

# PAKISTAN STOCK BROKERS ASSOCIATION

(A company setup under section 42 of the Companies Act 2017)

Regd Office: Mezzanine Floor, Trading Hall, Stock Exchange Building, Stock Exchange Road,  
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*Bilal Farooq Zard*  
*Secretary General*

Ref: PSBA/P1121-04

November 26, 2021

**MR. AJEET KUMAR**  
Chief Regulatory Officer  
Pakistan Stock Exchange Ltd  
Karachi.

Subject: **DATA FOR NATIONAL RISK ASSESSMENT 2021**

Dear Sir,

This refers to your email in respect to the captioned subject, wherein, the brokers are required to complete the shared documents and to submit the same latest by November 29, 2021, (a very short deadline).

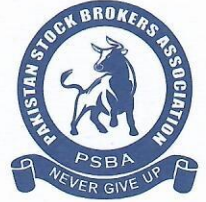
In this regard, we wish to apprise you that as the regulatory authorities are already well aware that in order to comply with the requirement of S.R.O. 920 (I)/ 2020 dated September 28, 2021, and S.R.O. 197 (I) / 2021 dated February 12, 2021, the brokers are submitting the requisite data on Quarterly, Half Yearly, as well as on Annual Basis, as follows;

1. Risk Assessment Framework;
2. Compliance Assessment Checklist; and
3. Quarterly Information/Data.

We would like to ask your good authority that, isn't it a redundant and duplication of work for the regulated entities, who are being asked for the data by giving a very short deadline, when it is already available with the Regulator(s). And, if it is necessary to submit, then what is the rationale for the compliance of the above discussed S.R.O. should not it be withdrawn?

In the presence of this culture, you may please clarify that;

1. Will we be able to increase the investor base;
2. Will we be able to market our business;
3. Will we be able to work for the growth of our market and products;
4. Will we be able to attract investments;
5. Will we be able to attract more individuals/companies to buy TRE Certificates and to become a Stock Broker in line with the Demutualization Act, 2012?
6. Are we not interested in increasing the number of UINs as compared to other regional markets? If yes, then we have to give some space and time to the brokers to work for our common objective of market development. As this is a joint effort and we all have to play our role to contribute positively to the market, hence, the economy of Pakistan.



There is no denying in the fact that as part of the ongoing FATF evaluation process, and to carry out a National Risk Assessment (NRA) 2021, this exercise may be important to help establish risk in the national risk context which will help the concerns to manage money laundering and terrorist financing risk. Therefore, in order to work supportively, it is requested to use the workforce of concerned departments of the Regulator(s) to compile the already available data for further submissions, instead of seeking the same from brokers again and again.

We all are endeavoring our best possibilities to move towards digitalization and to avoid duplication of work, therefore, we should be helping our members to enable them to spend some of their time to work for the growth and to increase the investor base instead of getting into the repetitive and tiresome exercises.

Considering the above, you are requested to kindly convey the concerns of our members to the requisite department, and to clarify as to what is a way forward.

Your kind response in this regard would be highly appreciated.

Best Regards,

Cc: **MR. AAMIR KHAN** - Chairman - SECP.  
**MR. FARRUKH KHAN** - Chief Executive Officer - PSX.