



**BEFORE THE
MONOPOLY CONTROL AUTHORITY
IN THE MATTER OF
M/s. Resham Textile Industries Ltd
(File No. 8(1039)/INV/(Chief-R&I)/MCA/ 2002)**

Present:

Mr. Khalid A. Mirza
Chairman

Abdul Ghaffar
Member

Date of hearing:

December 4, 2006

Present for the Respondent:

Ms. Kiran A. Chaudhry
Director
Mr. Abid Murtaza, Chief
Financial Officer.

ORDER

1. M/s. Resham Textile Industries Ltd., engaged in the business of manufacturing and selling of yarn, is an undertaking (hereinafter referred to as the 'undertaking') as defined under Section 2(1)(m) of the Monopolies and Restrictive Trade Practices (Control & Prevention) Ordinance 1970 (hereinafter referred to as the 'Ordinance'). The total value of assets of the undertaking as per its annual audited accounts for the year ended September 30, 2003 was 359.101 million rupees and an undertaking the total value of assets of which is not less than three hundred million rupees is required to furnish to the Monopoly Control Authority (hereinafter referred to as the 'Authority') every year, within four months of the closing of its financial year, the information prescribed under the Monopoly Control Authority (Supply of Information) Rules, 1995 (hereinafter referred to as the 'Rules') but it failed to supply the information under the Rules for the year ended September 30, 2005. The undertaking was, therefore, reminded to supply the information under the Rules for the year ended September 30, 2005 vide letter dated March 16, 2006 but it failed to do so. The undertaking was again reminded vide letter dated May 12, 2006 in response thereof the undertaking vide its letter dated May 17, 2006 requested for providing it the Proforma Schedules for supply

of the information. The undertaking was supplied Schedules I to VI under the Rules vide letter dated June 29, 2006 and was directed to supply the requisite information within ten days from the date of receipt of the letter but it could not supply the requisite information. The undertaking was reminded vide letter dated August 17, 2006 but it neither responded to the Authority's letter nor supplied the requisite information.

2. The undertaking was, therefore, served Show Cause Notice No.5 of 2006-07 dated September 27, 2006 under section 19 of the Ordinance. In response thereof the undertaking supplied complete information prescribed under the Rules, vide its letter dated October 10, 2006.

3. For disposal of the Show Cause Notice the Authority fixed the matter for hearing on December 4, 2006 at Lahore vide hearing notice dated November 17, 2006.

4. On the date of hearing Ms. Kiran A. Chaudhry, Director and Mr. Abid Murtaza, Chief Financial Officer of the undertaking appeared before the Authority as authorized representatives and argued the case. The representatives submitted that the Chief Financial Officer of the undertaking had been hospitalized on 22-4-2006 for first operation and again operated on 18-7-2006. Therefore, the requisite information could not be finalized in time. They further submitted that in response to the notice they supplied the requisite information vide their letter dated October 10, 2006. They have also submitted the information for the year 2006 vide their letter dated October 30, 2006.

5. The Authority after considering the facts of the case, submissions of the representatives of the undertaking and the fact that it supplied the requisite information prior to the date of hearing, concluded that the default was not willful. The Authority therefore, taking a lenient view, disposed off Show Cause Notice No 5 of 2006-07 dated September 27, 2006 served on the undertaking.

-Sd-
(Khalid A. Mirza)
Chairman

-Sd-
(Abdul Ghaffar)
Member

Islamabad the December ,2006