



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

*Company Law Division
(Enforcement Department)*

Before Abdul Rehman Qureshi, Commissioner (CLD)

In the matter of
M/S.TELECARD LIMITED

Date of hearing

October 08, 2003

Present

Mr. Haroon Iqbal,
Company Secretary &
Chief Financial Officer

ORDER

This Order shall dispose of the proceedings initiated against M/s. TeleCard Limited (hereinafter referred to as the "Company"), its chief executive and directors for the default made in complying with the provisions of Sub-section (1) of Section 245 of the Companies Ordinance, 1984 (the "Ordinance").

2. The brief facts of the case are that the Company, as provided under Sub-section (1) of Section 245 of the Ordinance, was required to prepare and transmit to the members and simultaneously to submit to the Commission quarterly accounts for the period ended on December 31, 2002 and March 31, 2003 on or before February 28, 2003 and April 30, 2003 respectively, but its management failed to file the requisite accounts within the prescribed time. Consequently, a show cause notice dated August 29, 2003 was issued to 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 read with Section 476 of the Ordinance may not be imposed upon them for the aforesaid defaults.

3. In response to the show cause notice Mr. Haroon Iqbal, Company Secretary/Chief Financial Officer of the Company vide his letter dated September 12, 2003 requested for an opportunity of hearing. In order to provide the said opportunity, the matter was fixed



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for hearing on October 08, 2003. On the said date, Mr. Haroon Iqbal, appeared on behalf of all the directors of the Company and contended that the quarterly accounts for the quarters ended December 31,2002 and March 31,2003 could not be filed in time due to the delay on the part of their printer. He requested to condone the delay for this time and undertook to comply with the statutory provisions of law within prescribed time in future.

4. I have considered the arguments advanced at the time of hearing by the representative of the company who also appeared on behalf of the chief executive and other directors but I do not found the grounds submitted by him as cogent. The company and its management have failed to comply with the requirements of law. Taking into account all the relevant facts and circumstances of this case and the fact that the accounts were, subsequently submitted to the Commission with a delay of 25 days and 28 days only, I impose a penalty of Rs. 20,000/- (Rupees twenty thousand) for each default on the chief executive of the Company only. The other directors of the Company are reprimanded to be careful in future.

5. Mr. Javaid Firoz, Chief Executive of the Company is hereby directed to deposit the fine amounting to Rs.40,000/- (Rupees forty thousand only) in the 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 receipted challan to the Commission.

(Abdul Rehman Qureshi)
Commissioner (C.L.D)

December 02, 2003,
ISLAMABAD