

Registrars of Companies Adjudicate 192 Companies during July 2005

Islamabad – August 29, 2005: The Registrars of Companies of the Securities and Exchange Commission of Pakistan (SECP) took appropriate actions against 192 companies during July 2005 on account of violations of different legal provisions.

The violations mainly pertained to delay in filing of annual accounts, various statutory returns and documents with the registrar of companies, including the late filing of annual returns on Forms A/B, Forms-29, circulars for further issue of capital, returns of allotment, statements of beneficial ownership of listed securities and notices of special resolution passed by the companies. A total of 113 cases pertained to late notification of election and appointment of directors and other officers on Forms-29 by corporate entities.

Of the 192 cases, the registrar at the Company Registration Office (CRO) in Lahore adjudicated 132 companies while CROs at Karachi and Islamabad adjudicated twenty-nine and two companies, respectively. Remaining CROs adjudicated twenty-one cases in aggregate. The Registrar of Companies at the head office in Islamabad adjudicated eight cases. Total penalty imposed by the Registrars of companies during the month amounted to Rs. 674,600.

The monitoring and enforcement measures of the SEC seek to infuse a culture of corporate discipline and statutory compliance. It is envisioned that these measures would encourage transparency in the disclosure of corporate affairs and lead to the establishment of sound corporate governance practices.