



# SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

(Adjudication Department-II, Adjudication Division)

4<sup>th</sup> Floor State Life Building No.2, Wallace Road, Karachi.

Website: [www.secp.gov.pk](http://www.secp.gov.pk)

CASE No. 1034/2021

## BEFORE THE ADJUDICATING OFFICER

ORDER UNDER SECTION 123-A READ WITH SECTION 479 OF THE COMPANIES ACT, 2017

IN THE MATTER OF M/S. INDEPENDENT MEDIA CORPORATION (PRIVATE) LIMITED.

Present: S. Muneer Uz Zaman

(Authorized Representative / Officer of the Company)

Final date of hearing: 10-03-2021

1. This Order shall dispose of the proceedings initiated under Section-123-A of the Companies Act, 2017 ("The Act"), vide Show Cause Notice dated 26-02-2021["the Notice"].
2. The facts of the case are that the Company was required to submit to the registrar concerned a declaration of compliance, on specified Form-45 in pursuance of sub-section-2 of section 123-A of the Companies Act, 2017 (the "Act") r/w Regulation 19A(5) of the Companies (General Provisions and Forms) Regulations, 2018 (the "Regulations").
3. Sub-Section (2) of Section 123-A of the Act provides "*every company shall in such form and manner as may be specified, maintain a register of its ultimate beneficial owners and shall timely record their accurate and updated particulars, including any change therein, and provide a declaration to this effect to the registrar and where any government is a member of a company such particulars of the relevant government shall entered in the register of ultimate beneficial owners in the specified manner*" whereas Regulation 19A(5) of the Regulations provides that, "*Every company required to maintain a register of ultimate beneficial owners shall, within fifteen days from the receipt of declaration received under sub-regulation (2) or (3), and thereafter along with its annual return, submit to the registrar concerned a declaration of compliance in pursuance of sub-section (2) of section 123A of the Act, on the specified Form-45*".
4. However, on examination of the record of the company maintained by the Registrar/SECP, it was revealed that the company failed to file Form-45 in accordance with the requirements of the aforesaid law/Regulations which attracts

the penal provisions of sub-section-3(b) of section-123-A of the Act which provides that any contravention or default in complying with the requirement of Section-123-A shall be an offense liable the company to a penalty which may extend to ten million rupees.

5. Accordingly, taking cognizance of the matter, in exercise of the powers conferred by the Commission (SECP), vide S.R.O. 1356 (I) /2020 dated December 16th 2020, a Show Cause Notice dated 26-02-2021 was issued to the company and also served at the residential address of its Chief Executive, calling upon them to show cause in my office on 10-03-2021, as to why the penalty laid down supra should not be imposed.
6. On the aforesaid date of hearing, the authorized representative / Officer of the company appeared before me in person. While admitting the default, he stated that Section 123-A of the Act has recently been promulgated, i-e in August, 2020 followed by the relevant regulations, hence the compliance was overlooked and more particularly due to covid-19 pandemic situation. He submitted that the default was occurred due to oversight and the contravention was unintentional. He further, submitted that the management is regretful for the negligence and the company has now made good of the default. Moreover, he assured that no such default or violation will be repeated in future.
7. The submissions made by the authorized representative / officer of the company with regard to the subject default are quite sustainable. Moreover, there is no evidence has been brought on the record of these proceedings that the subject default has jeopardized the interest of any stakeholder. Thus, the facts and the circumstances do not warrant any severe action against the company and I am convinced to take a lenient view. Accordingly, only a token penalty amounting to Rs.50000 is hereby imposed on the company.
8. The management of the company is hereby directed to deposit the penalty amount immediately but not later than 15 days from the date of this order. Soon after the compliance is made and the amount of penalty is deposited to the registrar concerned, a copy of acknowledgment of the same be furnish to this office.
9. A copy of this order be placed on the record/file of the company for future reference and further appropriate action, if any, be taken by the dealing registrar accordingly.



**(ZIA UL RASHEED ABBASI)**  
**ADJUDICATING OFFICER /**  
**ADDITIONAL REGISTRAR**

Dated: 10-03-2021