

**Appellate Bench Orders**  
**Order in case of Mian Muhammad Aslam Farid.**

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*April 11, 2001*

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**BEFORE APPELLATE BENCH NO. 2**

**Appeal No. 11 of 2001**

under Section 33 of the  
Securities and Exchange Commission of Pakistan Act, 1997

Mian Muhammad Aslam Farid ..... Appellant

**Vs.**

Mr. Shahid Ghaffar, Executive Director,

Securities & Exchange Commission of Pakistan,

NIC Building, Jinnah Avenue, Islamabad ..... Respondent No.1

Major (Retired) Muhammad Jahangir, resident of

House No.411, St-35, I-8/2, Islamabad ..... Respondent No.2

Islamabad Stock Exchange (Guarantee) Ltd.,

ISE Building, Jinnah Avenue, Islamabad ..... Respondent No.3

Date of Hearing: 11 April, 2001

**Present:**

1. Mian Aslam Farid, Appellant
2. Ms. Ayesha Shaikh, Deputy Director, on behalf of Respondent No.1
3. Maj. (R) Muhammad Jahangir, Respondent No.2

4. Mr. Ahmed Noman, Deputy Secretary, Islamabad Stock Exchange, on behalf of Respondent No.3

### **ORDER**

The appeal filed by Mian Muhammad Aslam Farid, Appellant came up for further proceedings on 11.4.2001. A day before the date of hearing, a letter dated April 7th, 2001 from Major (Retd) Muhammad Jahangir, Respondent No.2, was received stating that he has withdrawn his complaint against the Appellant.

2. Ms. Ayesha Shaikh, Deputy Director (Securities Market Division) submitted written reply on behalf of Respondent No.1 in pursuance of Order dated 19.3.2001, copy of which was also handed over to the Appellant.

3. The Appellant's counsel while resuming his arguments stated that since complaint against the Appellant has been withdrawn, the Order passed by the Executive Director (Securities Market Division) (Respondent No.1), is liable to be set aside. The letter of withdrawal by Respondent No.3 placed before us is immaterial and irrelevant for consideration in this case in appeal. Further, when asked to produce some ruling on the subject, he expressed his inability.

4. As regards the jurisdiction issue, he again challenged the competency of Respondent No.1 and emphasized that Respondent No.1 was not authorized by the Commission to remove a member of the Stock Exchange from his membership and to issue directions for the sale of his seat. He further stated that specific powers delegated through Commission's Notification dated November 6, 2000 supersede the general powers delegated to an officer. Ms. Ayesha Shaikh, Deputy Director (Securities Market Division) appearing on behalf of the Respondent No.1 reiterated that Respondent No.1 was competent to pass the impugned Order by virtue of the powers delegated to him by the Commission under Section 10 read with Section 20 (4)(o) of the Securities and Exchange Commission of Pakistan Act 1997. The jurisdictional issue at the relevant time still remains disputed.

5. In the written comments filed by the Executive Director (Securities Market Division), it was prayed that either the impugned Order be upheld or alternatively the matter may be referred back to him for reconsideration. The Appellant's counsel did not object and he was also of the view that the case merits remand to the Respondent No.1.

6. In the light of above, the case is hereby referred back to the Respondent No.1 for consideration on merit and having regard to all the facts and material on record.

**Announced : 11th April, 2001**

**(N.K. SHAHANI)**  
Commissioner  
(Securities Markets & Insurance)

**(M. Zafar-ul-Haq Hijazi)**  
Commissioner