



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 ZARDI
Secretary General

Ref: PSBA/S1022-01

October 17, 2022

MR. AAMIR KHAN

Chairman

Securities and Exchange Commission of Pakistan
Islamabad.

Subject: **ENHANCEMENT OF MINIMUM NET WORTH REQUIREMENT
FOR TRADING AND SELF-CLEARING CATEGORY BROKERS**

Dear Sir,

Reference is made to the notice issued by the Pakistan Stock Exchange PSX/N-239 dated March 9, 2022, regarding the deadline to comply with the minimum net worth requirement by the Trading and Self-Clearing (TSC) brokers to be further increased to Rupees 75 million with effect from April 1, 2023, in accordance with the Securities Brokers (Licensing and Operations) Regulations, 2016 (the Regulations).

In this regard, we wish to submit that due to the current economic condition of the country and the continuous decline of the stock market, the survival of the brokerage business is an arduous task, hence, it would be difficult for the majority of brokers of the said category to comply with the requirements till April 1, 2023.

Therefore, we request your good authority to kindly extend the time for the TSC brokers to comply with the financial resource requirement with respect to the minimum net worth of Rupees 75 million prescribed under the Regulations from April 1, 2023, to April 1, 2024, in order to provide ease in compliance as discussed above.

Looking forward to your favorable response.

Best Regards,

Cc: **Mr. Ajeet Kumar - Chief Regulatory Officer - PSX.**