

SECP's efforts towards promoting corporate governance lauded

KARACHI: The Institute of Chartered Accountants of Pakistan (ICAP) launched Directors' Training Programme duly approved by Securities and Exchange Commission of Pakistan (SECP) recently. More than 33 participants of listed companies are attending the programme.

Abdul Rahim Suriva, Chairman CPD said that in 1998, a conference was organized by ICAP on the subject of Good Corporate Governance. Later in 2002, SECP adopted almost all of these recommendations.

He put forward three comments. Code of Corporate Governance does not specifically require what to be covered for corporate reporting. Therefore in order to further strengthen transparency and accountability, SECP may include the corporate reporting criteria developed by the Joint Committee of ICAP and ICMAP as a part of CCG. CCG requires directors to annex the statements with the Directors' Report and Financial Statements are as per IFRS and System of Internal Control is sound etc.

CCG requires that 2/3 directors should be non executive. In

this circumstance it is not logical to bound Non Executive directors to certify and take so much exposure and responsibility. In few countries these confirmations are expected from CEO and CFO under a separate statement called 'Responsibility Statement'. The CCG also requires, wherever necessary few information to be annexed to the Directors' Reports, for example: key operating and financial summarized data of last six years;

He suggested SECP to make these as a part of the annual report instead of making it as a part of Directors' Report so that the responsibility remains with the Operational Management. CFOs and & CEOs.

Director, SECP, Aki! Saeed congratulated ICAP for conducting DTP. He said that what is written In code should be Implemented in later and sprit E-Voting, E-IPP, E-Dividerec are being considered by SECP.

Ahmed Saeed, President ICAP said that Shareholders role is to appoint Director's & Auditors ICAP appreciates efforts of SECP in promoting Corporate Governance and providing adequate grounds for Directors Training.—PR