



No. 1 (01)/Wash/KSE/MSW/SMD/2009 / 118

Through Courier
December 31, 2012

Mr. Muhammad Mehboob Alam Siddiqui,
50/9, Street: 11,
Model Colony,
Karachi.
Tel: 021-34503436
Cell: 0300-8271675

Subject: WARNING WITH RESPECT TO WASH TRADES IN THE SCRIP OF NISHAT MILLS LTD.

Dear Sir,

The review of KATS data for the month of October 2012 revealed that you have bought and sold shares in the scrip of Nishat Mills Limited (NML), in such a way that your order for buy placed through a brokerage house matched with your own sell order placed through another brokerage house resulting in no change in beneficial ownership of the shares.

2. In this regard, please note that execution of wash trades through your accounts maintained with different brokerage houses namely; Adam Securities (Pvt.) Limited and Axis Global Limited, 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.

3. The execution of wash trades indicates that you ignored the provisions of the prevalent securities market law. However, keeping in view the fact that this was the first instance of wash trades, which was observed by the Commission, only a warning is being issued to you with advice to exercise due care and diligence while trading. 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 failing which appropriate action will be taken against you.

Yours truly,

(Inayat Butt)
Director /HOD (MSCID)

Copy to:

- i. *Managing Director, Karachi Stock Exchange Limited, Karachi.*
- ii. *Chief Executive, Axis Global Limited, Suite # 806, 8th Floor, Business & Finance Centre, I.I. Chundrigar Road, Karachi, Ph: 32460478-80,32460475*
- iii. *The Chief Executive, Adam Securities (Pvt.) Ltd.,33, Old Stock Exchange Building,Stock Exchange Road, Karachi. Ph: 32420909-32413580, 32415526*

SECURITIES & EXCHANGE
COMMISSION OF PAKISTAN
NIC Building, 63 Jinnah Avenue,
Islamabad, Pakistan

o/f