

Press Release

SEC Takes Action against 108 Companies during September 2005

Islamabad – October 17, 2005: The Registrars of Companies of the Securities and Exchange Commission of Pakistan (SEC) adjudicated 108 companies during September 2005 on account of violations of different provisions law.

The violations mainly pertained to delay in filing of annual accounts, various statutory returns and documents with the registrar of companies beyond the prescribed period including the late filing of annual returns on Forms A/B, Forms 29, Forms 21, circulars for further issue of capital, returns of allotment, statements of beneficial ownership of listed securities and notices of special resolution passed by the companies. Out of these, a total of 65 cases pertained to late notification of election and appointment of directors and other officers on Forms 29 by the corporate entities.

Of the total 108 companies, 102 were adjudicated by the Registrars at the Company Registration Offices (CROs) in eight cities of the country. The CRO Lahore adjudicated 47 companies while CROs Karachi and Islamabad adjudicated 17 and 18 companies respectively. CROs at Faisalabad, Peshawar and Multan adjudicated 11, five and four companies, respectively. The Registrar of Companies at the SEC head office adjudicated six cases

The monitoring and enforcement measures of the SEC seek to infuse a culture of corporate discipline and statutory compliance. It is envisioned that these measures would encourage transparency in the disclosure of corporate affairs and lead to the establishment of sound corporate governance practices.