



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
Securities Market Division  
Public Offering and Regulated Persons Department

Srs  
Dini  
29/5/17

No. 4(BRC-320)PMEX/SMD/2017

May 26, 2017

**Chief Executive Officer,**  
Gazipura Securities & Services (Private) Limited,  
736, 737, 7<sup>th</sup> Floor,  
Pakistan Stock Exchange,  
Karachi.

**Subject: Order in the matter of application for grant of certificate of registration as a broker under the under the Commodity Exchange and Future Contracts Rules, 2005 (the "Rules")**

Dear Sir,

Please find enclosed herewith a copy of order dated May 26, 2017 in the title matter for your record and necessary action.

**(Asima Wajid)**  
Additional Joint Director (PRPD-SMD)

Copy to:

✓ Pakistan Mercantile Exchange



# Securities and Exchange Commission of Pakistan

Securities Market Division

Public offering and Regulated Persons Department

Through Courier

Before the Commissioner (SMD)

In the matter of Notice of Opportunity of Personal Hearing Issued to Gazipur Securities & Services (Pvt.) Limited in terms of Application for Grant of Registration as Broker under the Commodity Exchange and Futures Contracts Rules, 2005 (the "Rules")

<b>Date of Hearing</b>	May 16, 2017
<b>Present at the Hearing</b> Representing Gazipur Securities & Services (Pvt.) Limited	Mr. Muhammad Nasir Ali Officer
<b>Assisting the Commissioner (SMD)</b>	Mr. Faisal Nawaz Joint Director (SMD-PRPD)

## ORDER

This Order shall dispose of the application of M/s. Gazipur Securities & Services (Pvt.) Limited (the "**Respondent**") for obtaining registration as a broker under the Commodity Exchange and Futures Contracts Rules, 2005 (the "**Rules**").

2. Brief facts of the case are that the Respondent is a Member of the Pakistan Mercantile Exchange Limited ("**PMEX**"). PMEX vide letter dated February 28, 2017 forwarded the application of the Respondent for grant of certificate of registration as "broker" under the Rules. The application of the Respondent forwarded by PMEX was found deficient in respect of requisite information/documentation and same was communicated to PMEX vide email dated March 16, 2017 which was addressed by PMEX on April 10, 2017.

3. While processing the application it was observed that "Mrs. Bilqis Saleem" the Chief Executive Officer (the "**CEO**") of the Respondent is not meeting the educational qualification requirement and applied for relaxation in educational qualification based on her experience as prescribed in rule 11(d) of the Rules which is reproduced hereunder:

**11. Eligibility for registration.** – (1) A person shall be eligible for registration as a broker under these rules, if he

(a) .....

(d) has at least passed graduation or equivalent examination from an institution recognized by the Government; Provided that the Commission may relax the educational qualification in suitable cases on merit having regard to the applicant's experience;.....

4. The Respondent had not submitted any documentary evidence of other director regarding fulfilling the requirements of rule 11(1) as mentioned in rule 11(3) of the Rules which is reproduced hereunder:

NIC Building, 63-Jinnah Avenue, Blue Area, Islamabad, Pakistan  
PABX: 9207091-94 (376), TEL: 92-51-9100472, FAX: 92-51-9100440

Gazipur Securities & Services (Pvt.) Limited





# Securities and Exchange Commission of Pakistan

Securities Market Division

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*11. Eligibility for registration. – (1) A person shall be eligible for registration as a broker under these rules, if he (1).....*

*(3) Every applicant which is a corporate entity shall have at least one director who will satisfy the requirements set forth under sub-rule (1) above, provided that net worth and net capital of the corporate entity are used to fulfill the requirements set out under sub-rule (1) n.*

5. In view of the above facts the Respondent, prima facie, was not compliant with the requirements of rule 11(1)(d) and rule 11(3) of the Rules for grant of certificate of registration as broker. Consequently, a notice dated May 11, 2017 was issued to the Respondent whereby it was called upon to explain as to why the Respondent's application for grant of registration as broker may not be refused. The Respondent submitted a written response against the said notice vide letter dated May 15, 2017 which is summarized as under:

*"Mrs. Bilqis Saleem the CEO was one of the oldest member of Karachi Stock Exchange and Mr. Mohammad Saleem Adam, the Director was the senior member of Lahore Stock Exchange. Moreover, Mr. Mohammad Saleem Adam, the Director is a commerce graduate and fulfills the requirements of rule 11(1) of the Rules."*

6. A hearing in the matter was held on May 16, 2017, wherein Mr. Muhammad Nasir Ali, Officer of the Respondent, called hereunder as (the "Representative") of the Respondent, appeared before me and submitted as follows:

- i. *Mr. Mohammad Saleem Adam, the Director was the senior member of Lahore Stock Exchange.*
- ii. *Mr. Mohammad Saleem Adam, the Director is a commerce graduate and fulfills the requirements of rule 11(1) of the Rules, copies of the educational documents have been submitted vide letter dated May 15, 2017.*

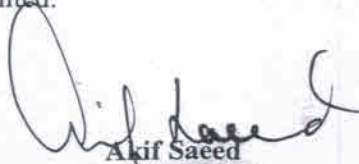
7. I have analyzed the facts of the case, relevant provisions of the Rules and arguments put forth by the Respondent during the course of hearing. Considering these following is hereby concluded:

- i. The CEO of the Respondent being a non-graduate is not fulfilling the requirement of rule 11(1)(d).
- ii. Mr. Mohammad Saleem Adam, the Director of the Respondent is a commerce graduate and fulfills the requirements of rule 11(1) of the Rules, copies of the educational documents are also submitted vide letter dated May 15, 2017.

8. In view of the submissions and documents on record, I am of the considered opinion that Mr. Saleem Adam being a director of the Respondent, fulfills the requirement of rule 11(1) as mentioned in rule 11(3) of the Rules. Therefore, the Certificate of Registration as PMEX broker under the Rules is hereby granted to M/s. Gazipura Securities & Services (Pvt.) Limited.

Announced on May 26 2017  
Islamabad.



  
Akif Saeed  
Commissioner (SMD)