



Corporate Supervision Department
Company Law Division

Before Tahir Mahmood – Commissioner (Company Law Division)

In the matter of

Javed Omer Vohra & Company Limited

Date of hearing: September 17, 2015

Present: Mr. Ashfaq Tola, Authorized Representative

ORDER

**Review under sub-section (2) of section 484(2) of the Companies Ordinance, 1984
In respect of Order dated May 15, 2015 in the matter of show cause notice under sections 174,
177, 178 and 180 read with section 186 and section 476 of the Companies Ordinance, 1984**

This order shall dispose of the review initiated by the undersigned of its own motion under section 484 of the Companies Ordinance, 1984 (the "Ordinance") in respect of the order of the undersigned dated May 15, 2015. In terms of the Order under review, the proceedings against directors (together referred to as "respondents") of Javed Omer Vohra & Company Limited (the "Company") initiated through show cause notice (the "SCN") dated January 29, 2015 for not holding election of directors as per requirements of the law, were concluded. During the show cause proceedings and at the hearing, the respondents were represented by Mr. Ashfaq Tola, their authorized representative. Based on the understanding given during the hearing that the Company had held its election of directors in the annual general meeting ("AGM") convened on March 30, 2015, the proceedings were concluded with a strict warning to the respondents to be careful in future and ensure meticulous compliance with relevant provisions of the Ordinance.

2. Later, it transpired that the AGM convened on March 30, 2015 was adjourned due to lack of quorum and no information was available regarding holding of the adjourned AGM and election of directors, Subsequently on query from the Company Registration Office (CRO) of the Commission, it was confirmed that last Form-29 in respect of election of directors of the Company was filed in the year 2011 and thereafter no such form has been filed. In view of the factual position transpired subsequent to the Order, the undersigned decided to initiate review of the Order and a hearing in the matter was fixed on September 17, 2015. In response to the hearing notice, Mr. Ashfaq Tola on behalf of the respondents through letter dated September 15, 2015

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submitted that the AGM convened on March 30, 2015 was adjourned due to lack of quorum. The adjourned meeting was later held on April 6, 2015 on the same place and at the same time and all the provisions of the Ordinance were complied with. He further stated that there has been inadvertent omission on the part of the respondent for not intimating the Commission regarding holding of the AGM and election of directors and assured that no such mistake will be committed in future. The hearing was held on September 17, 2015 before the undersigned and Mr. Tola appeared on behalf of the respondents. He mainly reiterated the earlier written submissions and assured that the requisite documentary proof of holding of election of directors will be provided in a week's time.

3. Thereafter, through letter dated September 23, 2015, Mr. Tola submitted that the Company was in process of registration with National Institute of Facilitation Technologies (NIFT) and, therefore, e-filing of requisite forms was delayed. The Commission through letter dated October 1, 2015 advised the respondents to provide specific information as to whether the election of director was held in the adjourned AGM on April 6, 2015 along with copy of minutes of the AGM and attendance sheet. In response, Mr. Tola on behalf of the respondents through letter dated October 5, 2015 provided copies of minutes of the adjourned AGM held on April 6, 2015 along with attendance sheet. He further submitted that only five members filed application to contest directors' election. Since number of directors to be elected was seven, all the five members who were contesting elections were deemed to be elected as per requirements of the Ordinance, 1984.

4. I have analyzed the facts of the case, relevant provisions of the Ordinance, and submissions made by the respondents. It appears that currently, the Company only has five directors against the requirements of minimum of seven directors for a listed company. In terms of sub-section (2) of section 174 of the Ordinance *every listed company shall have not less than seven directors to be elected in a general meeting in the manner provided in this Ordinance.* In view of these provisions, the election of directors of a listed company cannot be held if fewer than seven persons file notices of their intention to contest election as directors. Therefore, election of directors of the Company has not been held. In view of the facts transpired as of late, I hereby invoke the provisions of section 473 of the Ordinance and direct the respondents to take immediate step to hold the election of directors and in the meantime report the circumstances of the case to the



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relevant registrar at the CRO in respect of the impediment being faced by the Company in holding election of directors, in terms of section 177 of the Ordinance. The proceedings initiated for review under section 484 of the Ordinance hereby stand concluded.

Tahir Mahmood
Commissioner (Company Law Division)

Announced:

Islamabad

05 NOV 2015