



Press Release
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For immediate release

SECP tells 77 companies to rectify default of listing regulations

ISLAMABAD, September 3: The Securities and Exchange Commission of Pakistan (SECP) has directed seventy-seven (77) listed companies on the defaulter segments of the three stock exchanges to take immediate steps to rectify defaults relating to the listing regulations of the stock exchanges within 14 days.

The directions have been issued under Section 100 (b) of the 2015 Securities Act. Various defaults committed by the aforesaid companies include failure to hold two consecutive annual general meetings, failure to pay outstanding annual listing fee, failure to pay penalties imposed or any other dues payable to stock exchanges and failure to join the Central Depository System (CDS).

The measure is aimed at enhancing the rights of minority shareholders and promoting a culture of regulatory compliance. In case of non-compliance with the directions of the SECP, the company or its chief executive and directors of the company shall be liable for action under Section 159 (5) (a) and (c) of the Act, which includes penalties of up to 100 million in case of an individual and up to 200 million in case of a company. The failure to rectify the default can even lead to winding up/liquidation of a company.