



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

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

**In the matter of Show Cause Notice No.SMD/Co.62/2/2004-S dated December 06, 2005 issued to Mr. Muhammad Jamil 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.**

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**Date of hearing:**

**December 13, 2005**

**Present at hearing:**

Representing the applicant:

- i. Mr. Munaf Ismail (Friend of Mr. Muhammad Jamil)
- ii. Mr. Mohammad Saleem (Cousin of Mr. Muhammad Jamil)

Assisting the Executive Director (SM):

- i. Ms. Jahanara Sajjad Ahmad,
- ii. Mr. Muhammad Saeed Rana,

Joint Director, CI

Junior Executive, CI

## **ORDER**

1. The matter arises from the show cause notices No.SMD/Co.62/2/2004-S dated December 06, 2005 issued by the Securities and Exchange Commission of Pakistan (the Commission) to (i) Mr. Muhammad Jamil s/o Essa Usman, NIC No.42301-1029976-9, address: 1/674, Shah Faisal Colony, Karachi (Applicant No 1) and (ii) Mr. Muhammad Jamil s/o Essa Usman, NIC No.42301-1029976-9, address: Flat No.12, Ahmed Terrace, Pakistan Chowk, Karachi (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.”.*

Mr. Muhammad Jamil’s name appeared in the aforementioned list of multiple applicants. One application bearing No. 13-04-332 was submitted through PICIC Commercial Bank Limited, Jodia Bazar Branch Karachi and the other application bearing No.07-039-118 was submitted through Habib Bank Limited, Timber Market Branch, Karachi. Both the applications were submitted under the same name with the same NIC number and fathers name but with different signatures.

3. The Commission called for a written explanation from Applicant No 1 vide letter dated July 12, 2004 at the address mentioned in application No.13-04-332 i.e. 1/674, Shah Faisal Colony, Karachi. He replied vide his letter dated nil that he had submitted only one application No.13-04-332 through PICIC Commercial Bank Ltd., Jodia Bazar Branch, Karachi and requested for refund of subscription money.
4. The Commission also called for a written explanation from Applicant No 2 vide letter dated July 12, 2004 at the address mentioned in application No.07-039-118 i.e Flat No.12, Ahmed Terrace, Moor Street, Pakistan Chowk, Karachi,. A reminder was also sent on September 06, 2004 through the Banker to the Offer i.e. Habib Bank Limited, Timber Market Branch, Karachi. He replied vide his letter dated December 05, 2005 stating that he had filed more than two applications due to unawareness and requested for refund of subscription money.

5. 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 December 13, 2005 at the Companies Registration Office, Karachi.
6. Mr. Munaf Ismail and Mr. Mohammad Saleem appeared in the hearing on behalf of Mr. Muhammad Jamil. However, they did not present any authentic legal document authorizing them to appear on behalf of Mr. Muhammad Jamil. When they were questioned about the whereabouts of Mr. Muhammad Jamil, they replied that he is seriously ill and due to his illness he could not appear in person before me.
7. Mr. Munaf Ismail and Mr. Mohammad Saleem were advised to submit a medical certificate in support of their statement regarding Mr. Muhammad Jamil's illness and were also advised to appear before me at the Commission's Head Office at NIC Building, Jinnah Avenue, Blue Area, Islamabad alongwith an authentic Legal Document authorizing them to appear on behalf of Mr. Muhammad Jamil, within 7 days of the hearing. However, they failed to do either.
8. From the arguments presented before me by Mr. Munaf Ismail & Mr. Mohammad Saleem and from the perusal of the applications and correspondence exchanged in the matter it is evident that these applications have been submitted by someone else by unauthorized use of Mr. Muhammad Jamil's NIC. It is evident that application No.13-04-332 & 07-039-118 are fictitious. Accordingly, the subscription money deposited against the said fictitious applications be confiscated under subsection (2) of Section 18-A of Securities and Exchange Ordinance, 1969. Bank Alfalah Limited is advised to deposit the subscription money confiscated against application No.13-04-332 & 07-039-118 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 receipted challans to the Commission.

**Arif Mian**

**Executive Director (Securities Market Division)**

***Announced:***

***January 30 , 2006, Islamabad.***