



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN
(Securities Market Division)
Market Supervision and Registration Department

File No. 1(36) SMD/MSRD/C&IW/2014

September 29, 2014

The Chief Executive Officer,
SAAO Capital (Private) Limited,
Room No. 150, 3rd Floor,
Stock Exchange Building,
Stock Exchange Road,
Karachi.


Subject: Warning in respect of Inspection Report of SAAO Capital (Private) Limited

This is with reference to the inspection order dated April 30, 2014 whereby, an onsite inspection of SAAO Capital (Private) Limited ("SAOO") was conducted by the Securities and Exchange Commission of Pakistan ("the Commission"). Pursuant to the said inspection, the inspection report was duly shared with SAOO for its comments. Further clarifications sought by the Commission were responded by SAOO vide letter dated September 10, 2014.

2. The Commission, after considering findings of the inspection report and the reply submitted by SAOO, is of the view that SAOO failed to provide evidence of compliance with the applicable regulatory framework to the inspection team during the course of inspection. However, the said information in some instances was subsequently shared by SAOO in its written comments to the inspection report and explanation submitted vide aforementioned letter. Moreover, non-compliances in few instances pertaining to inspection period, as identified in the inspection report, were subsequently rectified by SAOO.

3. SAOO is warned to exercise caution in future and ensure strict compliance with the governing regulatory framework. Please note that this letter is issued without prejudice to any other action that the Commission may initiate against SAOO in accordance with the law on matters subsequently taken up or investigated and/ or brought to the knowledge of the Commission.

Yours sincerely,


(Imran Inayat Butt)
Director/HOD (MSRD)

Cc:
The Chief Regulatory Officer,
Karachi Stock Exchange Limited