

Before Amir M. Khan Afridi – Head of Department (Adjudication-I)
In the matter of Show Cause Notice issued to Clover Pakistan Limited

Dates of Hearing:

February 9, 2022 & March 2, 2022

Order - Redacted Version

Order dated May 17, 2022 was passed by Head of Department (Adjudication-I) in the matter of Clover Pakistan Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated December 23, 2021
2. Name of Company	Clover Pakistan Limited
3. Name of Individual*	The proceedings were initiated against the Company.
4. Nature of Offence	The Company failed to convene its Annual General Meeting for the financial year ended June 30, 2021 (the AGM) within a period of one hundred and twenty (120) days following the closure of its Financial Year (FY) contrary to the requirements of Section 132(1) of the Companies Act, 2017 (the Act).
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>Holding of AGM is a vital statutory requirement and the Company cannot absolve itself from its statutory duties pertaining to holding of AGMs, preparation and filing of annual and quarterly financial statements in a timely manner as specified under the law.</p> <p>The Company failed to hold its AGM for FY2021 within the specified one hundred and twenty days from the close of its FY.</p> <p>The Commission vide directive dated January 4, 2022 under Section 147 of the Act directed the Company to hold its past due AGM by February 28, 2022.</p> <p>The Company has held the said overdue AGM on February 24, 2022, i.e. before the deadline mentioned in the aforesaid directive.</p> <p>In view of the above, it has been observed that the Company has held the overdue AGM for FY2021 on February 24, 2022, i.e., before the deadline set by the Commission through the aforesaid directive date January 4, 2022, therefore, I hereby conclude the proceedings without imposing penalty on the Company, reminding it of its fiduciary duties and responsibilities towards all stakeholders, advising it ensure that such mechanisms are in place and appropriate actions be taken whereby holding of AGM and financial reporting of the Company are timely achieved, whilst ensuring due compliance of the law.</p>
6. Penalty Imposed	No penalty imposed on the Company.
7. Current Status of Order	No Appeal has been filed by the Company.

Redacted version issued for placement on website of the Commission.