



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Enforcement Department

Before Javed K. Siddiqui, Executive Director (CL)

In the matter of

M/s. Haji Dossa Limited

(Under Sub-section (3) of Section 245 of the Companies Ordinance, 1984)

No. & date of show cause notice	EMD/233/600/2004
Date of hearing	March 30, 2005
Present	Mr. Muhammad Aziz Haji Dossa <i>Chief Executive</i>
Date of Order	April 27, 2005

Order

This Order shall dispose of the proceedings initiated against the Chief Executive and other directors of M/s. Haji Dossa Limited (hereinafter referred to as the “Company”) for defaults made in complying with the provisions of Sub-section (1) of Section 245 of the Companies Ordinance, 1984 (the “Ordinance”).

2. The facts of this case, briefly stated, are that in terms of the provisions of Section 245 of the Ordinance, the Company was required to prepare and transmit to the members its quarterly accounts for the 1st quarter ended November 30, 2004 latest by December 31, 2004 and file simultaneously the same with the respective Stock Exchange, the Registrar and with the Commission respectively. As the Company failed to file the aforesaid accounts with the Commission within the prescribed time, a show cause notice dated February 10, 2005 was served on the Chief Executive and other directors of the Company calling upon them to



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explain as to why penalties as provided under Sub-section (3) of Section 245 read with Section 476 of the Ordinance may not be imposed on them for the aforesaid contravention. In response to the said notice, no reply was however, received from any one.

3. In order to provide an opportunity of hearing and to meet the ends of justice, the case was fixed for March 14, 2005 at Islamabad however, the same was not held due to a letter received from Mr. Nissar Dossa, Director wherein he made a request for fixing a date of hearing at Karachi. In order to provide a last opportunity of hearing and for the convenience of the Company whose Registered Office is also situated at Karachi, the matter was fixed for March 30, 2005 at Karachi where Mr. Muhammad Aziz Haji Dossa, Chief Executive of the Company appeared before me and argued the matter. He submitted that the Company is presently in financial constraints and is unable to pay various necessary expenses including listing fee of the Stock Exchange. Further the Company is also considering buy-back of shares from the minority shareholders for which the matter is under process. He further contended that the Company has already prepared its quarterly accounts which are placed at its web-site for convenience of shareholders. However, he could not produce any evidence of filing the same with the Commission and the Registrar in compliance of Section 245 of the Ordinance.

4. I have given due consideration to the contentions of Mr. Aziz Haji Dossa, Chief Executive of the Company and found that arguments given are not relevant to the case and no evidence is available with the Company for filing the quarterly accounts with the Registrar and the Commission. The grounds given by Mr. Muhammad Aziz Haji Dossa, Chief Executive also do not justify the defaults in non-filing of quarterly accounts with the Registrar and the Commission. It is the duty of the Directors of the Company to ensure compliance with all the statutory requirements. They are responsible for timely preparation and submission of quarterly accounts to the members of the Company as well as to the Commission. The disregard of law by the Directors is also evident from the unsatisfactory track record of the



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Company. The Company and its Directors had also defaulted in submission of quarterly accounts and have failed to prepare and transmit its quarterly accounts since the year 2000 for which various penalties were imposed and were not deposited by the Directors. It appears that the Directors do not take the provisions of law seriously. The Directors have thus violated the mandatory provisions of Section 245 of the Ordinance by not filing the quarterly accounts within prescribed time. The Chief Executive was however, advised that, as stated by him, if the accounts are ready, these should be sent to the Commission till April 6, 2005 in order to substantiate his contentions, however, only one copy has been received till the signing of this order.

5. Under the circumstances, I am of the opinion that the contentions of the Chief Executive of the Company do not justify the defaults for non-filing of accounts with the Commission as they have knowingly and deliberately committed the default. I, therefore, in exercise of powers conferred upon me under Section 245 of the Ordinance, impose a fine of Rs. 50,000/- (Rupees fifty thousand only) on the Chief Executive and each Director of the Company in the following manner:

S. No	Name of Director/Company	Penalty
1.	Mr. Muhammad Aziz Haji Dossa, Chief Executive	Rs. 50,000/
2.	Mrs. Munira Arif Mooraj, Director	Rs. 50,000/
3.	Mr. Hussain Ali Arif Mooraj, Director	Rs. 50,000/
4.	Mr. Muhammad Nisar Dossa, Director	Rs. 50,000/
5.	Mr. Muhammad Sadik Nisar Dossa, Director	Rs. 50,000/
6.	Ms. Rishiqay Nissar Dossa, Director	Rs. 50,000/
	Total	Rs. 300,000/

6. The Chief Executive and other Directors are hereby directed to deposit, within 30 days of the date of receipt of this order, the aforesaid fine totaling to Rs.300,000/- (Rupees three



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hundred thousand only) in the Commission's designated bank account No. 10464-6 maintained at Central Branch 2, Habib Bank Limited, I.I Chundrigar Road, Karachi or pay by a DD/pay order issued in the name of Commission and send a copy of the receipt to the Commission for information and record, failing which proceedings under the Land Revenue Act, 1967 will be initiated which may result in the attachment and sale of movable and immovable property.

Javed K. Siddiqui
Executive Director (CL)