



# SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

*Strategy, Development and External Relations Department*

*Press Release*

## **SECP issues orders and warning letters**

ISLAMABAD, January 9: In order to develop an efficient and dynamic securities market and to safeguard the investors' interest, the Securities Market Division of the Securities and Exchange Commission of Pakistan took enforcement actions and penalized the market participants for non-compliance to the regulatory framework during the month of December 2011.

An order was passed against Zafar Moti Capital Securities Ltd, member KSE, under the Brokers and Agents Registration Rules, 2001 whereby the registration of the said brokerage house was suspended for 15 days for non-compliance to the Commission's earlier orders. Further, a show cause notice was served to a commercial bank under section 15E of the Securities and Exchange Ordinance, 1969 and to a brokerage house of KSE under Section 22 of the Securities and Exchange Ordinance, 1969.

In two separate instances, warning letters were issued to two brokerage houses of KSE and two individual investors for execution of Wash Trades. Warning letters were also issued to two brokers of KSE and LSE for execution of Blank Sales. Moreover, 2 warning letters were issued to the directors of a listed company for non-compliance to Section 224 (4) of the Companies Ordinance, 1984. The copies of all the warning letters are available on the SECP's website.

During the month, SECP granted approval under Section 57(1) of the Companies Ordinance, 1984 to issue, circulate and publish the prospectus for issue of 12.50 million ordinary shares by Next Capital Limited. 22 investor complaints pertaining to brokers and 4 complaints pertaining to listed companies were resolved. Further, three amendments were approved in the regulatory framework of NCCPL and ISE.

Shakil Ahmad Chaudhary

Head, Internal and External Communication  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue, Islamabad  
Tel: 921-4005 or 921-4009 ext. 378  
Fax: 920-6459  
Cell: 0302-855-2254  
| [email: shakil.chaudhary@secp.gov.pk](mailto:shakil.chaudhary@secp.gov.pk)