

December 03, 1999

Lahore High Court allows merger of M/s Al-Ata Management Service (Pvt.) Limited and the Al-Ata Leasing Modaraba with the First Crescent Modaraba.

Registrar Modaraba has given directions to the directors of First Al-Noor Modaraba managed by Al-Noor Modaraba Management (Pvt) Ltd. to take the obligation personally arising out of purchase of six lacs shares of Shahmurad Sugar Mills Ltd. Registrar Modaraba has held in his order that the transaction of purchase of shares of Shahmurad Sugar Mills Ltd by First Al-Noor Modaraba was not an arm's length transaction. Attention of Registrar Modaraba was drawn towards this transaction by Karachi Stock Exchange. On initial inquiry it was found that First Al-Noor Modaraba purchased these shares from the relatives of the directors of Al-Noor Modaraba Management (Pvt) Ltd. at a price which was prima facie manipulated. Registrar Modaraba has further appointed a firm of Chartered Accountants to conduct detailed inquiry to ascertain whether safeguards built in the prospectus of First Al-Noor Modaraba are being observed by the management or not.