



Securities and Exchange Commission of Pakistan
Securities Market Division
Market Supervision & Registration Department

No. 4(ARL-242)SE/SMD/2007

March 12, 2015

1. Mr. Zafar Hayat,

Agent,
Darson Securities (Pvt.) Limited,
Room # 5, 1st Floor,
Al-Munir Market,
Sargodha.

2. Chief Executive Officer,

Darson Securities (Pvt.) Limited,
Room 3 102, First Floor,
Lahore Stock Exchange Building,
19-Khayabn-e-Aiwan-e-Iqbal Road,
Lahore.

Subject: ORDER DATED MARCH 12, 2015 ISSUED IN THE MATTER OF HEARING NOTICE TO DARSON SECURITIES (PVT.) LTD AND IT'S AGENT MR. ZAFAR HAYAT UNDER RULE 8 AND RULE 14(3) OF THE BROKERS AND AGENTS REGISTRATION RULES, 2001

Dear Sir,

Please find enclosed herewith copy of order dated March 12, 2015 passed by the Director/HOD (Market Supervision and Registration Department) on the above mentioned subject for compliance.

Yours sincerely,

Asima Wajid

Deputy Director (MSRD)

Cc:

- i). The Chief Regulatory Officer, Karachi Stock Exchange Limited.
- ii). The Chief Regulatory Officer (Acting), Lahore Stock Exchange Limited.
- iii). The Chief Regulatory Officer, Islamabad Stock Exchange Limited.



Securities and Exchange Commission of Pakistan

Securities Market Division

Through Courier

Before The Director / HOD (MSRD)

In the matter of Hearing Notice issued to Darson Securities (Pvt.) Ltd. and its Agent Mr. Zafar Hayat under Rule 8 and 14(3) of the Brokers and Agents Registration Rules, 2001

Date of Hearings:

- i. January 23, 2015
- ii. February 10, 2015

Present at the Hearings:

Representing Darson Securities (Private) Limited

- i. Mr. Farhan Masood Mir *Company Secretary*
- ii. Mr. Zafar Hayat *Agent*

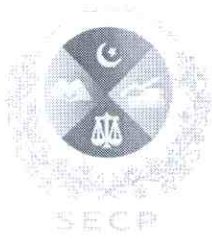
Assisting the Director/HOD (MSRD)

- i. Mr. Tahir Mahmood Kiani *Deputy Director*

ORDER

1. This Order shall dispose of the proceedings initiated through Hearing Notice No. 4(ARL-242)/SMD/SE/2007 dated January 6, 2015 (“**Notice**”) issued to Mr. Zafar Hayat, Agent of Darson Securities (Pvt.) Limited (“**Respondent 1**”) and Darson Securities (Pvt.) Limited, Trading Right Entitlement Certificate Holder of the Lahore Stock Exchange Limited (“**Respondent 2**”) under Rule 8 and 14(3) of the Brokers and Agents Registration Rules, 2001 (“**the Rules**”).
2. Brief facts of the case are that Respondent 1 filed an application for renewal of certificate of registration as agent of the Respondent 2 under Rule 16 of the Rules. Scrutiny of the application revealed that the signature of the Respondent 1 on the application, “Form C” and “Affidavit” did not match with those as appearing on his CNIC and record maintained with the Commission.
3. Given the aforementioned deficiency, the Commission issued a Notice to afford an opportunity of hearing to the Respondent 1 and Respondent 2 in terms of Rule 8 and Rule 14(3) of the Rules and they were advised to appear before the undersigned on January 20, 2015 at the Commission’s Head Office Islamabad.
4. Accordingly, Mr. Farhan Masood Mir, Company Secretary (“**Representative**”) appeared on behalf of Respondent 2 whereas Respondent 1 failed to appear for personal hearing. Representative of Respondent 2 submitted that they never thought of filing fake documents/signatures to the Commission. He explained that initially the application (i.e. Form C) was signed with the initials of the Respondent 1 and the revised Form C was signed with complete signatures as per his CNIC. He apprised that they have enquired the matter from Respondent 1 and he is willing to submit





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

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documents with complete CNIC signature. Moreover, he sought time to ensure the personal appearance of the Respondent 1 and also requested to hold next hearing at the Commission's Lahore office.

5. The Commission, in the interest of justice, acceded to the request of the Respondent 2 and in order to provide another opportunity, hearing was held on February 10, 2015 at Commission's Lahore office through video conference. Accordingly, Respondent 1 and Respondent 2 appeared before the undersigned. The Respondent 1 submitted that due to diabetes and surgical operation he is facing problem of difference in signatures. He acknowledged that both signatures appeared on the documents submitted to the Commission are his signatures. Moreover, he affixed his both signatures on a plane paper and submitted the same to the Commission as documentary evidence during the hearing. He requested to accept his signature and allow him to work as agent of Respondent 2.
6. I have examined the facts, evidences and documents on record, in addition to written and verbal submissions made by Respondent 1 and Respondent 2. Considering that due to diabetes and surgical operation, Respondent 1 is facing a problem of difference in signature and that he has submitted a document with his both signatures in support of his arguments, I am inclined to take a lenient view in the matter and renew the registration of Respondent 1 as agent under Rule 16 of the Rules. However, Respondent 1 and Respondent 2 are strictly warned to be careful in future regarding submission of registration documents to the Commission and ensure its authenticity and genuineness in all respects. The Respondent 1 and Respondent 2 are further directed to be fully complied with all the Rules, Regulations and directives of the Commission in future for avoiding any punitive action under the law.
7. This Order is issued without prejudice to any other action that Commission may initiate against the Respondent in accordance with law on matters subsequently taken up or investigated and /or brought to the knowledge of the Commission.




(Imran Inayat Butt)
Director/HOD (MSRD)

Announced on March 12, 2015
Islamabad.