

**Dec 28, 2001 SEC restrains M/S Haji Muhammad Ismail Mills Ltd to sell its investments at throw away price**

The Enforcement Division of SEC, through its timely action, has restrained the management of M/s Haji Muhammad Ismail Mills Limited (the "Company") to sell the controlling shares (50%) of its subsidiary company namely M/s Taha Spinning Mills Limited (a listed company), at a throw away price of Rupees 6/= per share only.

The Company convened its Extraordinary General Meeting on December 28, 2001 and published a press notice for the same. According to the agenda as disclosed in the said notice, the Company proposed to pass a Special Resolution authorizing its Chief Executive to dispose of the controlling shares of M/s Taha Spinning Mills Limited through stock exchanges at Rupees 6/= per share only therein as a special business. On receipt of the notice of the meeting, the issue was examined and found that although the shares of the subsidiary company was traded at the Stock Exchange at Rs. 6/- only but the Company's financial position has improved over the last three years. It was further noted that there has been a turn around in the textile sector for the last two years and the sale of controlling shares at a price of Rs.6/= er

share is not in the interest of shareholders of the Company. In view of the foregoing, the management of the Company was directed to make a presentation to the Commission regarding the aforesaid special business. The Chief Executive Officer of the Company appeared on the date fixed for presentation and presented his views, which were not found to be justified and prudent. He, therefore, agreed to cancel the Extra-ordinary General Meeting proposed to be held on December 28, 2001 and proceed more carefully in future.