



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. 1056/2024

BEFORE THE ADJUDICATING OFFICER

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

IN THE MATTER OF TARIQ SAYEED SECURITIES (PVT.) LIMITED

Case Fixed for Final Hearing: 06-06-2024

Present: None present for personal hearing

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, no one appeared before the undersigned for personal hearing. However, a written reply dated 16-01-2024 was received for and on behalf of the company under default stating that:

"We would like to re-iterate that the subject company was a Trading Right Entitlement (TRE Certificate) holder from the Pakistan Stock Exchange (PSX) and voluntarily relinquished/surrendered it's TRE Certificate on 28th March 2019 and a final notice of

relinquishment/surrender was issued by PSX on 2nd Sept 2019 along with closing of accounts with CDC and NCCPL (Annex-C). The annual returns for both the years 2018 and 2019; however in light of the relinquishment of TRE Certificate; SECP had put our 2019 Annual Returns on hold and later rejected the same and asked us to either change the company name along with amending M&AOA or wind up or opt easy exit (Annex-D). Consequently the undersigned had a meeting with SECP to re-instate our 2019 annual returns and allow us to file the 2020 returns while we process the above mentioned options, but we were advised not to file any annual returns and simply file for de-registering on any one option. Accordingly; since the company was not carrying out any business and had no operations; hence opted for the easy exit option and same was accepted by the SECP via their letter No. CEER/LETTER/19/2021/80516 dated 15.06.2021 and sent the same for gazette publication (Copy attached as Annexure-E). The delay attributed to the procedure of easy exit was mainly in lieu of the Covid-19 Pandemic and for completing the audit proceedings”.

6. Although, the contention for and on behalf of the company that it had been struck off from register of Companies under Easy Exit Regulations 2014 Section 426 is not truly a justifiable excuse as the requirements of section-130 of the Act are applicable on the company till it is finally dissolved. Hence the company has not made good of its default under Section 130 of the Companies Act 2017 in relation to the year(s) 2020. Notwithstanding, consideration the circumstance and facts of the matter, imposition of penalty would be a very harsh action and would accrue a new liability which might create hinderance in the dissolution of the company. I am therefore, convinced to take a lenient view. Hence, the subject default is condoned. However, the management of the company is hereby warned not to repeat the said or any other default in future and ensure the timely compliances all the statutory requirements of applicable laws, rules and Regulations.
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: 13-06-2024