

No.19 (994)CF/ISS/98-2001  
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
(Enforcement & Monitoring Division)

## Order

### **IN THE MATTER OF M/S. ALTERN ENERGY LIMITED**

(In respect of Show Cause Notice under section 245(1)(b) of the Companies Ordinance, 1984)

No. & Date of Show Cause Notice	No. 19(994) CF/ISS/98-2001 dated May 21, 2001
Date of Hearing	June 18, 2001
Appearance of Hearing	Mr. Anjum Pervaiz, Company Secretary
Date of Order	June 27, 2001

M/s. Altern Energy Limited (the "Company") was required to prepare and transmit to the members within two months of the close of the first half of its year of account, the profit and loss account and the balance sheet as at the end of that year under clause (b) of Sub-section (1) of Section 245 of the Companies Ordinance, 1984 (the "Ordinance"). The company was also required to file with the Registrar and the Commission three copies of such profit and loss account and balance sheet simultaneously with the transmission to the members.

2. The company failed to submit the half yearly profit and loss account and balance sheet within the prescribed time limit and a show cause notice of even number dated May 21, 2001, was served on the Chief Executive and Directors of the company calling upon them to show cause in writing as to why penalty as provided under Sub-section (3) of Section 245 of the Ordinance may not be imposed on them for the aforesaid contravention.

3. In response to the aforesaid show cause notice, Mr. Habib R. Khan, Chief Executive of the company vide his letter dated May 31, 2001 submitted that the company staff was busy in arrangements of the AGM held on January 31, 2001 and extensive commissioning requirements as the project was expected to be commissioned within a month or so. Due to these reasons the half yearly accounts could not be filed within the prescribed time. Since the reply was not found to be satisfactory, hearing in this case was fixed on June 18, 2001 on which date, Mr. Anjum Pervaiz, Company Secretary appeared On behalf of the Chief Executive and all Directors of the company and pleaded the case. He repeated the same arguments as were submitted by the Chief Executive in his reply to the Show Cause Notice. He assured that the Company shall strictly comply with the requirements of Section 245 in future. He also requested to take a lenient view of the default.

4. In view of written as well as verbal submissions, although the default is considered willful but I am inclined to take a lenient view and impose a penalty of Rs 5,000/- (Rupees five thousand only) on the Chief Executive of the company who is mainly responsible for the delay

under Sub-section (3) of Section 245 of the Companies Ordinance, 1984 read with section 476 of the said Ordinance instead of imposing a fine of Rs.100,000/- on every director including the Chief Executive of the company.

5. Mr. Habib R. Khan, Chief Executive of the company is directed to deposit a fine amounting to Rs. 5,000/- (Rupees five thousand only) in the designated bank account maintained in the name of Securities and Exchange Commission of Pakistan with Habib Bank Limited within thirty days from the receipt of this order and furnish the receipted challan to the Commission.

**(RASHID SADIQ)**  
Executive Director

**June 29, 2001**  
**ISLAMABAD**