

12/12/07
IN THE COURT OF IIIRD ADDITIONAL SESSIONS JUDGE KARACHI SOUTH.

BEFORE:- MR. SULTAN MUHAMMAD AWAN

DIRECT COMPLAINT NO. 580 OF 2007.

Securities & Exchange Commission of Pakistan.....COMPLAINANT.

VERSUS.

Muhammad Ajmal Ansari and others.....ACCUSED PERSONS.

14.11.2007.

ORDER.

THIS is a Direct Complaint filed by Mr. Imran I. Panjwani, Director Securities Market, Securities & Exchange Commission of Pakistan (SECP) through his Counsel, Mr. Muhammad Ashraff Kazi. The Complaint/report is under Section 15-A and Section 17 punishable under sections 15B (4) and Sections 24 and 25 of the Securities & Exchange Ordinance, 1969. The Complainant Mr. Panjwani is a Public servant and has filed this complaint in discharge of his official duties. I have gone through the complaint and perused the record, the complaint has been filed against Muhammad Ajmal Ansari, Imran Mehmood, Asim Fayyaz Qureshi, Naveed Haider Bukhari, Muhammad Ashraf Khan, Irfan Mehmood, Muhammad Hisar Ansari, Mirza Usman Baig, Muhammad Hassan, Ahmed Jamil Ansari and Nadeem Ahmed Khan. From a perusal of paragraphs 13 and 14 of the complaint and the SECP Report it shows that during the period November, 7, 2006 to December, 8, 2006 (Subject period), SECP discovered an unusual trading pattern in the trading of shares in Callmate Telips Telecom Ltd (CTTL) It is further mentioned in paragraph 14 of the complaint that the changed trading pattern was ascertained by comparing the average daily turnover of CTTL Shares during the Subject period which increased to 4, 680,000/- shares as against the average daily turnover of 1, 713, 367 shares during the preceding 12 months period.

As per paragraph 15 of the complaint , due to the increase in the trading volumes during the subject period, the SECP as per the law held an inquiry into the affairs and dealings in shares of CTTL on the Karachi Stock Exchange, Two officers of SECP, Imran I. Panjwani, Director, Securities Market Division , and Faisal Iqbal, Deputy Director, Securities Market Division were authorized to conduct the investigation against the accused persons. The said two officials of SECP conducted the inquiry and prepared the SECP



Report, with the complainant. The report and documents contain the details of the overt acts assigned to each of the accused persons including their indulging in wash trades/circular trades and insider trading and other manipulative practices in CTTL Shares. Through this process and their criminal acts, the accused persons bought and sold CTTL shares and wrongfully made gain causing wrongful loss to the public at large. The specifics of the allegations against the accused persons are set out in paragraphs 29 to (37B) as well as in the SECP report and are reflected in the documentary evidence annexed with the complaint.

From the evidence which has been placed on the record including the SECP Report, the accused persons for obtaining their wrongful gain engaged in wash trades/circular trades insider trading and other manipulative practices, in which they aided and abetted each other. . The accused persons created false and misleading appearance of active trading in CTTL shares with a view to raising the price of the CTTL shares for inducing purchase by the public at large and also sold the CTTL shares to make unlawful gains. In addition, the accused persons used price sensitive insider information to indulge in trading in CTTL shares. Prima facie offence under section 15-A and Section 17 punishable under section 15B and Sections 24 read with 25 is made out against the accused persons. Register the complaint, issue bailable warrants against each of the accused persons in the sum of Rs. 100,000/- (One Lac each) with one surety and PR bond in the like amount each in terms of section 265-C Cr.P.C the complainant shall supply complete set of the complaint to the accused persons in court. Adjourned to 24.11.2007 for the further proceedings in the case.

Announced in open court.

Given under my hand and seal of the court, this 14th day of November 2007.

Date of Application 14/11/07
 Fees Estimated on 14/11/07
 Fees Deposited on 14/11/07
 Copy Ready on 14/11/07
 Stamp Supplied on 14/11/07
 Copy Certified on 14/11/07
 Copy Delivered on 14/11/07
 Copying Charges Rs. 14/11/07
 Compare Charges Rs. 14/11/07
 Paper Charges Rs. 14/11/07

sd/-14-11-2007
 (SULTAN MUHAMMAD AWAN)
 IIIRD ADDL.SESIONS JUDGE KARACHI SOUTH

Compared by 14/11/07 Prepared by 14/11/07
 RETURNED TO AS FREE COPY

1127
 14.11.07
 CRISTHEDAR
 11th Additional District & Session Judge
 (Madood) Karachi (South)