



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. 7670/2021

BEFORE THE ADJUDICATING OFFICER

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

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

Present: Mr. M. Shoaib Shahid (Authorized Representative)

Date of hearing: 11-Jan-2022

1. This Order shall dispose of the proceedings initiated under Section 132 of the Companies Act, 2017 (The Act), vide Show Cause Notice dated 30-Dec-2021 ["the Notice"].
2. The facts of the case are that after examination of the record/documents of the company it was revealed that the company has held its annual general meetings for year 2020 after a considerable lapse of time on 26-02-2021 as reported in the form-A filed with the company.
3. Prima facie, the company violated the provisions of section 132(1) of the Act, which attracts penal provisions contained under section 132 (5)(b) *ibid*.
4. Consequently, the afore mentioned violation of law rendered the company and its officer(s) 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 30-Dec-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 11-Jan-2021, as to why the penalty laid down under the above mentioned section should not be imposed.
5. On the date of hearing, authorized representative of the Company appeared before me in person. While admitting the default, he stated in the light of company's reply dated 10-01-2022 that the basic reason for not holding AGM within one hundred and twenty days from 30-June-2020, closure of financial year is that our accounts were not finalized on time due to Covid-19 lockdowns and restrictions, therefore the same was finalized on January 31, 2021 by our statutory auditor and afterwards AGM was held on February 26, 2021 for which annual return was submitted on 6th July, 2021.

6. The contention of the authorized representative of the company for the non-compliance of law is not a justifiable excuse, as it shows negligence on the part of management of the company who is responsible to manage, pursue and make sure that the compliances are being made timely and strictly in accordance with the law. Although, the directors were facing quite unusual circumstances, it was their responsibility to make genuine efforts to fulfil corporate and statutory requirements of law. Even, they could delegate and authorized the permissible powers to other officers/officials of the company to ensure compliances. But, no such evidence was provided by the authorized representative which could establish that the management had taken reasonable efforts to avoid the subject violation of law. 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 proper and timely compliance of statutory requirements of law, I am convinced to take a lenient view. Hence a token penalty of **Rs.25,000/-** is imposed on the company.
7. The management of the company is advised to deposit the penalty amount within 30 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.
8. A copy of this order be placed on the record of company maintained by the dealing Registrar of the Company Registration Office.



(ZIA UL RASHEED ABBASI)
ADJUDICATING OFFICER /
ADDITIONAL REGISTRAR

Dated: 11-Jan-2022