



Through Courier
May 06, 2013

No. 1 (01)/Wash/KSE/MSW/SMD/2009

Mr. Zahid Halim Sheikh
House No. 105, Street: 3,
Khayaban-e- Muhafiz.
Phase: 6,
DHA,
Karachi.

Subject: WARNING WITH RESPECT TO WASH TRADES IN VARIOUS SCRIPS

Dear Sir,

The review of KATS data for the months of February and March 2013 revealed that you have bought and sold 287,000 shares in various scrips during the aforesaid months, through your trading accounts maintained with different brokerage houses, in such a way that your orders for buy matched with your own sell orders resulting in no change in beneficial ownership of the shares.

2. This office vide letter no. No. 1 (01)/Wash/KSE/MSW/SMD/2009 dated April 10, 2013 asked you to provide your comments in this regard, explaining the rationale of the aforementioned trading. In your reply vide your letter dated April 15, 2013, you have failed to provide any lawful justification for the execution of the wash trades executed by you.

3. In this regard, please note that execution of wash trades through your trading accounts maintained with different brokerage houses did not result in any change in beneficial ownership. Moreover, the execution of the aforesaid wash trades created false impact of trading in the scrip. Please note that being an active participant in the market, it is your obligation to abide by all the prevalent rules and regulations while trading in the equity market.

4. The execution of wash trades indicates that you ignored the provisions of the prevalent securities market law. However, on this occasion taking a lenient view, you are strictly warned to

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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Securities Market Division
(Market Supervision & Registration Department)

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abstain from trading in such manner in future failing which appropriate action will be taken against you. Moreover, it is asserted that you must adopt a cautious approach while trading to ensure compliance of all the relevant rules and regulations and to avoid such misconduct in future.

Yours truly,

(Imran Inayat Butt)
Director /HOD (MSRD)

Copy to:

1. Managing Director, Karachi Stock Exchange Limited, Karachi.
2. Chief Executive, Arif Habib Limited, 2nd Floor, Plot No.23, Arif Habib Centre, M.T. Khan Road, Karachi. Tele: 32415213-5
3. Chief Executive, BMA Capital Management Limited, 801, 8th Floor, Unitower, I. I. Chundrigar Road, Karachi. Tel: 021- 111-262-262
4. Chief Executive, Topline Securities (Pvt) Ltd., 3rd Floor, Continental Trade Centre, Block 8, Clifton, Karachi. Ph: 35303330, 35303348
5. Chief Executive, Invest & Finance Securities Limited 12th Floor, Corporate Tower, Technocity Building, Hasrat Mohani Road, Karachi, Ph: ,32276932-35
6. Chief Executive, Foundation Securities (Private) Limited Ground Floor, Bahria Complex-II , M.T. Khan Road Karachi, Ph: ,35612290-94
7. Chief Executive, Abbasi Securities (Private) Limited ,724-726, Stock Exchange Building, Stock Exchange Road Karachi, Ph: 32423785-32424866,32418822