



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

Before

Commissioner
(Corporatization and Compliance Department)

In the matter of

DABISTAN-E-IQBAL

ORDER

under Rule (6) of the Companies (General Provisions and Forms) Rules, 1985 read with Section 42 of the Companies Act, 2017

Number and date of show cause notice: No. CLD/CCD/Co.42/32/2012-8057-IAN-2843/2017-2174 dated December 20, 2017
Present: Mr. Syed Abid Raza Zaidi, authorized representative
Date of Hearing: January 11, 2018
Place of Hearing: Through VC from Regional Office, Lahore

This Order shall dispose of the show cause proceedings initiated against M/s Dabistan-e-Iqbal (the "Company") and its Chief Executive for default made in compliance with the requirements of the provisions of rule 6 of the Companies (General Provisions and Forms) Rules, 1985 (the "Rules") read with section 42 of the Companies Act, 2017 (the "Act").


2. The brief facts leading to the show cause notice are that the Company was granted licence in pursuance of section 42 of the repealed Companies Ordinance, 1984 (the "Ordinance") on June 18, 2012 and subsequently, the Company was registered on November 19, 2012. The licence of the Company was renewed for further period of five (5) years on May 30, 2017. The Company was granted licence with the condition that the subscribers to the Memorandum and Articles of Association of the Company shall continue to be the members of the Company unless allowed by the Commission on application to quit as members provided that a proposed new director in lieu thereof shall not be appointed or opted unless allowed by the Commission on an application to appoint or opt him/her as director. However, it has failed to comply with the aforesaid condition of the licence and one of the subscriber member namely Mr. Muhammad Suheyl Umar has quitted the Company without prior approval of the Commission, for which a show cause notice dated December 20, 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 January 11, 2018 to clarify the position.

3. In response to the above SCN, the Company's representative appeared on the date fixed for hearing and accepted the default made by the Company and informed that the default was neither committed deliberately nor willfully rather occurred due to lack of awareness with the law. He further stated that the relevant Company Registration Office (the "CRO") also did not intimate the Company regarding the requirement of the prior approval while accepting the relevant Form-29 for the change. Later on, an application of renewal of licence was also acceded by the Commission and accordingly licence was renewed for the further period of five (5) years on May 30, 2017 without any intimation of the default *ibid*.

4. From the all above, it is apparent that the default was not committed deliberately and occurred due to lack of awareness with the law. I therefore, take a lenient view, and do not impose any fine on the Company and its Chief Executive. The Company and its Chief Executive are however, advised to be careful in timely compliance with the mandatory provisions of all applicable laws in future. I further, advise the relevant CRO to be more vigilant while accepting the documents.

5. This order is issued without prejudice to any other action(s) that may be initiated against the Company and its directors/officers responsible for the violations of the aforesaid provisions of the law.


Tahir Mahmood
Commissioner (CCD)

Announced:
January 15, 2018