

# **Impact of Demutualization on Karachi Stock Exchange**

**A thesis  
Presented to  
The Faculty of  
Management Sciences  
Bahria Institute of Management & Computer Sciences, Karachi**

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**In Partial Fulfillment  
Of the Requirements for the  
Degree of Master of Business Administration**

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**By**

**Muhammad Bilal Abdur Razzaq**

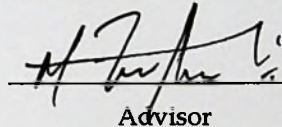
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**JUNE, 2012**

**RECOMMENDATION FOR THE ORAL EXAMINATION**

This Project/thesis hereto attached, entitled, **“Impact of Demutualization on Karachi Stock Exchange”** Prepared and submitted by **Muhammad Bilal Abdur Razzaq**, in partial fulfillment of the requirements for the degree **MASTER IN BUSINESS ADMINISTRATION**, is hereby recommended for appropriate action.

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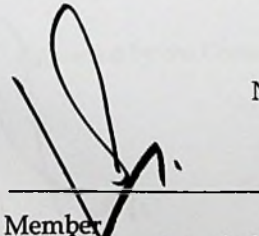
**PROJECT/THESIS COMMITTEE**

In partial fulfillment of the requirement for the **MASTER IN BUSINESS ADMINISTRATION**, this thesis entitles, **“Impact of Demutualization on Karachi Stock Exchange”** is hereby recommended for

Oral Examination.

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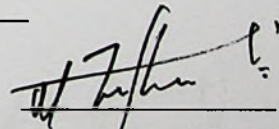
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**ABSTRACT:**

The focus of this study is to know about the impact of demutualization or corporate ownership structure on the performance of stock exchange. This study is particularly distinguishing the mutual and demutualized ownership. Karachi stock exchange (KSE) is chosen in the study because Karachi stock exchange is one of the important emerging markets in the world. Karachi Stock Exchange has much bigger in size in terms of shareholders and wealth and it has their issue which has to be solved. The reason behind to choose the KSE for the study is to see the effects of demutualization process on the market. This research paper also described the impact of insider trading done by the brokerage which is solely owner of Karachi stock exchange. It also focuses on their way of manipulating the market and how they increase their profit. This research paper aim to base its results upon the responses on following resources primary and secondary resources and interviews is used as the method of analysis, in association to a profound review of the literature in this area. This research shows that fact that demutualized stock exchange holds stronger base in terms of operating performance and shareholder's return than mutual exchanges. And also some of the theories, research paper and articles included in this research.