



Corporate Supervision Department
Company Law Division

Before Mr. Abid Hussain- Executive Director

In the matter of

Mandviwalla Mauser Plastic Industries Limited

Number and date of SCN: No. CSD/ARN/130/2015-1102-1108 dated January 23, 2018

Date of hearing: February 1, 2018 & March 26, 2018

Present: Mr. Azeem H. Mandviwalla , Chief Executive, Mandviwalla
Mausers Plastic Industries Limited
Mr. Abdur Rehman, Senior Accounts Executive, Mandviwalla
Mausers Plastic Industries Limited
Ms. Hina Ambreen, Company Secretary, Mandviwalla Mausers
Plastic Industries Limited
(Authorized Representatives)

ORDER

UNDER SECTION 132 READ WITH SECTION 479 OF THE COMPANIES ACT, 2017

This order shall dispose of the proceedings initiated against the following directors including the chief executive officer (*the "Respondents"*) of Mandviwalla Mauser Plastic Industries Limited (*the "Company"*):

- | | | | |
|---|-----------------------------|---|-----------------------|
| 1 | Mr. Azeem H. Mandviwalla | 5 | Mr. Masih-ul-Hasan |
| 2 | Mr. Tariq Mehmood | 6 | Mr. Shamim Ahmed Khan |
| 3 | Mr. Abdul Qadir Shiwani | 7 | Syed Asghar Ali |
| 4 | Mrs. Shireen H. Mandviwalla | | |

The proceedings against the respondents were initiated through show cause notice dated January 23, 2018 (*the "SCN"*) under the provisions of section 132 read with section 479 of the Companies Act, 2017 (*the "Act"*).

2. The brief facts of the case are that the Company was required to hold its annual general meeting (*the "AGM"*) for the year ended June 30, 2017 within a period of one hundred and twenty days close of its financial year, in terms of section 132 of the Act. However, review of record revealed that the Company

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failed to convene the AGM as against requirement of the law. Consequently, the SCN dated January 23, 2018 was issued to the respondents wherein they were called upon to show cause in writing as to why penal action may not be taken against them under sub-section (5) of section 132 of the Act for non-holding of AGM as against requirements of the law.

3. The hearing in the matter was fixed for February 1, 2018 which was adjourned. The hearing was held on March 26, 2018 wherein Mr. Azeem H. Mandviwalla, the Chief Executive of the Company, Ms. Hina Ambreen, the Company Secretary and Mr. Abdur Rehman, senior accounts executive appeared as authorized representatives on behalf of the Company. The authorized representatives submitted that the Company will be holding the AGMs for the years 2016 & 2017 together in May 2018 and also provided copies of annual accounts to substantiate their claim.

4. The Company intimated the Commission vide letter dated April 13, 2018 that the Company will be holding its over-due AGMs for the year ended June 30, 2016 and June 30, 2017 will be held together on May 4, 2018. The Company submitted copies of the notices of the AGMs published in the newspapers in this regard. These notices were also available on the website of Pakistan Stock Exchange.

5. Before proceeding further, it is necessary to advert to the following relevant provisions of the Ordinance. Sub-section (1) of section 132 of the Act, *inter alia*, provides as under:

Every company, shall hold, an annual general meeting within sixteen months from the date of its incorporation and thereafter once in every calendar year within a period of one hundred and twenty days following the close of its financial year:

Sub-section (5) of section 132, *inter alia*, provides as under:

Any contravention or default in complying with requirement of this section shall be an offence liable— (a) in case of a listed company, to a penalty of level 2 on the standard scale;

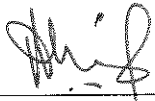
In terms of the Commission's notification SRO 751(I)/2017 dated August 2, 2017, the powers to adjudicate cases under section 132 of the Act have been delegated to the Executive Director (Corporate Supervision Department).



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6. I have analyzed the facts of the case, relevant provisions of the Act and facts available on record. The aforesaid provisions of the law are clear and explicit. A company is required to hold its AGM within one hundred and twenty days from the close of its financial year provided that the Commission may extend the time for thirty days based on application by the company. Holding of AGM is a very important statutory event and provides an opportunity to the shareholders, including those in minority, to participate in discussion and voting on agenda items of the AGM.

7. Keeping in view the above facts, I have observed that the Company has taken the corrective measures and is holding the AGMs for the years ended June 30, 2016 and June 30, 2017 together on May 4, 2018. The respondents have made a firm commitment to timely comply with the mandatory statutory requirements in future I, therefore, while taking a lenient view, hereby conclude the proceedings with a warning to the respondents for strict compliance of law in future.



ABID HUSSAIN

Executive Director

Corporate Supervision Department

Announced:

May 3, 2018

Islamabad

