

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-2065

N O T I C E

April 13, 2009

Reproduced - hereunder the letter - received from **ISLAMIC INVESTMENT BANK LIMITED** for information of members of the Exchange.



اسلامک انویسٹمنٹ بینک لمیٹڈ

ISLAMIC INVESTMENT BANK LIMITED

(Incorporated in Peshawar, Pakistan under the Companies Ordinance, 1984)
(KARACHI)

RK/KSE/137/ 09

April 10, 2009

Mr. Haroon Askari
General Manager Operations
Karachi Stock Exchange
KSE Building KSE Road
Karachi

Sub: Show Cause Notice

Dear Sir

Please refer to your Show Cause Notice Ref KSE/ Gen 11507 dated 17th December 2008, and our subsequent correspondence with you including the detailed reply sent by us to you vide our letter dated 17th February 2009 ref RUK/IIBL/ /2009 (copy of letter enclosed) wherein we had explained our position under the legal advise of our legal counsel M/s Moshin Tayebaly & Co. We also refer to the hearing conducted by the Exchange on April 6, 2009 at the Karachi Stock Exchange Building.

In this regard we would like to reiterate that the causes for putting Islamic Investment Bank Ltd under Notice for the violation of Listing Regulations No. 32(1)(c) and 32(1)(d) have since been rectified.

1. **AGM**

Following is a brief background on the Annual General Meeting ("AGM") for the year 2004 held in 2008. Initially to save cost and time we thought that it would be expedient to hold the AGMs for the years 2004, 2005, 2006 & 2007 all at the same time and same day at the Registered Office of the Bank at Peshawar. In this regard we wrote to the Securities and Exchange Commission of Pakistan ("Commission") a letter No.RK/IIBL/985/2008 dated February 21, 2008 (copy enclosed) requesting the Commission to approve the Appointment of Auditors for 2005, 2006 & 2007. On March 19, 2009 we received a reply from the Commission, in which the Commission declared that it was unable to appoint the auditors without AGM and directed us to follow procedure for Appointment Auditor as laid down in Section 252 of the Companies Ordinance 1984. (Copy enclosed)

On March 20, 2008 we wrote another letter to Commission requesting them to instruct/direct Islamic Investment Bank Ltd to hold an AGM for the year 2004 under Section 170 of Companies Ordinance 1984 (Copy enclosed). We did not receive any reply from Securities & Exchange Commission of Pakistan. After waiting 15 days or so we approached our legal counsel on April 5, 2008 (copy enclosed) to obtain their clearance on a reminder letter to SECP. Our legal counsel addressed us on April 10, 2008 which we quote.

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For details please visit KSE Web.Site.