



**Securities and Exchange Commission of Pakistan  
Supervision Division**

No. SMD/MSW/AKBL/80/14

April 09, 2021

**Askari Bank Limited,**  
Through its Chief Executive,  
AWT Plaza, The Mall,  
Rawalpindi.

**PROHIBITORY NOTICE UNDER SECTION 143 OF SECURITIES ACT, 2015**

1. This is with reference to correspondences exchanged between Securities and Exchange Commission of Pakistan (“**Commission**”) and Askari Bank Limited (“**AKBL**”) regarding various trades carried out by AKBL in Ready Market during the period from January, 2020 till December, 2020 in the shares of several companies.
2. Upon detailed review of the trading data, it was observed that large quantum of trades carried out by AKBL during the aforesaid period in Ready Market were matched with the proprietary accounts of brokerage houses through which it was trading. In the said transactions, AKBL first sold and then on the next day bought those shares back at the same rate and quantity, wherein, counterparty on buy and sell trades was the proprietary account of the same brokerage house.
3. The aforementioned pattern of trading as explained in para (2) above may lead to false trading which is not in the interest of investors trading in securities market. Therefore, representatives of AKBL were called for a meeting to explain the rationale for carrying out such trades in Ready Market, wherein, they explained that such transactions were carried out only for the purpose of realization of gain/loss in the securities held by AKBL.
4. I am of the view that above pattern of trading adopted by AKBL may be detrimental for a fair and transparent trading in Ready Market where trading volumes in listed companies are generated based upon genuine demand and supply mechanism.
5. The Commission under Section 20 (4) (zb) of SECP Act, 1997 is responsible for regulating the capital market in order to ensure that it is functioning in a fair, efficient, transparent and orderly manner. Therefore, it is imperative to take corrective measures for the smooth and efficient functioning of the capital market and protect the interest of the general public.



## Securities and Exchange Commission of Pakistan Supervision Division

6. In view of the above, the Commission in exercise of its powers conferred under Section 143 of the Securities Act, 2015 read with Section 20 (4) (zb) of the SECP Act, 1997, hereby, prohibits AKBL from engaging in the said pattern of trading in the Ready Market as explained above at para (2) or any other such arrangements which may affect the integrity of stock market.
7. Furthermore, all securities brokers are hereby prohibited to facilitate such transactions in the Ready Market as specified in para (2) above.

  
(Imran Inayat Butt)  
Executive Director

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Cc: Chief Regulatory Officer,  
**Pakistan Stock Exchange**  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi, Pakistan.  
Fax No. 021-32410825