

# **PRESS RELEASE**

## **SEC Imposes Penalty Amounting to Rs.32,000 on the Directors of Pangrio Sugar Mills Limited**

**ISLAMABAD – 16 March 2004:** The Securities and Exchange Commission of Pakistan (SEC) has imposed a penalty amounting to Rs. 32,000 on the directors of M/s Pangrio Sugar Mills Limited for their failure to make timely payment to the Employees Provident Fund.

The SEC, while examining the audited accounts of the company for the year-ended 30 September 2003, observed that an amount of Rs. 4.768 million was shown as payable by the company to the Employees Provident Fund in contravention of the requirements of the Companies Ordinance, 1984. The company's auditors have also qualified the aforesaid annual accounts on this ground.

During the course of proceedings, the company, while admitting the default, stated that it occurred due to liquidity constraints and submitted that they had already started making payment of the outstanding amount to the Fund. They assured the SEC that all outstanding amounts shall be paid to the Fund within thirty days. Considering the director's admission and efforts of the management to rectify the default, the SEC, taking a lenient view, imposed a penalty amounting to Rs. 32,000 on the responsible directors, directing them to rectify the default within thirty days.