

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

---

*Nov 29, 2001*

---

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

**M/S. TAJ MEDICAL COMPLEX LIMITED**

**Number and date of show cause notice 19(546)CF/ISS/89-2001**

**dated**  
May 02, 2001

**Date of hearings**  
May 21, 2001

**Present:**

Mr. A Khalid Ansari, FCA.

**ORDER UNDER SUB-SECTION (1) OF SECTION 245 READ WITH SECTION 476  
OF THE COMPANIES ORDINANCE, 1984**

The facts leading to this case are that M/S. Taj Medical Complex 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 (the “half yearly accounts”) as at the end of that year under clause (a) 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 half yearly accounts and balance sheet simultaneously with the transmission to its members.

2. The Company failed to transmit the half yearly accounts for the period ended December 31, 2000 to the members and file the same with the Commission within the prescribed time. The half yearly accounts were filed with the Commission on May 10, 2001 i.e. with a delay of two months and ten days. A show cause notice dated May 02,

2001 was, therefore, served on the Company, its 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 on them for the aforesaid contravention.

3. In response to the aforesaid show cause notice, Dr. Mahnaz Munir Ahmed, Chief Executive replied on his behalf and on behalf of the Company and its directors, vide his letter dated May 10, 2001 in which he stated that the Company is under delisting process. The KSE has approved a price of Rupees 15/- per share for buy back of shares by the sponsors. The reason for not circulating the half yearly accounts was due to the understanding that the minority shareholders even though remaining unpaid, would not be interested in knowing the operational results of the Company as what they get ultimately would be the price of their shares already fixed by Karachi Stock Exchange. He admitted the default and requested to condone the same.

4. The reasons for delay in submission of the half yearly accounts were found to be unsatisfactory and thus a hearing was fixed in this case on May 21, 2001. On the date of hearing, Mr. A. Khalid Ansari, FCA appeared on behalf of the Company, its Chief Executive and other directors. He repeated the same arguments for non-filing of the half yearly accounts as were earlier submitted in the written reply to the show cause notice. The arguments furnished by him could not be considered satisfactory, as it was the duty of the directors that they should comply with the statutory requirements. The contention that they were under impression that the shareholders would be least interested in getting information about the operational data of the Company was found to be unjustified.

5. Keeping in view the above-stated facts, the default for non-filing of half yearly accounts is established. The Chief Executive and the directors have, therefore, made themselves liable for penalty as provided under Sub-Section (3) of Section 245 of the Ordinance. However, considering the fact that the Company is already in delisting process, I taking a lenient view, impose a penalty of Rs. 5,000/- (Rupees five thousand) only on the Chief Executive of the Company.

6. The Chief Executive Officer of the Company is hereby directed to deposit the fine of rupees 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 date of this Order and furnish receipted challan to the Securities and Exchange Commission of Pakistan.

**RASHID SADIQ**  
(Executive Director (Enforcement and Monitoring))

**Announced**

November 29, 2001

ISLAMABAD