



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. 1033/2022

BEFORE THE ADJUDICATING OFFICER

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

IN THE MATTER OF M/S. ONTEX PAKISTAN (PRIVATE) LIMITED

Present: **Mr. Naeem Mehmood** (Authorized Representative)

Date of hearing: 18-August-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 29-July-2022 [“the Notice”].
2. The facts of the case are that after examination of the record/documents of the company it has been observed that the company held its AGM for period-ended 31 December,2020 with the delay on 31-July-2022 in violation of section 132 of the company Act,2017.
3. Prima facie, the company violated the provisions of section 132(1) of the Act, which attracts penal provisions contained under section132 (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 29-July-2022 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-Aug-2022 and subsequently re-fixed on 18-Aug-2022 as to why the penalty laid down under the above mentioned section should not be imposed.
5. On the date of hearing, Mr. Naeem Mehmood (authorized representative) of the Company appeared before me in person. While admitting the default, he stated that due to covid-19 pandemic condition, there was an acute shortage of staff and officer of the company as well as in the office of the auditor. Therefore, due to non-availability and hinderance in communication of information and requisite data/documents, the financial statements could not be finalized within prescribed time which caused delay in holding of AGM.

6. The contention of the director 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. However, keeping in view the aforesaid facts of the case and 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. Further, there is no evidence available on the record which could jeopardized the interest of any stakeholder. Moreover, the default has already been made good by the company. Hence a token penalty of **Rs.15,000/-** 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: 25-Aug-2022