



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Strategy, Development and External Relations Department

Press Release

SECP seeks comments on draft Fertilizer Industry Cost Accounting Records Order

ISLAMABAD, October 3: The Securities and Exchange Commission of Pakistan has developed and issued notification for draft of Fertilizer Industry (Cost Accounting Records) Order, 2011, vide SRO 852/I/2011, for the chemical fertilizer industry to facilitate maintenance of records by the companies engaged in production and manufacture of fertilizer. Fertilizer companies are required to maintain such cost accounting records including all particulars relating to utilization of material, labour or other inputs of items of cost as would be necessary.

The aforesaid draft is issued in exercise of powers conferred by clause (e) of sub-section (1) of section 230 read with section 246 of the Companies Ordinance, 1984, and section 43 of the Securities and Exchange Commission of Pakistan Act, 1997.

The notification was published on September 19, 2011 for the information of all persons likely to be affected thereby and notice is also given that the draft will be taken into consideration after 30 days of its publication in the official gazette. Any objections or suggestions received about the draft before the expiry of the said date will be considered by the SECP. The notification has also been placed at the SECP website:

http://www.secp.gov.pk/notification/pdf/2011/Fertilizer_Industry_Cost_Accounting_Records_Order2011.pdf

It has been emphasized that regulatory apparatus at the SECP intends to foster efficiency and investment by eliminating outdated restrictions and promoting sustainable growth. The SECP strives to make right regulations in the interest of the industry, as a whole and also in the interest of the other stakeholders. Cost audit can provide relevant and credible cost and revenue data to the stakeholders to support their decisions. Cost audit mechanism acts as a measure of efficiency and performance. It can serve as an important tool for effective enterprise governance, competitiveness and strengthening the regulatory mechanism.