

Before Amir M. Khan Afridi, Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Micro Options Support Program

Dates of Hearing

December 07, 2021

Order-Redacted Version

Order dated February 18, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Micro Options Support Program. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated November 09, 2021.
2. Name of Respondent	Micro Options Support Program (the Respondent and/ or the Company)
3. Nature of Offence	Alleged contraventions of <u>Regulation 4 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations)</u> read with <u>Section 282J of the Companies Ordinance, 1984.</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have examined the facts of the case in light of the applicable provisions of the law, the written submissions, and verbal arguments of the Respondent and its CEO and observed that the Respondent failed to maintain the MER as its equity stood at Rs. 31 million as on June 30, 2021 and it remained below the required level i.e. Rs. 50 million since October 31, 2019. Although, the negotiations to replenish the gap of required equity is in process, however, nothing has been reported to have been materialized as yet. It is pertinent to mention that regulation 4 of the Regulations requires to meet the MER at all times. The Respondent, by not maintaining the MER, has failed to comply with the requirements of regulation 4 of the Regulations. The CEO also admitted the non-compliances on part of the Respondent during the hearing proceedings.</p> <p>I hereby, impose nominal penalty of Rs. 50,000/- (Rupees Fifty Thousand Only) on the Company on account of the aforesaid established and conceded non-compliances.</p>
5. Penalty Imposed	Rs. 50,000/-
6. Current Status of Order	Penalty deposited by the respondent.

