



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. 4086/2020

BEFORE THE ADJUDICATING OFFICER

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

IN THE MATTER OF M/S. CONCEPT SECURITIES (PRIVATE) LIMITED

Present: None appeared for hearing

Date of hearing: 14-Jan-2021

1. This Order shall dispose of the proceedings initiated under Section-130 of the Companies Act, 2017 ("The Act"), vide Show Cause Notice dated 26-Oct-2020 ["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 has failed to file its annual returns for the year(s) 2019, 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 26-Oct-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 10-Nov-2020 and finally adjourned to 14-Jan-2021, as to why the penalty laid down under the above mentioned section should not be imposed.
5. On the date of hearing, no one appeared for personal hearing. Instead, a written reply of company dated 16-Nov-2020 was received stating that the company had gone into liquidation w.e.f. March-05-2018 and the winding up is not yet consummated as the investment in Pakistan Stock Exchange shares was frozen by Central Depository Company (CDC). Therefore, company is not required to file annual return for the reason of it being under winding up.

6. The aforesaid factual position has been verified from the record and duly considered. Although, a company is required to fulfil the statutory requirements of law until it finally stands dissolved after the publication of the notice in official Gazette in terms of the provisions of sub-section-3 of section 426 ibid, I am of the view that imposition of penalty at this point of time, wherein the company is under the process of dissolution, would be quite grievous and irrational. Accordingly, the subject default is hereby condoned.

7. A copy of this order be placed on the record/file of the company for future reference and further appropriate action to be taken by the concerned registrar, if any.



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

Dated: 14-Jan-2021