



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department-II

Adjudication Division

ORDER							
Name of Company:	M/s. DGTX Services (Private) Limited						
Show Cause Notice No. & Date:	Adj-II/301/01/IAN-309/CRO-KHI/2024-25/138 dated 22 nd January, 2025						
Respondents:	1. M/s. DGTX Services (Private) Limited 2. Mr. Shah Irfan Jamil, Chief Executive Officer/ Director 3. Mr. Parvez Sultan Rupani, Director						
Date(s) of Hearing(s):	<table border="1"><thead><tr><th>Dates</th><th>Attended by</th></tr></thead><tbody><tr><td>February 11th, 2025</td><td>Mr. Muhammad Imtiaz Khan Agha, Authorized Representative of Mr. Irfan Jamil</td></tr><tr><td>February 25th, 2025</td><td>Mr. Rasheed Ashraf Mughal, Authorized Representative of Mr. Parvez Sultan Rupani</td></tr></tbody></table>	Dates	Attended by	February 11 th , 2025	Mr. Muhammad Imtiaz Khan Agha, Authorized Representative of Mr. Irfan Jamil	February 25 th , 2025	Mr. Rasheed Ashraf Mughal, Authorized Representative of Mr. Parvez Sultan Rupani
Dates	Attended by						
February 11 th , 2025	Mr. Muhammad Imtiaz Khan Agha, Authorized Representative of Mr. Irfan Jamil						
February 25 th , 2025	Mr. Rasheed Ashraf Mughal, Authorized Representative of Mr. Parvez Sultan Rupani						
Case represented by:	Mr. Rasheed Ashraf Mughal as Authorized Representative on behalf of Mr. Parvez Sultan Rupani.						
Provision of law involved:	Section 304 read with Section 301 and Section 26 of the Companies Act, 2017						

SANCTION FOR FILING OF WINDING-UP PETITION UNDER SECTION 304 READ WITH SECTION 301 OF THE COMPANIES ACT, 2017

This Order shall dispose of the proceedings initiated through the Show Cause Notice bearing No. Adj-II/301/01/IAN-309/CRO-KHI/2024-25/138 dated 22nd January, 2025 (the "SCN") issued to M/s DGTX Services (Private) Limited (the "Company"), and all its Directors (collectively referred to as the "Respondents"), under Section 304 read with Section 301 and Section 26 of the Companies Act, 2017 (the "Act").

2. M/s DGTX Services (Private) Limited (CUIN # 01777902) was registered with the Securities and Exchange Commission of Pakistan (the "Commission") on June 21, 2021 under the provisions the Companies Act, 2017 having authorized and paid up capital of Rs. 50,000,000 and Rs. 1,000, 000/-, respectively.

3. The facts leading to the issuance of the SCN are that the Registrar of Companies was intimated vide letter Ref. SHO/PS/CTD/86/2025 dated January 12, 2025, emanating from the Office of the Station Officer, Police Station Counter Terrorism Department (Operations), Karachi, Sindh that Mr. Parvez Sultan Rupani (CNIC # 42301-0946153-1) and his accomplices are absconders in Terror Financing under the provisions of the Anti-Terrorism Act, 1997.

4. It was further communicated through the afore-referred letter that Mr. Parvez Sultan Rupani had formed various ghost/shell companies to park dirty money for Terrorism and Money Laundering, and the name of the Company was mentioned amongst such companies.

5. It is evident from the aforementioned facts that the Company *prima facie* violated sub-section (2) of section 26 of the Act by engaging in activities prohibited by any law enforced in Pakistan, thus, the Company stands liable to be wound-up under clause (g)(i) & (ii) of section 301 of the Act:

"26. *Business and objects of the Company:*

(2) *A company shall not engage in a business which is-*
(a) *prohibited by any law for the time being in force in Pakistan; or*



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(b) restricted by law, rules or regulations unless necessary licence, registration, permission or approval has been obtained or compliance with any other condition has been made...

"301. Circumstances in which a company may be wound up by Court:

A company may be wound up by the Court---

(g) If the company is –

(i) conceived or brought forth for, or is or has been carrying on, unlawful or fraudulent activities;
or

(ii) carrying on business prohibited by any law for the time being in force in Pakistan; or restricted by law, rules or regulations for the time being in force in Pakistan;"

6. Accordingly, the Respondents were called upon to show the cause within Fourteen (14) days of the date of the SCN in writing as to why the sanction of the Commission to present a petition for the winding up of the Company as required by Registrar/In-charge, Company Registration Office, Karachi may not be granted. Further, in order to meet the ends of justice, hearing opportunities were provided on February 11, 2025 and February 25, 2025.

7. In response, Mr. Parvez Sultan Rupani, through his Authorized Representative (AR), Mr. Rasheed Ashraf Mughal, submitted the following response vide Letter No. MAKM/003/25 dated: February 7, 2025:

"That, our client duly incorporated the company under the name and style of DGTX services Private Limited, in strict accordance with the provisions of the Companies Act, 2017, on the 21st of June, 2021. At the time of incorporation, our client held a substantial ownership of 9,900 shares (Nine Thousand Nine Hundred only), while Director, Shah Irfan Jamil, holds 100 shares (One Hundred shares). This initial distribution of shares reflects the commitment and active involvement of our client in the establishment and growth of the company, laying a strong foundation for its future expansion and operations. The shares held by the directors represent their respective stakes and roles in the company's governance and strategic directions.

That our client made the strategic decision to divest his entire holding of 9,900 shares (Nine Thousand and Nine Hundred) in DGTX Service (Private) Limited, offering them for sale at the price of Rs. 100/- per share. In strict compliance with Section 76 of the Companies Act 2017, the provisions outlined in the General Provisions & Regulations, 2018, our client formally issued a notice dated 1st February 2022 to the Board of Directors of DGTX Service (Private) Limited. This notice served as an official offer, inviting the Board to purchase the aforementioned shares, thereby ensuring adherence to both statutory requirements and corporate governance practices.

That, the Chairman, Shah Irfan Jamil, who was specifically addressed in the notice dated: 1st February, 2022, declined the offer to purchase our client's shares. In response, he issued a letter dated 22nd February 2022 to the Board of Directors of DGTX Service (Private) Limited, formally communicating his decision not to acquire the shares. Furthermore, in his correspondence, he expressed no objection to the transfer of the shares to any third party or entity thereby granting the necessary clearance for such a transaction to proceed, in accordance with the relevant corporate procedures and regulations.

That, following the aforementioned correspondence, our client submitted his formal letter of resignation dated 22nd February 2022 to the Board of Directors of DGTX Service (Private) Limited. In this letter, our client tendered his resignation from the directorship of the company, effective from the date of resignation. Furthermore, he distanced himself entirely from any and all operational matters or

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involvement in the affairs of the Company, thereby relinquishing any authority or responsibility in connection with the management, decisions or direction of the company moving forward.

That, subsequent to his resignation, our client proceeded to divest his entire shareholding in DGTX Service (Private) Limited by selling all of his shares in the open market. This transaction marked a definitive end to his involvement with the company, as he fully dissociated himself from any further participation, ownership or association with the company's operations or management. By selling his shares, our client has conclusively severed ties with the company, ensuring no further connection or responsibility remains.

That, it is crucial to emphasize that during the period our client served as Director of DGTX Service (Private) Limited, the company maintained the highest standards of legal and ethical conduct. Throughout its operations, DGTX Service (Private) Limited consistently refrained from engaging in any illicit or prohibited activities or any transactions that would violate the laws and regulations governing the Islamic Republic of Pakistan. The company operated within the bounds of the law, upholding the principles of integrity and transparency, ensuring that all business practice remained compliant with the prevailing legal framework.

That, since the effective date of his registration, 22nd February 2022, our client has had no association, connection or involvement with DGTX Service (Private) Limited. This complete severance of ties is clearly substantiated by the documentation referenced above, which further affirms that our client no longer holds any position, responsibility or affirmation with the company. The evidence presented unequivocally supports that he has fully dissociated himself from the company's operations, governance and activities.

8. Similarly, Mr. Shah Irfan Jamil, CEO of the Company, through his authorized representative, Mr. Muhammad Imtiaz Khan Agha, submitted their response through letter dated February 8, 2025 wherein he categorically denied his involvement in the FIR. He further submitted that his name neither appeared in the FIR nor in the charge sheet, and he had not been summoned or implicated during the course of investigation. He further reiterated that Mr. Jamil was a law-abiding businessman and the founder of DGTX Service (Private) Limited, which was duly incorporated under the Companies Act, 2017. The Company had operated in compliance with the law since its inception. It was further submitted that the Director, Mr. Pervaiz Sultan Rupani, had resigned on 22nd February 2022, prior to the events which formed the subject matter of the FIR; and since then, held no role or association with the Company. No credible evidence had been placed on record to establish any nexus between Mr. Jamil, the Company, or the FIR in question.

9. Besides submitting the responses as above, none of the Respondents appeared on the hearing scheduled on February 11, 2025. Another hearing was scheduled on February 25, 2025 wherein Mr. Rasheed Ashraf Mughal (AR) attended the hearing online on behalf of Mr. Pervaiz Sultan Rupani. During the hearing, Mr. Mughal reiterated the response submitted vide letter dated February 07, 2025. Mr. Mughal was informed that although Mr. Rupani had resigned from the directorship of the Company, however, he was re-appointed by the new shareholder namely 'DGTX Holdings Limited', an entity not registered in Pakistan, as a Nominee Director, as per the records available with the Registrar concerned; to which the AR replied that as per his knowledge, Mr. Rupani had resigned from the directorship of the Company and that currently, he had no connection with the Company. The AR was further apprised that a company has to file Form-9 (previously Form-29) with the Registrar concerned for any change in the Board of Directors (BOD) of the company. The latest Form-29 dated March 28, 2022 filed with Registrar concerned shows that Mr. Rupani was re-appointed as Nominee Director in the Company, therefore, was deemed to be fully involved into the affairs of the Company. The AR was advised to furnish the evidence of resignation through filing of Form-29 with the



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Registrar concerned, to which the AR agreed and sought some time for the same. However, till date, no such evidence has been shared by the AR with this department.

10. It is important to note that no representative appeared on behalf of the Company, either through a written submission or by attending the scheduled hearings and written responses were submitted by Mr. Parvez Rupani and Mr. Irfan Jamil.

11. This office, in order to confirm the latest composition of the BOD of the Company, had written to the Registrar concerned who observed that as per the latest Form 29, dated March 28, 2022, filed with Registrar by the Company, Mr. Pervez Sultan Rupani resigned from the directorship of the Company however, he was re-appointed as the Nominee Director for DGTX Holdings Limited through the same Form-29 dated March 28, 2022.

12. In order to decide the matter, it is essential to analyze the issues at hand and the conclusions drawn during the adjudication proceedings, considering the facts of the case, the Company's records, the documents available with the Commission and the relevant provisions of law, as outlined below:

- i) It was alleged in the instant SCN that Mr. Parvez Sultan Rupani (CNIC # 42301-0946153-1) and his accomplices were absconders in Terror Financing Crime No. 188/2023 registered at PS: CTD, Karachi under the provisions of the Anti-Terrorism Act, 1997. Further, his Red Warrant by Interpol in Crime No 36/2021 PS: Artillery Maiden, Karachi had been issued. Mr. Parvez Sultan Rupani had formed various ghost/shell companies to park dirty money for Terrorism and Money Laundering, and the Company was amongst such companies. Thus, the Company violated sub-section (2) of section 26 of the Act by engaging in activities prohibited by a law enforced in Pakistan.
- ii) The responses submitted by the Respondents primarily focused on asserting that Mr. Parvez Rupani had no association with the Company, either as a shareholder or as a director, effective from February 22, 2022. However, as established in the preceding paragraphs, Mr. Parvez Rupani continues to be listed as a Director of the Company, serving as a Nominee Director appointed by DGTX Holdings Limited. Therefore, the claim that he had no relationship with the Company as of February 22, 2022, is incorrect.
- iii) Moreover, no evidence was provided contrary to the allegations that Mr. Parvez Sultan Rupani had formed various ghost/shell companies to park dirty money for Terrorism and Money Laundering.
- iv) In view of the foregoing, it is evident that Mr. Rupani still holds directorship in the Company and is involved in managing its affairs. The issuance of red warrant against Mr. Rupani, his status as absconder and involvement of the Company in the activities related to Terrorism and Money Laundering, as reported by the Office of the Station Officer, Police Station Counter Terrorism Department (Operations), Karachi, Sindh leaves no ambiguity regarding the illegality of operations of the Company, rendering the applicability of section 26 of the Act and making the Company liable to be wound-up under sub-clauses (i) and (ii) of section 301(g) of the Act.

13. In view of the foregoing, I, therefore, in exercise of the powers under clause (b) of proviso to section 304 read with sub-clauses (i) and (ii) of section 301(g) of the Act delegated to the undersigned vide S.R.O 1546 (I) / 2019, hereby grant sanction to the Registrar (In-charge, Company Registration Office, Karachi), to file a petition for the winding-up of **M/s. DGTX Services (Private) Limited** in the Honourable High Court. The said clause (b) of proviso to Section 304 of the Act is reproduced hereunder, for reference:

'304. Provisions as to applications for winding up. An application to the Court for the winding up of a company shall be by petition presented, subject to the provisions of this section, either by the company,



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*or by any creditor or creditors (including any contingent or prospective creditor or creditors), or by any contributory or contributories, or by all or any of the aforesaid parties, together or separately or by the registrar, or by the Commission or by a person authorized by the Commission in that behalf:
Provided that –*

(a)

(b) the registrar shall not be entitled to present a petition for the winding up of a company unless the previous sanction of the Commission has been obtained to the presentation of the petition: Provided that no such sanction shall be given unless the company has first been afforded an opportunity of making a representation and of being heard;

14. This Sanction is being issued without prejudice to any other proceedings or action that the Commission or any other authority, bureau, agency or institution may initiate, in accordance with relevant provisions of law, against the Respondents and any other officer of the Company.

(Hammad Javed)

Additional Director / Head of Department
Adjudication Department-II

Announced: May 13, 2025