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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. 1650/2021

BEFORE THE ADJUDICATING OFFICER, KARACHI

ORDER UNDER SECTION 132 READ WITH SECTION 479 OF THE COMPANIES ACT, 2017

IN THE MATTER M/S. AMRDO FOUNDATION

Present: Abdul Jabbar Chhachhar (Authorized Representative -AR)

Date of Hearing: 05-08-2021

1. This Order shall dispose of the proceedings initiated under Section 132 of the Companies Act, 2017 (The Act), vide Show Cause Notice dated 27-May-2021 ["the Notice"].
2. The facts of the case are that after examination of the record/documents of the company, it was observed that the company failed to hold its Annual General Meetings within Statutory time period for the year 2020, as required to be held in terms of Section 132 of the Companies Act, 2017 (the "Act"). Accordingly, the company prima facie, violated the provisions of section 132(1) of the Act, which attracts penal provisions contained in section 132(5)(b) ibid.
3. This constituted violation of law and rendered the company liable to a penalty of level - 1 on the standard scale provided under section 132 (5)(b) read with section 479(2) of the Act. Accordingly, taking cognizance of the matter, a Show Cause Notice dated 27-May-2021 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 17-06-2021 and finally adjourned to 05-08-2021, as to why the penalty laid down under the above mentioned section should not be imposed.
4. On the date of hearing, authorized representative of the Company appeared before me in person. While admitting the default, he stated that the AGM for the Company was due up to 28th October, 2020. However, due to Corona Pandemic situation, neither management nor the staff was available to conduct the AGM timely. Moreover, the new election of directors was also due in the year 2020. Therefore, the management decided to hold the election together with the AGM to avoid additional cost and hustle which also caused delay in holding AGM. However, the company has now held its AGM on 04-12-2020 and

reported on relevant Form-A accordingly. The delay occurred due to genuine reasons are regretted.

5. Although the contention of the authorized representative of the company for the non-compliance of law is considerable to some certain extend but had the management taken serious efforts, the AGM could have been held within prescribed time. However, keeping in view the assurance given by the authorized representative that no such default would be repeated in future and the company shall ensure compliance of statutory requirements law in true letter and spirit, I am convinced to take a lenient view. Hence, a token penalty of **Rs.15,000/=** is imposed on the company.
6. The management of the company is advised 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 positively.
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 in accordance with the law.



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

Dated: 05-08-2021