



Through Fax & Courier

No. EMD/DII/MISC/2009-1563

April 26, 2013

Mr. Saad Rashid
Executive Director
Transparency International Pakistan
5-C, 2nd Floor,
Khayaban-e-Ittehad
Phase VII, DHA
Karachi

Subject: ALLEGATION OF INSIDE TRADING IN AZGARD NINE LIMITED SHARES TRADE BY JS GLOBAL CAPITAL LIMITED IN 2007/08 AND IN JSCL BY AWARDED FEE OF USD 4.2 MILLION TO A DIRECTOR IN 2013

Dear Sir,

This is with reference to your letter dated April 10, 2013, regarding the above mentioned subject.

2. In this regard, it is hereby informed that Transparency International Pakistan ("TIP") vide its letter dated April 12, 2013 raised the similar queries, as raised in its letter dated April 10, 2013.
3. Securities Market Division of the Securities and Exchange Commission of Pakistan, in this regard, vide its letter No. Misc/MSW/SMD/1(5)/2004/1721, dated April 19, 2013 has already responded TIP, while intimating about the status of the cases. The Copy of the said letter is enclosed for your reference and record please.

Shahzad Afzal Khan
Joint Director - Enforcement



Securities and Exchange Commission of Pakistan

Securities Market Division
Market Supervision and Registration Department

SECP

No. Misc/MSW/SMD/1(5)/2004/1721

April 19, 2013

Syed Adil Gilani,
Adviser,
Transparency International-Pakistan,
5-C, 2nd floor, Khayaban-e-Ittehad,
Phase-VII, Defence Housing Authority,
Karachi

Subject: COMPLAINT AGAINST SECP AND JSGL ON THE ALLEGATIONS OF INSIDE TRADING IN AZGARD NINE LIMITED ANL SHARES, PURCHASE OF AGRITECH SHARE WORTH 3.5 BILLION BY NBP AT 100% HIGHER MARKET COST FROM ANL, AND AGAINST JSCL FOR AWARDED FEE OF US\$ 4.3 MILLION TO SON OF JS, A DIRECTOR IN 2013

Dear Sir,

This is with reference to your letter dated April 12, 2013 on the captioned subject addressed to the Principal Secretary to the Prime Minister and copy thereof to the Chairman, SECP. In this regard, I am directed to inform you the comments on the issues highlighted in the aforesaid letter as under:

- (i) *"Public has suffered losses of billions of rupees due to inside trading, and favouritism worth \$ 4.3 million in one case to the son of Jehangir Siddiqui, Chief of brokerage house Mr. Ali Jehangir"*

As regard to payment of Advisory Fee to one of the director of JSCL, the matter is under probe by the Commission.

- (ii) *"Illegalities in the trading of Azgard Nine Ltd. shares"*

The Commission has filed a criminal complaint under Section 17 read with Section 29 of the Securities & Exchange Ordinance, 1969 against those who were found responsible for violation of Section 17 of the Ordinance.

- (iii) *"Sale of 100 million shares of Agritech by Azgard Nine Ltd. to the National Bank of Pakistan (NBP)"*

This matter pertains to NBP and State Bank of Pakistan and SECP is not in a position to offer any comments in the matter.

Yours truly,

(Tayyaba Nisar)
Assistant Director (SMD)