

November 7, 2000 SECP brings back Rupees 11 million into the company's account of M/s Pioneer Cement Limited.

The proceedings started by the Securities and Exchange Commission of Pakistan against the Directors of Pioneer Cemented Limited for incurring heavy expenditure on medical treatment of its deceased Chairman have been dropped by Commission on an offer by the family of the deceased Chairman to deposit an amount of Rs.1,09,27,500/- into Company's account.

The background of the case is that the ex-Chairman of the Company was caught from cancer and the Company arranged medical treatment for him abroad on which total amount of Rs.29.855 million was spent and charged in the Company's accounts for the years i.e. 1995-96 and 1996-97. Since the Company was not paying any return to the shareholders and expense was very high, SECP raised the issue of admissibility of this expense and asked the Directors of the Company to pay to the company the total amount spent on this account. During the proceedings, the family of the ex-Chairman of the Company offered to pay an amount of Rs.1,09,27,500/- to the company and the Commission in larger interest of the shareholders of the Company has agreed to accept this offer and drop the proceedings initiated in the matter. The family of the ex-Chairman of the Company has been allowed six months time to arrange payment to the Company.