**Before**

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

**In the matter of Show Cause Notice issued to Al-Abid Silk Mills Limited**

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| Date of Hearing | February 25, 2021, March 10, 2021, April 14, 2021, May 31, 2021, June 01, 2021 |

**Order-Redacted Version**

Order dated November 18, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Al-Abid Silk Mills Limited. Relevant details are given as hereunder:

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| **Nature** | **Details** |
| 1. Date of Action | Show cause notice dated December 01, 2020 |
| 1. Name of Company | Al-Abid Silk Mills Limited |
| 1. Name of Individual\* | The proceedings were initiated against two Directors of the Company |
| 1. Nature of Offence | Under Section 171, Section 175 and Section 479 of the Companies Act, 2017 |
| 1. Action Taken | Key findings were reported in following manner:  I have gone through the facts of the case, relevant provisions of the law and the record placed before me. It is undisputed fact that the Respondents have not attended any meeting of directors for year ended June 30, 2019 attracting provisions of clause (b) of subsection (1) of Section 171 of the Act. Furthermore, the Respondents have failed to provide any evidence that could validate their resignation being presented before board of directors and accepted thereof and their names continue to appear as directors in financial statements for year ended June 30, 2019. The Respondents are therefore liable for penalty under Section 175 of the Act. In exercise of the powers conferred under aforesaid provisions of the Act, I hereby impose cumulative penalty of Rs. 20,000 (Rs. 10,000 each) to the respondents.  This Order is issued without prejudice to any other action that the Commission may initiate against the Respondents and/ or the Company in accordance with the law on matters subsequently investigated or otherwise brought to the knowledge of the Commission. |
| 1. Penalty Imposed | A cumulative Penalty of Rs. 20,000/- (Rupees Twenty thousand only) was imposed on the Respondents. |
| 1. Current Status of Order | No Appeal has been filed by the respondents. |