



Corporate Supervision Department
Company Law Division

Before Amina Aziz – Director

In the matter of

Taj Textile Mills Limited

Number and date of notice: EMD/233/286/2002-1168 dated January 20, 2015
Date of hearing: February 1, 2016
Present: Mr. Tariq Latif – Authorized Representative

ORDER

**UNDER SUB-SECTION (4) OF SECTION 158 READ WITH SECTION 476 OF THE
COMPANIES ORDINANCE, 1984**

This order shall dispose of the proceedings initiated vide show cause notice dated January 6, 2015, issued to chief executive and directors (“respondents”) of Taj Textile Mills Limited (“Company”) for default made in complying with the provisions of Section 158 read with Section 476 of the Companies Ordinance, 1984 (“Ordinance”).

2. The brief facts leading to this case are that the Company was required to hold its Annual General Meeting (“AGM”) for the year ended June 30, 2014 on or before October 31, 2014. As per record of the Commission the Company failed to convene its annual general meeting for the year ended June 30, 2014 till date. Therefore, proceeding was initiated under Section 158 (4) of the Ordinance vide show cause notice dated January 20, 2015 against the respondents. The respondents failed to reply SCN.

3. In order to provide opportunity of personal hearing; the case was fixed before the undersigned for February 1, 2016. Mr. Tariq Latif, authorized representative on behalf of respondents appeared and submitted that the Company held its AGM in time. The authorized representative was advised to provide documentary evidence in this regard. The authorized representative vide letter dated February 11, 2016 received by the Commission on February 19, 2015 provided copy of annual accounts for the year ended June 30, 2014 which include notice of annual general meeting to be held on October 31, 2014.

4. In terms of the Commission’s notification SRO 1003(I)/2015 dated October 15, 2015, the powers to adjudicate cases under section 158 of the Ordinance have been delegated to Director (Corporate Supervision Department).



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5. Before proceeding to decide this case, I consider it necessary to highlight important provision of law regarding transmission of notices of AGM. As per Subsection 3 of Section 158 of the Ordinance the notice of AGM shall be sent to the shareholders at least twenty-one days before the date fixed for the meeting and, in the case of a listed company, such notice, in addition to its being dispatched in the normal course, shall also be published at least in one issue each of a daily newspaper in English language and a daily newspaper in Urdu language having circulation in the Province in which the stock exchange on which the company is listed is situate. Pursuant to Commission's Circular No.2 of 2001 and Circular No. 5 of 2002 ("Circulars") the listed companies in addition to other compliances, were directed to comply with requirements concerning transmission of notice of AGM/EOGM to the Commission on the same date on which the notices are issued to the shareholders.

6. It is clear from the record the Company failed to provide notice of annual general meeting to the Commission and also failed to provide annual audited accounts for the period ended June 30, 2014 to the Commission in time under Section 233 of the Ordinance. Based on submissions of the respondent and authorized representative that the AGM held on time but failed to submit documents to the Commission due to non-availability of relevant staff and apology for late compliance, I hereby conclude the case with a warning to the respondents to ensure future compliance of applicable legal provisions.

Amina Aziz
Director (CSD)

Announced:
February 29, 2016
Islamabad