

Before

Mr. Shahzad Afzal Khan -Director/ Head of Department

In the matter of

Dewan Farooque Motors Limited

Date of Hearing

December 05, 2022 and December 27, 2022

Order-Redacted Version

Order dated December 29, 2022, was passed by Head of Department (Adjudication-I) in the matter of Dewan Farooque Motors Limited. Relevant details are given hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated August 18, 2022
2. Name of Company	Dewan Farooque Motors Limited
3. Name of Individual*	The proceedings were initiated against the Company.
4. Nature of Offence	Under Section 301 of the Companies Act, 2017 read with Section 304 thereof
5. Action Taken	<p>Key findings are given as hereunder:</p> <p>I have gone through the facts of the case, record available with the Commission along with written and verbal submission made during hearing proceedings. In this context, it is hereby pointed out that the operations of the Company were suspended since February 2014. The Company however has recently entered into a Technical License Agreement (TLA) with KIA Corporation for assembly/manufacturing of special purpose commercial vehicle. The Company in this regard, also made necessary announcement on PSX vide letter dated November 11, 2022. Furthermore, the Company vide its letter dated December 20, 2022 addressed to Chief Regulatory Officer of PSX, provided the Auditors certificate wherein the auditor states that the Company has recently undergone certain steps, including execution of TLA with KIA Corporation and various measures in order to be operational and enable itself for manufacturing of vehicles. Besides above, the Company vide letter dated December 27, 2022 also provided the road map for revival of operations of the company, which is stipulated in para 8 above.</p> <p>In view of the aforesaid submissions, tangible measures taken by the Company for revival of its operations including but not limited to TLA signed with KIA Corporation and auditors' certificate; I have observed</p>

	<p>that the ground of the SCN i.e. suspension of business of the Company has been duly addressed. I, therefore, find no reason to continue the winding up proceedings initiated against the Company through the SCN and hereby drop the same with no further action.</p> <p>Nothing in this Order may be deemed to prejudice the operation of any provision of the Act providing for imposition of penalties in respect of any default, omission, violation of the Act.</p>
6. Penalty Imposed	Nil
7. Current Status of Order	No appeal was filed.