

Press Release

SEC Penalizes M/s Usman Textile Mills

Islamabad – December 24, 2004: The Securities and Exchange Commission of Pakistan (SEC) has imposed penalties aggregating Rs.350,000 on the former Chief Executive and Directors of M/s Usman Textile Mills Limited for paying a 300 percent dividend out of the sale proceeds of fixed assets disposed off by the company.

Since this is a contravention of the provisions of the Companies Ordinance, 1984, the SEC imposed a penalty of Rs. 50,000 on each member of the Board of Directors of the company at the time. The former Directors, including the Chief Executive, are personally liable to pay the penalty.