

## **PRESS RELEASE**

### **SEC Registers 239 New Companies in July**

**ISLAMABAD – 3 August 2004:** The growing trend in company incorporation continued in the month of July as a total of 239 companies were registered with the Securities and Exchange Commission of Pakistan (SEC) under the Companies Ordinance, 1984 (Companies Ordinance) as compared to 188 companies registered during the corresponding month of the previous year, reflecting an increase of 27 %.

Of the 239 companies, 229 were limited by shares including 7 public unlisted companies, 214 private companies, and 8 single member companies. Highest numbers of companies registered during the month were reported from CRO Lahore, followed by Karachi and Islamabad. Lahore office accounted for 108 companies, or 45 % of the 239 incorporated companies. Karachi and Islamabad had a total of 64 and 45 companies each. Company registration offices of Faisalabad, Quetta, Multan, and Peshawar registered 9, 2, 5 and 6 companies respectively.

Total authorized capital of the 229 limited by shares companies registered during the previous month amounted to Rs. 4,502.61 million. Of these 229 companies, 214 were private companies having authorized capital of Rs. 3,906.51 million, 8 Single Member Companies with an authorized capital of Rs. 29.6 million, and 7 were public companies with an authorized capital of Rs 566.5 million.

The total number of companies at work as of July 31<sup>st</sup> were 43,981 including 2,774 public companies, 39,996 private companies, 151 single member companies, 491 companies limited by guarantee and trade organizations, 562 foreign companies and 7 companies with unlimited liabilities. This is an increase of 5% as compared to 41,722 companies registered up to July 31<sup>st</sup>, 2003.

The growth in company incorporation characterized the whole of the past year whereby it is observed that the overall expansion is contributed by 41 % increase during the preceding twelve months in comparison with the previous period. During the period from August 01, 2003 to July 31, 2004, the numbers of new companies registered are 2,259 as against only 1,602 companies registered during the previous twelve months.

The corporate sector has seen a steady growth in year-wise new incorporation, whereby a considerable number of 2,208 companies were registered in the financial year 2003-2004, as against 1,553 companies incorporated last year, reflecting a growth of 42 %. Maintaining a similar trend, the corporate sector is anticipated to grow at a higher pace in future as well.

The number of new registration every month has been increasing considerably as compared to growth in last year's corresponding months when only 127 companies had been registered. During the last five months, the corporate sector has witnessed new incorporations exceeding the mark of 200 companies each month, which has far surpassed the comparative registration figures of the previous year.