

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: 111-111-500
Fax: (92-21) 34326036
URL: www.cdcpakistan.com
Email: info@cdcpak.com

N O T I C E

To: - The Chief Executive Officer, KSR Stock Brokerage (Pvt) Ltd.

CC: - The Executive Director/HOD, (PRDD/AD-SMD), Securities and Exchange Commission of Pakistan
- The Director/HOD (MSCD-SMD), Securities and Exchange Commission of Pakistan
- The Chief Executive Officer, Pakistan Stock Exchange Limited
- The Chief Executive Officer, National Clearing Company of Pakistan Limited
- CDS Elements – Account Holders/ Participants/ Eligible Pledges
- The Sub-Account Holders of the Participant
- CDC Website

From: Junaid Shekha
Acting Chief Compliance Officer

Ref no.: CDC/LCR/003/2019

Date: January 01, 2019

Subject: **Notice of Restrictions on the admission of KSR Stock Brokerage (Pvt) Ltd. to the CDS as a Participant**



This is to notify that **KSR Stock Brokerage (Pvt) Ltd.** (the "**Participant**") has not submitted the Annual financial Statements containing disclosure of Capital Adequacy level in the notes to the Financial Statements or Auditor's Certificate as of June 30, 2018 as required under Regulation 6.8.2 of the CDC Regulations.

As per Regulation 15.1.1(a)(vi) of the CDC Regulations and the Procedures made for the purpose of Regulation 6.8 of the CDC Regulations, such situation shall be construed as non-compliance where CDC shall impose Restrictions on the admission of any non-compliant Participant to the CDS.

As the Participant is under non-compliance of Regulation 6.8.2 of the CDC Regulations, therefore, CDC has decided under Regulation 15.3.1(a) of the CDC Regulations to impose Restriction on the admission of the Participant to the CDS in respect of its Participant Account ID No. A09639. The Restriction, as imposed herein, shall come into force **with immediate effect** and shall remain effective till such time the Participant submits the Annual financial Statements containing disclosure of Capital Adequacy level in the notes to the Financial Statements or Auditor's Certificate in accordance with Regulation 6.8.2 of CDC Regulations for the year ended June 30, 2018.

CDC shall, during the Restriction period:

- a) not allow the Participant to Transmit any Transaction to CDC in respect of Sub-Accounts under its control with the exception of portfolio out movements; and
- b) reject any Balance Order Delivery Transaction Transmitted by the Clearing Company in respect of any Sub-Account under the control of the Participant. Provided that, pending settlement if any, in respect of any of such Sub-Accounts shall not be affected by this Restriction.

It may please be noted that there shall be no restriction with respect to House Account of the Participant.

If the Participant does not comply with this notice within 60 Business days of imposition of this Restriction i.e. by **March 26, 2019**, then CDC shall impose suspension on the admission of the Participant to the CDS.

Regards,