



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Registration Department

Before
Nazir Ahmed Shaheen, Registrar of Companies

In the matter of
The Sheets (Private) Limited

Present: Mr. Bashir Ahmad Naveed

Date of hearing: February 2, 2006

Order under Section 142 (4) read with Section 476
of the Companies Ordinance, 1984

This order will dispose off show cause proceedings initiated against The Sheets (Private) Limited (hereinafter referred to as the "Company") for violation of the mandatory provisions of Section 142 of the Companies Ordinance, 1984 (hereinafter referred to as the "Ordinance").

2. Brief facts of the matter are that the Company has changed its registered office on March 15, 2005 and was required to inform the registrar concerned on relevant Form-21 regarding change in registered office of the Company as required under Section 142 of the Ordinance, however, the same was filed on June 21, 2005 i.e with a delay of two months and ten days. Section 142 of the Ordinance provides as follows:



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“142. Registered office of a company. – (1) A company shall as from the day on which it begins to carry on business, or as from the twenty eight day after the date of its incorporation, whichever is earlier, have a registered office to which all communications and notices may be addressed.

(2) Notice of the situation of the registered office and of any change therein shall be given within twenty-eight days after the date of incorporation of the company or of the change, as the case may be, to the registrar who shall record the same.

(3) -----

(4) If a company fails to comply with the requirements of sub-section (1) or (2), it shall be liable to a fine, which may extend to two hundred rupees for every day during which non-compliance continues, and every officer of the company who knowingly and willfully authorises or permits the default shall be liable to the like penalty”.

3. Accordingly, a notice dated January 3, 2006 was issued to the Chief Executive of the Company to show cause as to why the penalty as provided under the above-mentioned mandatory provisions of the Ordinance for the aforesaid default might not be imposed. In response to the notice, the chief executive replied through letter dated January 14, 2006 and informed that delay in filing of Form-21 occurred due to his father’s illness and later on death. He had to carry him from hospital to hospital and city to city causing disturbance not for his business but also for entire family and that negligence was not made deliberately and requested to accept his version and excuse any punitive action.

4. Having not satisfied from the aforesaid reply, hearing in the matter was fixed for February 2, 2006 where, Mr. Bashir Ahmed Naveed, authorized representative of the Company appeared before me and argued the case. He also made written submissions as well. He informed that the chief executive along with his wife are two directors of the Company and have no adult



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children to look after the business and other corporate affairs of the Company. He also contended that the delay in filing the requisite Form-21 occurred due to severe sickness and subsequently death of the father of the chief executive of the Company. He also informed that the second director of the Company, being a lady and house wife could not properly manage the affairs of the Company in his absence.

5. I have gone through the relevant provisions of law and the documents submitted before me for perusal. It is the duty of every officer of the company to file the relevant Form-21 with the registrar concerned within the prescribed time, however, as the delay in the instant case was not occurred willfully and was only due to severe illness and subsequently death of the father of the chief executive, I take a lenient view of the matter and warned all officers of the Company to be careful in future in compliance of the mandatory provisions of the Ordinance

Nazir Ahmed Shaheen
Registrar of Companies

Announced at Islamabad
February 6, 2006



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