



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. 163/2024

BEFORE THE ADJUDICATING OFFICER

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

IN THE MATTER OF AZMAT TEXTILE MILLS LIMITED

Case Fixed for Final Hearing: 06-02-2024

Present: Hafeez Azmat (CEO)

1. This Order shall dispose of the proceedings initiated under Section-130 of the Companies Act, 2017 ("The Act"), vide Show Cause Notice dated 09-01-2024["the Notice"].
2. The facts of the case are that the company was required to file its annual returns within thirty days from the date of the Annual General Meeting (AGM) 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 in terms of provisions of section 130(3) of the Act.
3. However, the record of the company registration office revealed that the company failed to file its annual returns for the year(s) 2020 to 2022, in violation of the above said provisions of law.
4. This constituted violation of law and rendered the company liable to penalty of level – 1 on the standard scale, provided under section 130(6)(b) read with section 479(2) of the Act. Accordingly, taking cognizance of the matter, a Show Cause Notice dated 09-01-2024 and subsequent reminders dated 24-01-2024 and 15-03-2024 were served to the company, calling upon to show cause in my office within 10 days from date of show cause notice and reminders thereafter, as to why the penalty laid down under the above mentioned section should not be imposed.
5. In response to the above-mentioned show cause notice, Hafeez Azmat (CEO) appeared before the undersigned for personal hearing. However, a written reply dated 06-02-2024 was also received for and on behalf of the company stating therein that the company under default had already ceased to exist under Easy Exit Regulations 2014 Section 426 at the time of serving of show cause notice.

6. The contention for and on behalf of the company that it had ceased to exist under Easy Exit Regulations 2014 Section 426 is a justifiable pretext as the requirements of section-130 of the Act are applicable on the company until it is finally dissolved. Keeping in view the above facts and supporting documentary evidence furnished by the company, the subject proceedings are hereby dropped as this was not the fit case for initiating proceedings and the company was not liable to be adjudicated under section 130 of the Act.

7. A copy of this order be placed on the record of company maintained by the concerned/dealing Registrar of the Company Registration Office.



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

Dated: 14-06-2024