



Subject: AMENDMENTS IN THE LISTING REGULATIONS

It is hereby notified that in exercise of the powers conferred under Sub-Section (1) of Section 34 of the Securities & Exchange Ordinance, 1989, the Karachi Stock Exchange (Guarantee) Limited, with the prior approval of Securities & Exchange Commission of Pakistan, makes the following amendments in its Listing Regulations.

These amendments have been sent for publication in the Official Gazette of Pakistan:

1. The definition of "Non Compliant Segment" given under roman numerical (xxiv) in sub-regulation (1) of Regulation 2 shall be deleted and consequently the definitions under remaining numerical (xxv) to (xxxvi) shall be renumbered as (xxiv) to (xxxv) respectively.
2. Regulation 30 under Chapter IX, titled 'Delisting, Suspension and Defaulters' Segment' shall be substituted to read as under:

"30. (1) A listed company may be placed in the Defaulters' Segment, suspended and/ or de-listed for any of the following reasons and in the manner as provided herein below:

 - (a) A listed company shall be placed in the Defaulters' Segment if from three years of the date of formal listing, it has not started commercial production in the case of a manufacturing company or has not commenced business in the case of any other company.
 - (b) A listed company shall be placed in the Defaulters' Segment if it has failed to hold its Annual General Meeting for two consecutive years.
 - (i) Trading shall be suspended in shares of such company and notice of suspension, including therein the cause of suspension, shall be disseminated immediately to any other stock exchange(s) on which such company is listed. The suspension in trading of shares of the company shall continue till the default is rectified and annual accounts are approved;
 - (ii) The Exchange shall, on the date of suspension of a company due to violation of Regulation 30(1)(b), issue notice to the company under intimation to the Commission, for rectifying the default within a period of 90 days. Provided that upon failure to rectify the default within 90 days, the Exchange may, under intimation to the Commission and on reasonable grounds that the default would be rectified, provide the company with an additional period of not more than 90 days to rectify the default;
 - (iii) Upon failure of the company to rectify the default within the period specified by the Exchange under Regulation 30(1)(b)(ii) above, the Exchange through a notice in writing shall delist the company under intimation to the Commission.
 - (c) A listed company shall be placed in the Defaulters' Segment if winding-up proceedings of the company have been initiated.
 - (i) Trading shall be suspended in shares of such company and notice of such suspension, including therein the cause of suspension, shall be disseminated immediately to any other stock exchange(s) on which such company is listed. The suspension in trading of shares of the company shall continue till the cause of its placement on the Defaulters' Segment is removed;
 - (ii) In case of voluntary winding-up, the Exchange shall suspend trading in shares of a company prior to opening of market on the next trading day from the date of receipt of information from such company for passing of special resolution for voluntary winding-up;
 - (iii) In case of winding-up by Court, the Exchange shall suspend trading in shares of a company prior to opening of market on the next trading day from the date of receipt of information regarding presentation of the winding-up petition in the Court or passing of special resolution, as the case may be;
 - (d) A listed company shall be delisted if its official liquidator/ liquidator has been appointed, whether by the Court or the company, as the case may be.
 - (e) A listed company shall be placed in the Defaulters' Segment if it has failed to pay:
 - (i) the annual listing fees as prescribed in these Regulations for a period of 2 years; or
 - (ii) any penalty imposed under these Regulations; or
 - (iii) any other dues payable to the Exchange;
 - (f) A listed company may be placed in the Defaulters' Segment and the Exchange may suspend trading in its shares if it has failed to comply with the requirements of any of these Regulations;
 - (g) A listed company shall be placed in the Defaulters' Segment if it for any reason whatsoever refuses to join the CDS after its securities have been declared eligible securities by the CDC.