



**AMZ Ventures**  
SYNERGY OF MINDS

July 6, 2010

Mr. Haroon Askari  
General Manager Operations  
The Karachi Stock Exchange Guarantee Limited  
I. I. Chundrigar Road  
Karachi

Sub : **SHOW CAUSE NOTICE UNDER KSE LISTING REGULATION NO. 32(2)**

Dear Sir

Reference is made to your letter # KSE/Gen/4414 dated June 22, 2010.

AMZ Ventures Limited was listed on the Karachi Stock Exchange in December 2004 to undertake venture capital business which was a pioneering effort in Pakistan. Under approvals provided by the Securities and Exchange Commission of Pakistan, AMZ Ventures had made its investment in its fully owned subsidiary AMZ Access (Pvt.) Limited which is engaged in the business of Medical Transcription through its foreign subsidiary AMZ Access Inc. in USA.

During the year 2005, AMZ Ventures had invested all its capital in cash of Rs. 225 Million in the development of its Business Process Outsourcing (BPO) production house in Karachi and different Software related to the business of Medical Transcription with a contingent of more than 400 employees. This production house was developed with a view to provide the Medical Transcription Services to its foreign subsidiary for their local clients.

In mid-year 2005, AMZ Ventures proposed the issuance of Preference Shares of Rs. 300 Million with a green shoe option of Rs. 200 Million for the further generation of funds for the development deployment of software for clients in the USA. Due to reasons beyond our control (these are well documented) the proposed issuance of Preference Shares was not executed. As a result the Company suffered heavy losses as cash-flow for marketing expenses dried up and a significant number of Clients had not materialized due to the delay in deployment of the Medical Transcription software at the Client end in the USA.

Being an NBFC AMZ Ventures was supposed to do businesses in a limited area as defined by the NBFC Rules 2003 and as approved by the Securities and Exchange Commission. This also placed certain restrictions on the types of business that could be undertaken thus again affecting the profitability of the company and hence its ability to pay dividends and/or issue Bonus Shares to its shareholders. You may also realize that venture capital by its very nature is a risky undertaking and ample disclaimers were provided by the company in the prospectus.

## AMZ Ventures Limited

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