

April 07, 1999 SECP issues directive to the management of RRP Limited to stop dispatch of the machinery and sale of assets

Securities and Exchange Commission of Pakistan has reminded all listed companies through Circular No. 7 of 1999 to make necessary modifications in their automation systems to ensure that their existing systems do not pose any problem at turn of the century to their business or the customers. The companies have also been asked to keep a provision for "Year 2000 Compliance (Y2K)" for the systems under development and those scheduled to be developed, in future. Need to issue fresh direction was felt because a number of companies had failed to disclose status of the Y2K compliance in their annual and half yearly reports in spite of instructions given in Circular No. 1 and 3 of 1998 issued by SECP (erstwhile Corporate Law Authority) in May and October last year. Through the present circular, the companies have been advised to expedite Y2K compliance and disclose status of the compliance in the annual reports for the period ended June 30, 1999. Simultaneously, firms of Chartered Accountants and Cost Accountants are being asked, through a separate circular, to give a report on Y2K compliance by their clients.