



**THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED**  
 Stock Exchange Building, Stock Exchange Road, Karachi-74000, Pakistan  
 Phones: 111001122, Fax (021) 241-0825

KSE/N-326

January 24, 2011

## NOTICE FOR ALL MEMBERS

### LIST OF ELIGIBLE SECURITIES FOR TRADING IN CASH SETTLED FUTURES CONTRACT MARKET

All members are informed that the Exchange as per the clause 4 (ii)(a) of the Regulations Governing Cash Settled Futures Contract of the Exchange has determined the revised list of Eligible Securities for trading in Cash Settled Futures Contract selected on the basis of following criteria. The new list will be implemented w.e.f. March 2011 for 7 days contract and May 2011 for 90 Days contract.

1. Companies that have average daily impact cost of less than 1%, based on daily Impact Cost on an order size of Rs. 500,000, during the review period.
2. Companies that have traded on more than 90% of the trading days during the last three months of review period.
3. Companies having average daily turnover of more than 250,000 shares during the review period.
4. Companies that have market price above par in at least 50% of the review period.
5. Companies that have free float of more than 20% of issued capital or 45 million free float shares.
6. Operating profit before tax in each of the last two years of operations.
7. Securities of Asset Management Companies, Mutual Funds and Brokerage Houses shall not be eligible.
8. Companies that do not have negative opinion in Auditor's report on the Companies Financial Statements (last audited report).
9. Companies that are not subject to any investigation by any regulatory body.
10. Companies not on the defaulter counter and have no pending inquiry against them by the authorities.
11. Free Float of the company must be in dematerialized form on CDS.

The list of approved Eligible Securities is enclosed herewith for information.

Members are requested to note the above.

  
**SHAFQAT ALI**

*General Manager*

*Risk Management & Market Control & Surveillance*

**Encl:** List Attached

**Copy to:**

01. The Director (SROD), Securities & Exchange Commission of Pakistan
02. The Acting Managing Director, Karachi Stock Exchange (Guarantee) Limited
03. The Managing Director, Lahore Stock Exchange (Guarantee) Limited
04. The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
05. The Chief Executive, Central Company of Pakistan Limited
06. The Chief Executive, National Clearing Company of Pakistan Limited
07. Heads of IT Division & Operations-KSE
08. Notice Board
09. KSE Website