



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

(Adjudication Department-II, Adjudication Division)

4th Floor State Life Building No.2, Wallace Road, Karachi.

Website: www.secp.gov.pk

CASE No. 49/2020

BEFORE THE ADDITIONAL REGISTRAR/ADJUDICATING OFFICER

ORDER UNDER OF THE COMPANIES ACT, 2017

(SECTION 119 READ WITH SECTION 479)

IN THE MATTER OF

M/S. ISRA ISLAMIC FOUNDATION(GUARANTEE) LIMITED

Present: 1. Mr. Muhammad Siddique (Authorized Representative)
2. Ahmed Waliullah (Director)

Date of hearing: 13-Mar-2020

1. This Order shall dispose of the proceedings initiated under Section 119 of the Companies Act, 2017 ("The Act"), vide Show Cause Notice No. 49/2020 dated: 06-February -2020 ["the Notice"].
2. The facts of the case are that an inspection of books of accounts of M/s Isra Islamic Foundation (Guarantee) Limited was authorized, vide order dated January 01, 2019. The inspectors have submitted the inspection report dated November 01, 2019, which revealed that the company was not maintaining, register of its members/shareholder as required under sub-section (1) of section 147 of the Companies Ordinance, 1984 (the Repealed Ordinance) r/w Section 119(1) of the Companies Act, 2017 (the Act) and Regulation-19 of Companies (General Provisions and Forms) Regulation, 2018 (the Regulations).
3. Sub-section (1) of section 147 of the Repealed Ordinance r/w Sub Section (1) of Section 119 of the Act provides that every company shall keep at its registered office a register of its members / shareholders containing with respect to each of them such particulars as prescribed in Regulation-19 of the Regulations.
4. The company, prima facie, failed to keep the register of its members / shareholders in violation of the provisions of law(s) referred to herein above. The default attracts the penal provisions contained in Section 147 (5) of the Repealed Ordinance r/w Section 119 (4) of the Act, which provides that any contravention or default in complying with the requirement of sub section (1)

shall be an offence liable to a penalty of level -1 on the standard scale, i-e upto Rs.25,000/- and upto Rs.500/- per day during which default continues, as provided u/s 479(2) of the Act.

5. Accordingly, taking cognizance of the matter in exercise of powers delegated to the undersigned, vide S.R.O.1546 (I)/2019 dated 6th December, 2019, a Show Cause Notice dated 06-Feb-2020 was served to the company through its Chief Executive as well as the directors of the company, calling upon them to Show Cause in my office on 20-Feb-2020, subsequently adjourned to 10-Mar-2020 and 13-mar-2020, as to why the penalty laid down under the above mentioned section should not be imposed.
6. In response to the above-mentioned show cause notices, Mr. Muhammad Siddique (authorized representative) and Mr. Ahmed Waliullah (Director) of the Company appeared before me in person. While admitting the default, they stated that the above said register could not be maintained due to oversight by the company secretary and the concerned staff member. However, as soon as the attention was drawn by SECP, the company prepared the register and will also continue to maintain it onwards. They also produced a copy of the requisite register as an evidence. Accordingly, they requested to take a lenient view.
7. Although the justification for the commitment of default is not sound, I am convinced to take a lenient view for the reasons that the company has now make good of the default and assurance has also been given on behalf of the company that no such default would be repeated and the company will make timely compliances of statutory requirements of law in future. Hence, a token fine of Rs.20,000/= is imposed on the company.
8. The management of the company is directed to deposit the penalty amount within 15 days from the date of receipt of this order in any designated branches of MCB Bank Limited or UBL Bank and furnish original receipted challan to this office within the above said period.
9. A copy of this order be placed on the record/file of the company maintained by the Company registration Office.



(ZIA UL RASHEED ABBASI)
ADDITIONAL REGISTRAR / ADJUDICATING OFFICER

Dated: 20 -March-2020