



PRESS RELEASE

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SECP warns public against investing in fraudulent investment and ponzi schemes

ISLAMABAD, November 19: The Securities and Exchange Commission of Pakistan (SECP), to safeguard the interests of public, advises people not to invest in fraudulent investment and ponzi schemes promising hefty profits and unrealistic incentives to trap innocent people

It has come to the SECP's knowledge that companies namely M/s. BH Online Jobs (SMC-Private) Limited, Corporate Automobiles (Private) Limited and Best Day Innovative Solutions (Private) Limited are engaged in unauthorized and dubious business activities. The SECP received numerous complaints that these companies are offering investment plans such as leasing/financing of cars, motorcycles, houses etc. and involved in illegal banking business without lawful authority. These activities are prohibited and contrary to the object clause of their Memorandum of Association.

These entities trap people by offering high rates of return with little risk to investors. They market their schemes through local newspapers, social media, websites and pamphlets etc. The SECP has already initiated legal proceedings for winding up these companies.

Moreover, the SECP has also received a number of complaints and queries regarding an entity B4U. This entity is raising unauthorized deposits from the general public in the name of different investment plans. It is clarified that "B4U Trades" is not registered with the SECP.

The general public is hereby cautioned in their own interest and advised not to be misled by such schemes. This warning is being issued to safeguard the interests of all stakeholders, who are presently dealing with these businesses.

The SECP has time and again clarified that mere registration of a company with it, does not necessarily mean that these companies are allowed to take illegal deposits from general public.