

**CEDAR BASE ELECTRONIC (GROUP) LTD:  
FOUR MORE HEADACHES FOR THE NEW CHAIRMAN**

The Commissioner of Inland Revenue of Hongkong has brought an Action in the District Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) in an effort to try to recover \$HK372,251 from a wholly owned subsidiary of publicly listed Cedar Base Electronic (Group) Ltd (Code: 855, Main Board, The Stock Exchange of Hongkong Ltd).

The subsidiary is Cedar Base Electronic Ltd, a company that has been the subject of quite a number of its disgruntled creditors, over the past few years.

The claim by the HKSAR taxman was filed on the same day that Mr Duan Chuan Liang, beneficially acquired 20.81 percent of the Issued and Fully Paid-Up Share Capital of Cedar Base Electronic (Group), that controlling interest, having been purchased from the former Chairman, Mr Tong Yiu Lun.

Mr Duan Chuan Liang, previously, was an employee of a PRC State-run organisation: The Water Conservancy Department.

He is, now, described as being an independent investor in many entities in the PRC, ranging from electronics, to properties, to hotels, and property developments.

Whether or not Mr Duan Chuan Liang, who is, today, the largest single shareholder of Cedar Base Electronic (Group) and its new Chairman, knew of the claim by the Commissioner of Inland Revenue of Hongkong is undetermined, of course, because that relatively small District Court Writ was a pinprick, compared with some of the other recorded claims.

In [TARGET Intelligence Report, Volume V, Number 12, published on January 17, 2003](#), it was reported that **TOLFIN** (**TARGET's** Computerised Online Financial Intelligence Service and Credit-Checking Provider) had recorded a total of 9 Claims, lodged in various HKSAR Court, with the aggregate amount of those claims, being the best part of \$HK7.50 million.

But those 9 Claims were only in respect of the period between November 14, 2002 and January 11, 2003.

Since the publication of that **TARGET** report, 4 more Claims have been lodged – 2 Claims in the District Court and 2 claims in the Small Claims Tribunal, according to **TOLFIN**.

The 2 Claims in the Small Claims Tribunal were recorded in the 2002-year and were, in both cases, for goods sold and delivered to Cedar Base Electronic Ltd, which is the same company that The Commissioner of Inland Revenue of Hongkong is chasing.

The latest District Court Writ was lodged by The Bank of East Asia Ltd (Code: 23, Main Board, The Stock Exchange of Hongkong Ltd).

This bank, the largest Chinese bank of the HKSAR, is claiming \$HK151,884 from Cedar Base Electronic Ltd as well as from its purported guarantor, the publicly listed company of Cedar Base Electronic (Group) Ltd.

This David Li Kwok Po bank has been one of the bankers ... [CLICK TO ORDER FULL ARTICLE](#)

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