

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-144

NOTICE

January 09, 2009

Reproduced hereunder letter received from GAMMON PAKISTAN LIMITED, for information of members of the Exchange



GAMMON PAKISTAN LIMITED
ENGINEERS AND CONTRACTORS
400/2 - PESHAWAR ROAD, P.O. BOX NO. 4, RAWALPINDI.

PHONES: 5477326 - 27 FAX: 92 - 51 - 5477511 E-Mail - gammon@ieb.paknet.com.pk N.T.N. 2879668-3

Ref. No. GPL/Secy/08/ 288

Date: January 03, 2009

Mr. Haroon Askari
General Manager Operations,
The Karachi Stock Exchange (Guarantee) Ltd.,
Stock Exchange Building, Stock Exchange Road,
KARACHI

Subject: **SHOW CAUSE NOTICE**

Dear Sir,

Please refer to your show cause notice No. KSC/Secy-11307 dated 17/12/2008 wherein we have been informed that we have violated listing regulation No. 32(1)(b) of the listing regulations of Karachi Stock Exchange (Guarantee) Limited which inter-alia states that the company has to declare dividend or bonus shares within 5 years from the declaration of the last dividend and bonus.

We are sorry to point out that the management of the Karachi Stock Exchange (Guarantee) Limited is going to take unilateral decision without considering the facts of the case in its true prospective which are being detailed hereinbelow: -

1. Gammon Pakistan Limited is one of the oldest public limited company of Pakistan having international repute with dynamic profitable growth and growth oriented record. Unfortunately prior to 28/10/2005 the company suffered huge losses due to the indifferent attitude of the previous Board of Directors and their unwarranted and unjustified financial decisions which were made without any financial acumen.
2. In view of this morass being seen in the working of the company the following Directors/shareholders of the company made unanimous decision to take over the management of the company from the previous lot of inefficient and not reliable Directors of the company. Therefore, the new election of Directors were held on 31/10/2005 in accordance with the conditions laid down in the Authority letter No. SM/TO/17/2004 dated 28/10/2004 under the supervision of SECP. As a result of this election the following group of new Directors has taken over the management of the company with effect from 01/11/2005.
 - i. Mr. Raza Kull Khan Khattak
 - ii. Mr. Ahmad Kull Khan Khattak
 - iii. Mr. A. Karim Khan
 - iv. Syed Wajid Hussain Bukhari
 - v. Mr. Amjad Hussain Malik
3. Lt. Gen. (Retd) Ali Kull Khan Khattak was elected as Managing Director/Chief Executive of the company with effect from 01/11/2005 and the new management has undertaken to run the company in a transparent, honest and professional manner with excellent quality control being the hallmark of the company. The

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