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National Clearing Company of Pakistan Limited

8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/OCTOBER-18/10
October 09, 2018

Placement of M/s. Pakistan International Airlines Corporation Limited in the Defaulter Segment

Dear Clearing Members,

This is with reference to Pakistan Stock Exchange Notice No. PSX/N-5956 dated October 09, 2018, regarding placement of M/s. Pakistan International Airlines Corporation Limited at the Defaulter's segment effective from October 10, 2018.

This event leads to action under Clauses 7A.3.5 and 7B.3.1.4 of NCCPL Regulations, 2015 that has been reproduced below for ready reference;

“Where a Security that has been quoted on the defaulter's segment of the Exchange and notified to the Company, such Security shall not be eligible for trading in the SLB Market from the date it has been placed on the defaulter segment. However, all open SLB Contracts shall be released on Accelerated Maturity Date and/or Maturity Date as the case may be.”

“In case where such Security is reinstated during the review period, trading in SLB Market shall not be allowed during that review period.”
(Regulations 7A.3.5)

“Where a Security that have been quoted on the Defaulter segment of the Exchange and notified to the Company, such Security shall not be made available on MF Market from the date it has been placed on the defaulter segment. However, all MF (R) Transactions shall be released as per the terms and conditions defined in the Margin Financing Agreement between MF Participants.”

“In case where such Security is reinstated during the review period, trading in MF Market shall not be allowed during that review period.”
(Regulations 7B.3.1.4)

Accordingly, in pursuance of provisions stipulated in the above referred clauses of NCCPL Regulations, 2015, M/s. Pakistan International Airlines Corporation Limited shall be excluded from the list of SLB Eligible Securities and MF Eligible Securities with effect from. October 10, 2018.

All concerned are requested to note the above.

For any further queries or concerns, please feel free to contact the Customer Support Department at UAN No. 021-111-111-622

Regards,

sd

Rehan Saif
Head of PD & CSS

1. Director/HOD - Policy, Regulation and Development Department - SMD
Securities & Exchange Commission of Pakistan - Islamabad
2. Managing Director - Pakistan Stock Exchange Limited
3. Chief Executive Officer - Central Depository Company of Pakistan Limited
4. Chief Executive Officer - Mutual Fund Association of Pakistan
5. Chairman - Pakistan Banking Association



PAKISTAN STOCK EXCHANGE LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi
Phones: 111-001-122

PSX/N-5956

NOTICE

October 9, 2018

PLACEMENT OF M/S. PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED IN THE DEFAULTERS' SEGMENT UNDER CLAUSES 5.11.1. (c) & (d) OF PSX REGULATIONS

It is hereby informed to all concerned that M/s. The Pakistan International Airlines Corporation Limited has failed to hold its Annual General Meeting and submit its Annual Audited Accounts for the year ended December 31, 2017.

The said defaults attracts action under Clauses 5.11.1.(c) & (d) of PSX Regulations, reproduced hereunder:

5.11.1. A listed company may be placed in the Defaulters' Segment if:

(c) **It has failed to hold its one Annual General Meeting as per law;**

Upon placement of such company on the Defaulters' Segment, the Exchange shall only initiate actions under Regulation 5.11.2(a) and 5.11.2(b). However, if such company fails to hold its Annual General Meeting for two consecutive years, trading in shares of the company shall be suspended immediately by the Exchange and the company shall be given 90 days to rectify the non-compliance, failing which, the Exchange shall initiate further actions against the company commencing from Regulation 5.11.2(e).

(d) **It has failed to submit its annual audited accounts for the immediately preceding financial year as per law;**

Upon placement of such company on the Defaulters' Segment, the Exchange shall only initiate actions under Regulation 5.11.2(a) and 5.11.2(b). However, if such company fails to submit its annual accounts for two consecutive years, trading in shares of the company shall be suspended immediately by the Exchange and the company shall be given 90 days to rectify the non-compliance, failing which, the Exchange shall initiate further actions against the company commencing from Regulation 5.11.2(e).

In this context, it is hereby informed to all concerned that in line with the requirements of Clauses 5.11.1.(c) & (d) of PSX Regulations, M/s. Pakistan International Airlines Corporation Limited will be placed in the Defaulters' Segment of the Exchange w.e.f. **Wednesday, October 10, 2018.**

The above is for information of all concerned.

ABBAS MIRZA | Acting Chief Regulatory Officer

Copy to:

The Director / HOD (PRDD) – SECP
The Director (CSD) - SECP
The Executive Director (CSD) - SECP
The Chief Executive Officer - PSX
All Departmental Heads – PSX
The Company Concerned Registration Office
The Registrar of Company
The Company Concerned
The Central Depository Company of Pakistan Limited
The National Clearing Company of Pakistan Limited
PSX Notice Board and Website
State Bank of Pakistan
Pakistan Banks' Association
Institute of Chartered Accountants of Pakistan (ICAP)
The Auditor of the Company Concerned