

**Securities and Exchange Commission of Pakistan
Enforcement and Monitoring Division
7th Floor, NIC Building, Jinnah Avenue, Blue Area, Islamabad.**

Jul 31, 2001

**Before Rashid Sadiq, Executive Director
In the matter of**

M/S MUBARAK TEXTILE MILLS LIMITED

Number and date of show cause notice No.19(853)CF/ISS/91-2001

dated
May 15, 2001

Date of hearings
July 05, 2001

Present:
None

**ORDER UNDER SUB-SECTION (1) OF SECTION 158 READ WITH SECTION 476
OF THE COMPANIES ORDINANCE, 1984)**

The facts of this case are that M/S Mubarak Textile Mills Limited (the “Company”) was required to hold its annual general meeting (AGM) for the year ended September 30, 2000 latest by March 31, 2001 under Sub-section (1) of Section 158 of the Companies Ordinance, 1984 (the “Ordinance”). The Company, its Chief Executive and Directors, however, failed to hold the said AGM within prescribed time. A Show Cause Notice dated May 15, 2001 was served on the Chief Executive and Directors of the Company for violation of Sub-section (1) of Section 158 of the Ordinance.

2. In response to the aforesaid show-cause notice, the Company vide its letter dated May 29, 2001 stated that they have appointed M/S Tariq Ayub Anwar & Co. Chartered Accountants to appear before the Commission and since their managers were busy in examination of I.C.A.P and would be available to attend hearing after 10th June, 2001, therefore, the hearing may be adjourned till 10th June, 2001. The hearing was, therefore,

fixed on June 25, 2001, which at the request of the Company was adjourned to July 05, 2001. However no one appeared on the date of hearing, which shows that the Chief Executive and Directors have nothing in their defense and they have knowingly and willfully been the cause of the aforesaid contravention.

3. In view of the above and the fact that the Company has not so far held its due AGM for the year ended September 30, 2000, the default under Sub-section (1) of Sections 158 of the Ordinance is established and it is considered willful. The Chief Executive and directors have, therefore, made themselves liable under Clause (a) of Sub-section (4) of Section 158, of the Ordinance. I, therefore, impose a fine of Rs.20,000/= (Rupees twenty thousand only) on each of the following Directors including the Chief Executive of the Company:

- (i). Mr. Muzaffar Ahmad, Chief Executive
- (ii). Mr. Mubarak Ahmad, Director
- (iii). Mr. Rehan Ahmad, Director
- (iv). Mst. Seema Umar, Director
- (v). Mr. Abdul Shakoor, Director
- (vi). Mr. Zulfiqar Ali, Director
- (vii). Mr. Muhammad Maki Anjum, Director

4. The Chief Executive and the Directors of the Company are directed to deposit the fine in the designated bank account of Securities and Exchange Commission of Pakistan, maintained with Habib Bank Limited within 30 days of the date of this Order and furnish a receipted challan to the Securities and Exchange Commission of Pakistan.

RASHID SADIQ
(Executive Director (Enforcement and Monitoring))

Announced
July 31, 2001
ISLAMABAD