



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Adjudication Department –II
Lahore

Through Courier

NO. ADJ-II/LHR/2316

March 11, 2024

The Chief Executive/Director,
M/S. Annabia Hajj & Umrah Services (Private) Limited,
Al Qadir House No. 830/B, Mohallah Chori Garan,
Near Fazalabad, Shahrah-e-Rashid,
Multan.

**SUBJECT: ORDER IN RESPECT OF SHOW CAUSE NOTICE SCN NO./AO-LHR/724
DATED JANRUARY 30, 2024 IN THE MATTER OF M/S. ANNABIA HAJJ
& UMRAH SERVICES (PRIVATE) LIMITED**

Dear Sir/Madam,

Please find enclosed herewith copy of the final "Order", in the title matter for proceedings under section (s) 130 read with section 479 of the Companies Act, 2017, for your record and necessary action.

Mohsin Syed
Additional Registrar/Adjudication Officer,
Adjudication Department-II, Lahore.

Cc: Incharge Corporate Registry Department, Multan



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Adjudication Department –II, Adjudication Division, 3rd & 4th Floor,
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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
ADJUDICATION DEPARTMENT -II

LAHORE

Through Courier

**BEFORE MOHSIN SYED, ADDITIONAL REGISTRAR /ADJUDICATION
OFFICER, ADJUDICATION DEPARTMENT -II, LAHORE.**

In the matter of

M/S. ANNABIA HAJJ & UMRAH SERVICES (PRIVATE) LIMITED

Number and date of SCN: SCN NO./AO-LHR/724 dated January 30, 2024
Dates of Hearing/s: February 08, 2024; February 16, 2024 and February 29, 2024.
Present: None, appeared for personal hearing.

ORDER
UNDER SECTION 130 READ WITH SECTION 479 OF
THE COMPANIES ACT, 2017

This Order shall dispose of the proceedings against M/S. Annabia Hajj & Umrah Services (Private) Limited ("the Company") and its directors including the chief executive ("the Respondents"), initiated through Show Cause Notice ("the SCN") dated January 30, 2024 issued under the provisions of Section 130 read with Section 479 of the Companies Act, 2017 ("the Act").

2. Brief facts of the case are, that "the company" had failed to file its annual return for the year(s) 2022 and 2023 within the stipulated time, pursuant to Section(s) 130 of "the Act". Without any prejudice, the Company has contravened the aforesaid provisions of "the Act" and rendered the company liable to a penalty of level-1 on the standard scale, as provided under Section 130 read with Section 479 of "the Act".

3. Consequently, the aforesaid SCN dated January 30, 2024 was issued to "the Respondents" to show cause in writing as to why penal action as contained in section 130(6) read with Section 479 may not be taken against "the company" for failing to conform to the provisions of Section 130 of "the Act", *ibid*.

4. In the matter of aforesaid SCN, initial opportunity of hearing was provided to the company and its directors/chief executive by fixing hearing on February 08, 2024 through serving the Show Cause Notice on January 30, 2024 at the registered office of the company, however, both the company and its chief executive/ director(s) had failed to appear personally or through an authorized representative on the scheduled date and time of the said hearing. Thereafter, another opportunity of hearing was provided to the company, through its chief executive/director(s) by fixing the hearing for February 16, 2024, vide hearing notice bearing NO. AO-LHR/1116 sent at the registered office of the company, however, both the company and its chief executive/director(s) had again failed to appear personally or through an authorized representative on the scheduled date and time. Considering the persistent non-appearance, a final opportunity of hearing was provided to the company through its chief executive and director(s) by fixing hearing for February 29, 2024 by serving the notice dated February 19, 2024, however, instead of appearing on the said date of hearing, a reply dated February 13, 2024 was received from the chief executive stating the stance of the company over the said default explaining reasons for the aforesaid non-compliance and delay in filing of the said financial



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statements, attributing it to mistake of the staff and further furnished the evidence of filing of the said overdue return/s, during the course of adjudication and same fact about delayed filing of the aforesaid return/s was also verified and confirmed by the Registrar, CRO, Multan.

5. Let us first have deliberation on the entreaty taken by the learned representative of the company regarding interpretation of Section 130 of the Companies Act, 2017 ("the Act") and before proceeding any further, it is necessary to advert to the relevant provisions of the law that unambiguously stipulates:

130 (1) " Every company having a share capital shall, once in each year, prepare and file with the registrar an annual return containing the particulars in a specified form as on the date of the annual general meeting or, where no such meeting is held or if held is not concluded, on the last day of the calendar year":

130(3) The return referred to in sub-section (1) or sub-section (2) shall be filed with the registrar within thirty days from the date of the annual general meeting held in the year or, when no such meeting is held or if held is not concluded, from the last day of the calendar year to which it relates:

Provided that, in the case of a listed company, the registrar may for special reasons extend the period of filing of such return by a period not exceeding fifteen days.

130(6) Any contravention or default in complying with requirement of this section shall be an offence liable—

- (a) in case of a listed company, to a penalty of level 2 on the standard scale;*
- (b) in case of any other company, to a penalty of level 1 on the standard scale.*

6. It is evident from the abovementioned scripts of the law that the company was in default of Section 130 (3) of "the Act" as it has failed to file the aforesaid annual return for the year(s) ended 2022 and 2023 within the stipulated time *i-e* within thirty days of the annual general meeting(s) and was liable to a penalty of level-1 on the standard scale, as provided in section 130(6) of "the Act". The nature, seriousness and impact of the breach shows that the act of the company was deliberate and moreover the default, duration and the extent of the violation has raised serious concerns over the systemic weaknesses of the management systems and internal controls of the company and can't be ignored being a public interest /listed company, in the instant case.

7. In terms of the Commission's Notification S.R.O. 1546 (I)/2019 dated December 06, 2019, the powers to adjudicate cases under Section 130 of "the Act" have been delegated to the undersigned as Adjudication Officer, Adjudication Department-II, Lahore.

8. As regards the matter at hand, I have analyzed the facts of the case, relevant provisions of the Act, and the arguments set forth by the company's authorized representative over the course of hearing. The afore-mentioned provisions of the law are unambiguous and explicit and the fact that timing is essence of annual returns and accounts and, the disclosure requirements of these have been kept to a bare minimum. Annual returns prepared with financial statements together accurately and in a timely manner provide to its users a reliable source of information regarding a company's financial position and performance, besides illustrating the results of the management's stewardship of resources entrusted on to it. In order to ensure transparency, all companies must meticulously



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adhere to the law for preparation and filing of these returns under various provisions of "the Act". Directors are obligated to ensure that such mechanisms are in place, and appropriate actions be taken, whereby financial and operational reporting of the company is timely achieved, whilst ensuring due compliance of the law.

9. Considering the facts of the case, and other record presented before the undersigned, I am compelled to infer and decide that the case as the company has complied with the mandatory requirements of Section 130 of "the Act", during the pendency of the ongoing adjudication and the same fact has also been verified by the Registrar. Before proceeding with the decision, I would also like to highlight that directors of the company are required to exercise the utmost care in making business decisions in order to fulfill their fiduciary duties. Duty of care requires directors to make business decision after considering all available information, requirements of laws/regulations with regard to operations of the company and then act in a judicious manner while promoting the company's best interest and as the company has complied with the requirements of Section 130 of "the Act" during the adjudication proceedings, therefore, I, while exercising the powers delegated vide S.R.O. 1546 (I)/2019 dated December 06, 2019 under section 130 read with section 479 of the Act, hereby **condone penalty, with a "warning"** to the company for future adherence to the law, in letter and spirit, to conclude "the SCN" proceedings.

[Signature]
11/12/2024

Mohsin Syed
Additional Registrar/ Adjudication Officer,
Adjudication Department-II, Lahore.

Announced:
March 11, 2024,
Lahore.

The Chief Executive,
M/S. Annabia Hajj & Umrah Services (Private) Limited;
Al Qadir House No. 830/B, Mohallah Chori Garan,
Near Fazalabad,
Shahrah-e-Rashid,
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