



PRESS RELEASE

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(Karachi, May 29 , 2014): Apropos Press Reports which appeared in various newspapers relating to Orders issued by SECP imposing penalties on Karachi Stock Exchange and two of its officers for alleged deviation from the requirements laid down in the System Audit Regulations of Exchange and alleged negligence in the discharge of their duties and obligations. In this regard, the Karachi Stock Exchange would like to inform all concerned that it intends to vigorously defend its stance and seek legal remedies available under the law to clarify its position. The Exchange has performed its functions under the aforesaid Regulations to ensure compliance in a fair and reasonable manner. Furthermore no penal action can be taken against the Exchange and its officers in respect of exercise of their regulatory powers under the aforesaid Regulations. In view of the Exchange the Orders are not tenable under the law and liable to be set-aside, since the same have been passed without appreciating the facts and legal position in their true perspective.

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