

PRESS RELEASE

For immediate release

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SECP registers 19 Underwriters

October 19, 2015: The Securities and Exchange Commission of Pakistan (SECP) has registered 19 Underwriters companies, granted license under the recently promulgated Underwriter Rules, 2015. These rules require all entities desirous of undertaking underwriting services to be registered as with SECP.

As per new rules only regulated entities like commercial banks, development finance institutions, non-banking finance companies and brokerage houses can be registered as underwriters. Underwriting through the financial institutions and brokerage houses would help in enhancing the quality of underwriting as these institution have the capabilities to show due diligence in their job.

The regulation of underwriting activities through new rules would enhance investors' confidence and help in development of the capital markets in Pakistan.

Corporate entities raise funds from the capital market through initial public offering (IPOs) and right issues of securities whereas the underwriters play fundamental role by providing comfort to the prospective investors and ensuring raise of the required funds.

Since notification of the aforementioned Rules, 19 companies have been granted license. Out of these, 12 are Commercial Banks, 3 are development finance institutions and 4 are brokerage houses. List of these licensed underwriters is available on SECP's website (www.secp.gov.pk).