



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. 909/2022

BEFORE THE ADJUDICATING OFFICER

ORDER UNDER SECTION 151 READ WITH SECTION 479 OF THE COMPANIES ACT, 2017

IN THE MATTER OF M/S. THARPARK AR SUGAR MILLS LIMITED


Present: **Mr. Abdur Rub** (Authorized Representative)

Date of hearing: 18-August-2022

1. This Order shall dispose of the proceedings initiated under Section 151 of the Companies Act, 2017 (The Act), vide Show Cause Notice dated 27-June-2022 [“the Notice”].
2. The facts of the case are out in pursuance of Order dated December 01, 2021 under Section 257 of the Companies Act, 2017 (“Act”) to conduct investigation into all respects of Tharparkar Sugar Mills Limited and after scrutiny of all the records and books of accounts, books and papers, Inspectors have submitted the investigation report dated March 21, 2022 which revealed that the company has reported the election of directors and appointment of its Chief Executive Officer on Form 29 dated March 21, 2020. However, the Company has not provided any evidence in the form of notice of meeting, attendance sheet and minutes of meeting of the members for the election of directors and appointment of Chief Executive Officer. Non-maintenance of minutes of meetings and resolutions of members is a violation under Section 151 of the Act.
3. Prima facie, the company violated the provisions of section 151 of the Act, which attracts penal provisions contained in section 151(5) of the Act.
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 151(5) read with section 479(2) of the Act. Accordingly, taking cognizance of the matter, a Show Cause Notice dated 27-June-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 07-July-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. Abdur Rub (authorized representative) of the Company appeared before me in person. While admitting the default, he stated that the company was incorporated on April 23, 1994 as an unlisted public limited company under the Companies Ordinance, 1984 and it obtained Certificate of Commencement of Business on June 30, 1994. The Company has always issued notices of General Meetings to the

shareholders for holding of Election of Directors and held proper General Meetings in which election process was completed and also maintained proper record of proceedings of the general meetings. However, we regret that these could not be presented before the investigation team. We enclose herewith notices and minutes of General Meetings held on March 21, 2017 and March 21, 2020 alongwith notice and minutes of Board of Directors Meetings for appointment of Chief Executive and fixation of remuneration of Chief Executive and Director for your record and information.

6. The contention of the company and its authorized representative for the non-compliance of law is not a precise 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 and to keep all the statutory record available at the registered office address of the company. However, keeping in view the aforesaid facts as narrated above 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 not to take stringent action against the company. Further, the company has now made good of the default per se attached documents. Besides, there is no evidence / information available on the record of this case which could jeopardize the interest of any stakeholder. Hence 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: 25-Aug-2022