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## **SEC relaxes rules regarding submission of Quarterly Accounts by Listed Companies**

The Securities and Exchange Commission of Pakistan had, in the interest of investors, issued a directive to the listed companies vide Notification No. SRO. 764(I)/2001 dated November 05, 2001 regarding preparation and transmission of Quarterly Accounts followed by a Press Release dated November 28, 2001 according to which the Quarterly Accounts for the 2nd quarter were dispensed with in the light of Section 245 which provides for preparation and circulation of Half-yearly Accounts. Some of the companies/associations have approached the Commission pointing out some practical difficulties being faced by them in the implementation of the aforesaid Notification. Their main observation is that in view of the requirement to prepare annual audited accounts, the circulation of Quarterly Accounts for the 4th quarter should not be required. The suggestions received by the Commission have been carefully considered and it is hereby clarified and directed as follows for future compliance:

- 1) Companies that are able to circulate their Audited Accounts within three months of the close of their financial year may not be required to circulate Quarterly Accounts for the 4th Quarter.
- 2) As a special case, and only in respect of the Quarter ended December 31, 2001, companies may circulate their Quarterly Accounts by February 28, 2002 (instead of January 31, 2002). The Commission would like to make it abundantly clear that this relaxation is specifically in respect of the Quarter ended December 31, 2001 and a similar relaxation will not allowed for subsequent Quarterly Accounts which will be governed in the manner already notified.
- 3) Companies, finding it difficult to circulate Quarterly Accounts to their shareholders may, in lieu thereof, publish their Quarterly Accounts in two leading daily newspapers, one in English and the other in Urdu language, having wide circulation in the Province in which Stock Exchange on which the company is listed, is situate.
- 4) Notwithstanding the option given at 3 above, Quarterly Accounts must be submitted to the Commission, the Registrar and the concerned Stock Exchanges as required by the Notification dated November 05, 2001.