



Securities and Exchange Commission of Pakistan

Securities Market Division
Surveillance, Supervision and Enforcement Department

SMD/SSED/OSW/MISC/05/2015

March 29, 2016

Mr. Sohail Muzaffar
The Chairman
Transparency International – Pakistan
5-C, 2nd Floor,
Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority,
Karachi
Tel: 021-35390408

Subject: Complaint against SECP for not acting on State Bank of Pakistan instructions against JS Bank Limited

Dear Sir,

This is with reference to your letter dated February 27, 2015. In regard to point 4 and 5 of the aforementioned letter, the composition of the board of directors of JS Bank Limited (the "Bank") was examined in light of the requirements of the Code of Corporate Governance (the "CCG").

It is informed that the CCG has specifically used the term "**encouraged**" in regard to the representation of minority shareholders on the board of directors, which cannot be construed as a mandatory requirement.

Regards,

Hammad Javed
Joint Director (SSED)