



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

PRESS RELEASE

For Immediate Release

July 14, 2015

SECP initiates 14 show cause proceedings

ISLAMABAD, July 14: The Securities and Exchange Commission of Pakistan (SECP) initiated 14 show-cause proceedings for violations of the 1984 Companies Ordinance by companies and their directors.

The SECP's Corporate Supervision Department has issued these notices. The majority of these proceedings pertain to failure of companies to hold annual general meetings, non-holding of directors meetings, failure to comply with takeover ordinance, and regulations, circulation of auditors report, non-maintenance of functional websites, non-circulation of quarterly financial statements and non-disclosure of statement of material facts.

The Section 245(1)(b) and 233(5) of 1984 ordinance require all listed companies to file their quarterly and annual accounts separately to the SECP and the Registrar of Companies.

The department also concluded 27 proceedings against the companies, their chief executives, directors and auditors of the companies for violating certain provisions of the ordinance.

While facilitating the companies, the department allowed five listed companies to issue shares by way of otherwise than right and another company was allowed to issue right shares at discount based on the special resolution passed by the shareholders of the company. Moreover one company was allowed to issue unlisted redeemable, non-cumulative and non-voting preference shares.

The department also accorded other approvals and relaxation to 30 companies from certain provisions of laws and the rules pertaining to filing of consolidated financial statements, extension in timeline for making public announcement of offer, withholding the dividend of shareholders who have failed to provide the computerized national identity card numbers, transmission of quarterly account through website, and the 2008 Group Companies Registration Regulations.

In addition, 110 investor complaints pertaining to non-issuance of shares, non-verification of transfer deeds and non-payment of dividends have been resolved.

Media and Corporate Communications Department/Spokesperson

Securities and Exchange Commission of Pakistan

NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad – 44000 Pakistan

Direct # +92 51 9214005 Fax # +92 51 9206515 Cell: +92 300-9882237

Email: sajid.gondal@secp.gov.pk

www.secp.gov.pk