



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Company Law Division

Before

Dr. Sajid Qureshi, Executive Director (CLD)

In the matter of

Redco Mills (Pvt) Limited

Revision under Section 477 of the Companies Ordinance, 1984

Present: Muhammad Farid Khan, Manager Income Tax for the Company.

Date of Hearing: March 06, 2006 at Islamabad.

ORDER

This order will dispose off revision petition filed under Section 477 of the Companies Ordinance, 1984 (the "Ordinance") by Redco Mills (Pvt) Limited (the "Company") against the order dated 19.12.2005 passed by Registrar of Companies, Islamabad.

2. Brief facts leading to this petition are that the company and its management failed to file Form-A and Form-29 with the registrar concerned within the statutory period in violation of Sections 156 and 205 of the Ordinance for which a penalty of Rs. 5,000.00 was imposed on the company vide order dated 18.08.2005. The delay occurred in filing of above forms is as under;

S. No	Documents	Delay Involved- Years	Months	Days
1	Form 29 dated 01.06.2004	01	01	00
2	Form 29 dated 14.05.2004	00	03	08
3	Form 29 dated 01.02.2005	01	01	03
4	Form A dated 30.11.2003	00	08	15
5	Form A dated 31.01.2005	00	04	18

3. Having not satisfied with the order of additional registrar, the Company filed a revision petition with the Registrar of Companies, who however, after initial hearing, do not agree with the contentions of the Company and uphold the earlier order of additional registrar, hence the instant revision petition.

4. The said revision was fixed before me for hearing on 06.03.2006 when Mr. Muhammad Farid Khan, Manager Income Tax appeared on behalf of the Company. He however, repeated the same arguments as earlier submitted by the Company in its revision petition. As a preliminary objection, Mr. Khan contended that the order of Registrar of Companies to uphold the decision of additional registrar concerned is against the express provisions of the law as the defaults were not committed by the Company and its management knowingly and willfully. During the hearing, he also submitted relevant excerpts regarding "*Mens rea*" from the Companies Ordinance and Blacks law dictionary. Mr. Khan also submitted that the provisions of Section 205 of the Ordinance relating to change in the directorship requires to be furnished only if there is a change and in case of no change, it is not necessary to send a notification to the Registrar. In support to his contention, he also referred to the Indian case law, cited as AIR 1956 Ajmer 78. He however, when asked for citing any Pakistani judgment on this subject, was unable to refer the same.

5. I have perused the documents placed before me and have gone through the relevant provisions of law. Sections 156 & 205 of the Ordinance provides as follows;

“156. Annual list of members, etc. - (1) Every company having a capital shall, once in each year, prepare and file with the registrar a return containing the particulars specified in Form A of the Third Schedule as on the date of annual general meeting or, where no meeting is held or if held is not concluded, on the last day of calendar year”.

“205. Register of Directors, Officers, etc. - (1) Every company shall keep at its registered office a register of its directors and officers, including the chief executive, managing agent, secretary, etc containing with respect of each of them such particulars as may be prescribed”.

(2) Every person referred to in sub-section (1) shall, within a period of ten days of his appointment or any change therein, as the case may be, furnish to the company the particulars specified in sub-section (1) and, within the periods respectively mentioned in this section, the company shall file with the registrar a return in duplicate in the prescribed form containing the particulars specified in the said register and the notification in the prescribed form of any change among the directors, the chief executive, auditor or legal advisor or in any of the particulars contained in the register.

6. In accordance with Section 156 of the Ordinance, it is mandatory for every company to prepare and file with the registrar once in each year, a return containing the particulars specified in Form A of the Third Schedule attached to the Ordinance. The Company however, knowingly neglected to file the same timely with the registrar concerned. As far as requirements under Section 205 of the Ordinance regarding register of directors, etc is concerned, I have come to the conclusion that the contentions of the representative of the Company and the case laws as referred for perusal requires much deeper consideration by the registrar concerned.

7. I therefore, remand back the case to the registrar concerned for considering the matter afresh in light of submissions and case laws produced by the representative of the Company well in accordance with law.

Dr. Sajid Qureshi
Executive Director (CLD)

Announced
Islamabad, March 9, 2006

