



# Securities and Exchange Commission of Pakistan

## BEFORE THE APPELLATE BENCH

### Review Application No. 01 of 2021

In the matter of

### Appeal No. 30 of 2018

Date of hearing:

June 22, 2023

Present:

For the Applicant:

Mr. Faisal Hanif, ASC

For the Respondent:

1. Mr. Muhammad Farooq Bhatti, Additional Director, Adjudication II, SECP
2. Mr. Muhammad Javed, Assistant Director, Adjudication II, SECP

### ORDER

1. This Order shall dispose of the Review Application No. 01 of 2021 filed by M/s. Sleep Research Foundation (the "Applicant") against the Order dated December 02, 2020 (the "Impugned Order") passed by the Appellate Bench (the "Bench") in Appeal No. 30 of 2018 (the "Appeal").
2. The brief facts of the case are that the Bench vide Impugned Order upheld the order dated March 27, 2018, passed by the Commissioner CCD (the "Order in Original") under Section 42 of the Companies Act, 2017 (the "Act") read with Rule 6 of the Companies (General Provisions and Forms) Rules, whereby license of the Applicant was revoked and the Applicant was further directed to proceed in terms of Section 43 of the Act.
3. The authorized representative of the Applicant while submitting before the Bench has candidly admitted that the instant Review has been filed solely on compassionate grounds and not on any legal issue. The authorized representative of the Applicant submitted that the Applicant is engaged in a noble cause and thus its license may be restored to enable the Applicant to carry on with welfare activities. While making submissions, the authorized representative of the Applicant placed reliance upon the decision rendered in Appeal No. 88 of 2019, where the appellant had appealed against the revocation of its license due to non-compliance with the statutory and regulatory



## Securities and Exchange Commission of Pakistan

requirements spanning over a period of twenty-five years wherein the Bench allowed the appellant to meet the requirements within six months. The Applicant contended that the case of the Applicant is at similar to the one cited, hence, the Applicant may also be granted the same relief.

4. The Respondent vehemently opposed the instant Review *inter alia* on the ground that the Applicant has no legal basis to file the same as it failed to highlight any illegality in the Impugned Order. The Respondent submitted that the only way forward for the Applicant is to apply for a fresh license as the current legal framework does not provide for an option to renew a license granted under section 42 of the Act.
5. The Bench has reviewed the record and heard the arguments of the parties. As admitted by the Applicant, the instant Review has been filed merely on the basis of compassionate grounds and no illegality/anomaly of the Impugned Order has been highlighted by the Applicant. It is the case of the Applicant that owing to similar facts it may also be afforded the same relief as rendered by the Bench in Appeal No. 88 of 2019. The Bench while perusing the record has also noticed that the Applicant after revocation of license filed an application for renewal of the same, however, the said fact was not agitated by the Applicant at any stage in the Appeal proceedings. Therefore, in view of the peculiar circumstances of the matter and while relying on the decision of the Bench in Appeal No. 88 of 2019, the Bench is inclined to take a lenient view and thus afford an opportunity to the Applicant to rectify/fulfill/comply, upon paying late fees applicable under the law, all outstanding statutory requirements, to the satisfaction of the concerned department(s) of the Commission within a period of three (03) months from the date of this order. The department shall consider the case of renewal of license on its own merits in accordance with law and till the decision thereof, the department is restrained from proceeding against the Applicant under section 43 of the Act. The aforementioned is a one-time opportunity granted to the Applicant which shall not be extended without express permission of the Bench. Disposed of.

**Abdul Rehman Warraich**  
Commissioner

**Akif Saeed**  
Chairman/ Commissioner

Announced on: **25 AUG 2023**