

Securities and Exchange Commission of Pakistan
Enforcement and Monitoring Division
NIC Building, Jinnah Avenue, Islamabad

Order

IN THE MATTER OF M/S PRUDENTIAL INVESTMENT BANK LIMITED

IN RESPECT OF SHOW CAUSE NOTICE UNDER CLAUSE (b) OF SUB-SECTION (1) OF SECTION 245
READ WITH SECTION 476 OF THE COMPANIES ORDINANCE, 1984

No. and date of show cause notice	19(637)CF/ISS/91-2001 dated May 30,2001
Date of hearing	July 02, 2001
Present	None
Date of Order	July 31, 2001

The facts of this case are that M/s. Prudential Investment Bank Limited (the "Company") was required to prepare and transmit to its members within two months of the close of the first half of its year of accounts, the profit and loss account and balance sheet (the "half yearly accounts") 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 half yearly accounts simultaneously with the transmission to the members.

2. The Company failed to file the half yearly accounts for the period ended December 31, 2000 within the prescribed time. A show cause notice dated May 30, 2001 was, therefore, served on all the directors including Chief Executive of the Company calling upon them to "show cause in writing within 14 days of the receipt of this notice as to why penalty as provided in Sub-section (3) of Section 245 of the Ordinance may not be imposed for the aforesaid contravention".

3. In response to the aforesaid show-cause notice, the Company vide its letter dated June 18, 2001, filed the half yearly accounts with the Commission i.e. with a delay of 111 days. However, no reasons were given for the late filing of the half yearly accounts. A hearing in this case was, therefore, fixed on July 02, 2001 but no one appeared on the date of hearing, which shows that the directors including the Chief Executive have nothing in their defence and they have been knowingly the cause of the aforesaid default.

4. In view of the above and taking into consideration all the relevant facts, the default is considered willful which attracts the provisions of Sub-section (3) of Section 245 of the Ordinance. I therefore, hereby impose a fine of Rs.50,000/- (Rupees fifty thousand only) on each of the following Directors including the Chief Executive of the Company under Sub-section (3) of Section 245 of the Ordinance read with Section 476 of the Ordinance:-

- i) Mr. Tahir Hassan, Chief Executive
- ii) Mr. Rashid ullah Yaqoob, Director/ Chairman
- iii) Mr. Tahir Siddiqui, Director
- iv) Mr. Naseemuddin Mirza, Director
- v) Mr. Obaid ullah Siddiqui, Director
- vi) Mr. Naveed A. Wahid, Director
- vii) Mr. A. K. Sherwani, Director

5. The Chief Executive and the Directors of the Company are directed to deposit the fine 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 date of this Order and furnish a receipted challan to the Securities and Exchange Commission of Pakistan.

RASHID SADIQ
(Executive Director)

Announced
July 31, 2001
ISLAMABAD