

June 09,1999 Securities and Exchange Commission of Pakistan allows a period of 90 days to M/s. Searle Pakistan Limited and Fidelity Investment Bank Limited to un-do investment in their associated companies.

Securities and Exchange Commission of Pakistan had directed M/s. Searle Pakistan, Limited (SPL) on March 26, 1999 and M/s. Fidelity Investment Bank Limited, (FIBL) on April 05, 1999 to un-do investments in associated companies within a period of 60 days of the notice. Both the companies requested for an extension in the period allowed to effect dis-investment. Accepting their requests, SECP has granted a grace period of 90-days to the companies to un-do the earlier transactions.

It may be recalled that FIBL had invested RS. 10 million in Security General Insurance, Limited which was found not to be in the interest of shareholders of the Bank. Similarly, M/s. Searle Pakistan, Limited had entered into an agreement to purchase lease held land and building from International Brands (Pakistan), Limited for Rs. 60.22 million. In addition to that the company had also purchased a building and a chemical plant which was subject to finance lease and paid Rs. 37.96 million.

Enforcement and Monitoring Division of the SECP had issued notices to the companies under section 472 Companies Ordinance, 1984 to un-do these transactions. After hearing views of the companies and considering their request, the SECP has granted a grace period of 90-days to un-do the earlier transactions