



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

Before the Joint Director (Securities Market Division)

In the matter of Show Cause Notice No. SMD/Co.62/3/2004-S dated January 23, 2006 and January 26, 2006 issued to Mrs. Saira Touqeer under Section 18-A of the Securities and Exchange Ordinance, 1969 for submission of more than one application for subscription of shares of Pakistan Petroleum Limited (the Company) which were offered to the general public on July 19-22, 2004.

Date of hearing:

January 31, 2006

Present at hearing:

Representing the applicant:

- i. Mrs. Saira Touqeer
- ii. Mr. Touqeer-ud-Din (husband of Saira Touqeer)

Assisting the Joint Director (SM):

- i. Ms. Asma Tayyiba

Deputy Director, CI

ORDER

1. The matter arises from the show causes 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 (i) Mrs. Saira Touqeer, W/o Touqeer-ud-Din, NIC No. 35202-2871533-8, address: House No. 59/D, KCHA Feroze Pur, Lahore (Applicant No. 1) and (ii) Mrs. Saira Touqeer, W/o

Touqeer-ud-Din, NIC No. 35202-2871533-8, address: House No. 31-B II, Gulberg-III, Lahore (Applicant No. 2)

2. Facts of the case are that Elixir Securities Pakistan (Pvt.) Ltd., Consultant to the Offer, on behalf of Pakistan Petroleum Limited (PPL) vide letter dated September 15, 2004 furnished to the Commission a list of cases of all those applicants which were detected by Sidat Hyder Morshed Associates (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. Mrs. Saira Touqeer’s name appeared in the aforementioned list of multiple applicants. One application bearing No. 11-1217-844 was submitted through Muslim Commercial Bank Eden Centre, Lahore and the other application bearing No. 01-0199-138 was submitted through Allied Bank of Pakistan Limited, Chowk Dalgiran Branch, Lahore.

4. The Commission called for a written explanation vide letter dated October 06, 2004 at the address mentioned on application No. 11-1217-844 i.e. House No. 59/D, KCHA, Feroz Pur Road, Lahore. A reply dated October 12, 2004 was provided by Applicant No. 1 wherein it was stated that she had submitted only one application through Muslim Commercial Bank, Eden Centre, Jail Road, Lahore and that she does not maintain an account with any other bank and requested for allotment of shares.

5. The Commission then called for a written explanation from Applicant No. 2 vide letter dated November 26, 2004 was also sent on the address mentioned in the application No. 01-199-138 i.e. House 31-B-II, Gulberg-III, Lahore. However, no reply to the said letter has been received. Subsequently, a letter was also sent through the banker to the issue, Allied Bank Limited, Chowk

Dalgitran Branch, Lahore requesting the bank to deliver the said letter to Mrs. Saira Touqeer holder of account No. 3971-2 at their bank branch. However, so far no reply to the said letter has been received.

6. 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, Mrs. Saira Touqeer (Applicant No. 1) appeared in person stating that she had submitted only one application No. 11-1217-844 through Muslim Commercial Bank Limited, Eden Centre, Lahore using account No. 6936-2. In support of his arguments, she presented her original NIC and an account statement of her account No. 6936-2 from Muslim Commercial Bank, Eden Centre, Jail Road, Lahore. She requested the Commission for allotment of shares against application No. 11-1217-844.

7. I have considered the arguments presented before me by Mrs. Saira Touqeer. 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 husband's name but with different addresses & signatures. From the facts presented before me, it is evident that application No. 11-1217-844 submitted by Mrs. Saira Touqeer through Muslim Commercial Bank Limited, Eden Centre Branch, Lahore is genuine, hence the Privatization Commission (the Offerer) is advised to accept application No. 11-1217-844 submitted by Mrs. Saira Touqeer and allot the shares against the same.

8. The identity of Applicant No. 1 has been established as Mrs. Saira Touqeer appeared in person before me and since no one appeared before me in response to show cause notices No. SMD/Co.62/3/2004-S dated January 23, 2006 and January 26, 2006, claiming Application No. 01-199-0138 also filed in the name of Mrs. Saira Touqeer bearing the address 31-B II, Gulberg-III, Lahore, therefore, it is evident that application No. 01-199-0138 is fictitious. 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. 01-199-0138 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 challans to the Commission.

9. Further, the State Bank of Pakistan (SBP) is requested to investigate the opening of account No. 3971-2 in the name of Mrs. Saira Touqeer in Allied Bank of Pakistan, Chowk Dalgiran Branch, Lahore without conducting proper due diligence. Based on the findings of the investigation carried out, SBP is requested to take appropriate action against the concerned individuals/parties under intimation to this office.

Jahanara Sajjad Ahmad
Joint Director (Securities Market Division)

Announced:
March 28, 2006
Islamabad.