

PRESS RELEASE

SEC Penalizes Two Companies

ISLAMABAD – August 4, 2004: The Securities and Exchange Commission of Pakistan (SEC) has imposed penalties on two companies for failure to prepare and circulate quarterly accounts within the prescribed time.

It is mandatory for listed companies to prepare and transmit the quarterly accounts to their shareholders, stock exchanges, Registrar and the SEC within one month of the close of their first and third quarter, and within two months of the close of the second quarter of their year of accounts.

It was observed that M/s. Farooq Habib Textile Mills Limited and M/s. Redco Textile Mills Limited had failed to comply with the statutory requirement. As a consequence, the SEC imposed fine of Rs. 21,000 on Chief Executive/Director of M/s. Farooq Habib Textile Mills Limited and Rs. 90,000 on Chief Executive/ Director of M/s. Redco Textile Mills Limited.

The SEC, as a regulator, is exercising strict vigilance to ensure that the listed companies are transmitting their quarterly accounts within the prescribed time and necessary regulatory requirements are complied with.