



Securities and Exchange Commission of Pakistan

12TH FLOOR, NIC BUILDING, 63-JINNAH AVENUE, BLUE AREA, ISLAMABAD

PRESS RELEASE

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SECP IMPOSES FINE ON FIRM

ISLAMABAD – NOVEMBER 30, 2007: The Securities and Exchange Commission of Pakistan (SECP) has imposed a fine of Rs. 1,050,000 on the Chief Executives and Directors of Providence Modaraba Limited and BRR Investment (Pvt.) Limited, the managers of Guardian Modaraba and BRR International Modaraba (now BRR Guardian Modaraba, respectively).

The Registrar (Modaraba), SECP appointed inspectors and conducted inquiries into the affairs of Guardian Modaraba and BRR International Modaraba (now BRR Guardian Modaraba) under section 21 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The inspectors, in the inquiry reports, pointed out violations of the prospectuses of Modarabas and the Prudential Regulations for Modaraba. The Registrar (Modarabas) took cognizance of the non-compliance of the Modaraba law, rules and regulations and issued show-cause notices to the Chief Executives and all the directors of the management companies. After completing the due process of the law and providing opportunities of personal hearing to the Chief Executives and Directors, the Registrar (Modaraba) found that the contraventions of the law were wilful and, therefore, he imposed fines on the Chief Executives and Directors aggregating to Rs. 1,050,000.

In compliance with the orders of the Registrar, the Chief Executives and Directors of the Modaraba companies have deposited the amount of the fine imposed on them.

The details of these orders are available on the SECP's website:
www.secp.gov.pk

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