



**Securities and Exchange Commission of Pakistan**  
**Company Law Division**  
**Corporatization & Compliance Department**  
\*\*\*\*

*Before*

**Director**  
**(Corporatization and Compliance Department)**

*In the matter of*

**ANDELI ELECTRIC COMPANY (PVT.) LIMITED**

**ORDER**

**Under section 7 of the Companies (Appointment of Legal Advisers) Act, 1974**

Number and date of show cause notice: No. ARN/LA/104251/IAN-2791/2017-198  
dated July 27, 2017

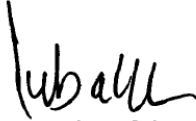
This Order shall dispose of proceedings initiated against M/s. Andeli Electric Company (Pvt.) Limited (the "Company") and its Chief Executive for default made in compliance with the requirements of sub-section (1) of section 3 of Companies (Appointment of Legal Advisers) Act, 1974 (the "Act").

2. The brief facts leading to the show cause notice are that the Company was required in terms of sub-section (1) of section 3 of the Act to appoint atleast one legal adviser on retainership to advise such Company in the performance of its functions and the discharge of its duties in accordance with law. Sub-rule (1) of rule 4 of the Companies (Appointment of Legal Advisers) Rules, 1975 (the "Rules") provides that every Company shall within fifteen days of the appointment of a legal adviser by it furnish in duplicate to the registrar of the region in which its registered office is situated, the name, names of the partners in case of a firm, address and remuneration of the legal adviser. However, from the perusal of record, it has been observed that the Company has failed to do so for which a show cause notice dated July 27, 2017 (the "SCN") was issued calling upon the Company and its Chief Executive to explain in writing and to appear in person or through authorized representative for hearing on August 21, 2017 to clarify the position.

3. In response to the above SCN, no one appeared on the date of hearing for which the hearing was re-fixed for November 29, 2017, however, neither the Company attended the hearing nor filed the required return for the appointment of its legal advisor and the hearing notice was also returned un-delivered. Subsequently, the record of the Company has been perused and found that the Company has filed application under the Companies (Easy Exit) Regulations, 2014 with Company Registration Office, Karachi on August 18, 2017.

4. I have gone through the relevant provisions of the Act, and other record of the Company and observed that sub-section (1) of section 3 of the Act requires the Company to appoint atleast one legal adviser on retainership to advise such Company in the performance of its functions and the discharge of its duties in accordance with law. Further, sub-rule (1) of rule 4 of the Rules requires that every Company shall, within fifteen days of the appointment of a legal adviser by it, furnish in duplicate to the registrar of the region in which its registered office is situated the name (names of the partners in case of a firm), address and remuneration of the legal adviser. I have also perused section 7 of the Act which provide penalty for contravention of the Act.

5. Based on the above, it is apparent that the Company and its Chief Executive have violated the mandatory requirements of the Act by not appointing its legal advisor. However, keeping in view of the fact that the Company has filed application under the Companies (Easy Exit) Regulations, 2014 with the registrar concerned on August 18, 2017, I, therefore, take a lenient view, and do not impose any fine on the Company and its Chief Executive.

  
(Mubasher Saeed Saddozai)  
Director (CCD)

Announced:  
January 11, 2018