

## **ORDER**

1. The matter arises from the show causes notice No. SMD/Co.62/2/2004-S dated January 23, 2006 issued by the Securities and Exchange Commission of Pakistan (the Commission) to (i) Muhammad Rizwan Bashir S/O Bashir Ahmad NIC No. 35202-2844817-7, address: House No. E-761, canal View Housing Society, Lahore (Applicant No. 1); and (ii) Muhammad Rizwan Bashir, S/O

Bashir Ahmad, NIC No. 35202-2844817-7, address: 217 Inside Akbari Mandi, Lahore (Applicant No. 2).

2. Facts of the case are that Bank Alfalah Ltd (the Bank), on behalf of sponsoring shareholders of the Bank (the Offerer) vide letter dated June 07, 2004 furnished to the Commission a list of cases of all those applicants which were detected by Uni Corporate and Financial Services (Pvt) Ltd (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. Muhammad Rizwan Bashir’s name appeared in the aforementioned list of multiple applicants. One application bearing No. 13-0406-0024 was submitted through PICIC Commercial Bank Limited, Circular Road Branch, Lahore and the other application bearing No.04-0037-125 was submitted through Bank Alfalah, Circular Road Branch, Lahore. Both the applications were submitted under the same name with the same NIC number and father’s name but with different address and signatures.

4. The Commission called for a written explanation from Applicant No. 1 vide letter dated July 12, 2004 at the address mentioned at the application form No. 13-0406-24 i.e. House No.E-761, Canal View Housing Society, Lahore. He replied vide his letter dated July 15, 2004 that only one application had been submitted by him through PICIC Commercial Bank Ltd, Circular Road Branch, Lahore.

5. The Commission then called for a written explanation from Applicant No. 2 vide letter dated July 12, 2004 at the address mentioned on the application form No.04-0037-125 i.e. 217-Inside Akbari Mandi, Lahore. No reply to the said letter was received.

6. The Commission vide a letter dated October 15, 2004 refunded the subscription money to the Applicant No. 1 against the application number 13-0406-24.

7. Bank Alfalah Limited, Circular Road Branch, Lahore was then requested vide a letter dated March 1, 2005 to provide the name, address and NIC number of holder of account No. 01004417 which was mentioned on the application No. 04-0037-125. Bank Alfalah Limited vide their letter dated March 2, 2005 informed that the said account number does not exist in the books of accounts of the bank and that the applicant was a walk-in client who deposited his money for the subscription of shares of Bank Alfalah through pay order.

8. Later, a letter dated December 15, 2005 was also received from Applicant No. 1 wherein he stated that it had come to his knowledge that by mistake an acquaintance his had used his NIC to submit the application through bank Alfalah Limited and that subscription money deposited against the other application be also refunded.

9. 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, Muhammad Rizwan Bashir appeared in person stating that he submitted only one application No. 13-0406-0024 through PICIC Commercial Bank Limited, Circular Road Branch, Lahore using account No. 0406283610. He presented his original NIC and also submitted a letter dated January 26, 2006 stating that he apologizes and regrets sending his letter dated December 15, 2005 wherein he had stated that an acquaintance of his had submitted the other application through Bank Alfalah Limited. He further stated that he had made this false statement due to influence of officials of Bank Alfalah Limited. Another person namely Mr. Aftab Jabbar also appeared in person stating that he had submitted the other application No. 04-0037-125 by using the NIC of Mr. Muhammad Rizwan Bashir. He presented his original Driving License. He requested that his mistake be condoned and subscription money be refunded against his application.

10. I have considered the arguments presented before me by the applicant. A perusal of the applications and correspondence exchanged in the matter reveals that these applications have been

submitted by two different persons using the same NIC number and Father's Name but with different addresses & Signatures. From the facts presented before me, it is evident that application No. 13-0406-0024 submitted by Mr. Muhammd Rizwan Bashir through PICIC Commercial Bank Limited, Circular Road Branch, Lahore is genuine and the Privatization Commission (the Offerer) has already been advised vide letter dated October 15, 2004 to refund the subscription money deposited against the said application.

11. Since the other person Mr. Aftab Jabbar also appeared before me in person admitting that he had filed the fictitious application No. 04-0037-125 by using the name and NIC of Mr. Muhammad Rizwan Bashir accordingly, the subscription money deposited against the said fictitious application be confiscated under subsection (2) of Section 18-A of Securities and Exchange Ordinance, 1969. The offerer is advised to deposit the subscription money to be confiscated against application No. No. 04-0037-125 in the designated bank account maintained in the name of Securities and Exchange Commission of Pakistan with Habib Bank Limited within thirty days from the receipt of this Order and furnish the receipted challan to the Commission.

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

***Announced:***  
***March 28, 2006***  
**Islamabad.**