



# PAKISTAN STOCK BROKERS ASSOCIATION

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

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*Bilal Farooq Zardi*  
*Secretary General*

Ref: PSBA/P1221-01

December 2, 2021

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

Subject: **PROPOSED AMENDMENTS TO FUTURES ELIGIBILITY  
CRITERIA FOR SELECTION OF SECURITIES**

Dear Mr. Ajeet,

Further to our comments as invited through the notice PSX/N-1355 dated November 17, 2021, and our ZOOM meeting held on December 1, 2021, to discuss the recommendations in respect to the captioned subject. We would like to submit the same as below:

1. It would be much better if all the main-board companies are included in the Futures Contract also, as there is no risk if the parameters are defined.
2. Futures Eligibility Securities may please be reviewed half-yearly instead of each quarter, in the presence of a 30/60/90 days' contract.
3. The Companies in the said list may please not be excluded if it has obtained the stay order from the court against any inquiry/investigation initiated by the Commission. As it is against the fundamental rights as conferred under the Constitution of the Islamic Republic of Pakistan.
4. The requirement of meeting the defined criteria for two consecutive periods for inclusion may please be relaxed to one month to the extent of newly listed companies with a considerable size of IPO.
5. For the inclusion of companies, the minimum parameter of average daily turnover/value traded be revised down to 0.05% instead of 0.1%.
6. For exclusion of companies, after the 0.05%, the relaxation of 25% in the desired threshold may please be given, instead of 20%, to remain eligible, for the consecutive two review periods i.e., the current review period followed by the immediate next review.
7. In addition to the above, the criteria for exclusion may please be defined clearly for the information of all concerns, and the criteria such as default in listing fee, submission of annual accounts, etc., may please be deleted so that the companies are not excluded based on these trivial issues.

You are requested to kindly consider the above before finalizing.

Regards,