



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN
Corporatization and Compliance Department
Company Law Division

Before

Director (CCD)

In the matter of

M/s. Taraqee Foundation

Order under Rule 6 read with Rule 35 of the Companies (General Provisions and Form) Rules, 1985 read with Section 506 (2) of the Companies Ordinance, 1984 now 509 of the Companies Ordinance, 2016

Number and date of show cause notice	CLD/CCD/231(01)2015/850-IAN/126/97/2016-1525 dated October 18, 2016.
Present:	Mr. Farqooq Akhter, Senior Corporate Consultant, authorized representative
Date of Hearing:	17-11-2016
Place of Hearing:	Islamabad.

ORDER

This Order shall dispose off proceedings initiated against the Company, its Chief Executive and other ex-Directors/Officers of M/s. Taraqee Foundation (the "Company") for default made in complying with the requirements of Rule 6 read with Rule 35 of the Companies (General Provisions and Form) Rules, 1985 (the "Rules") and Section 506 (2) of the repealed Companies Ordinance, 1984 (the repealed "Ordinance") now 509 of the Companies Ordinance, 2016 (the "Ordinance").

2. The brief facts leading to the show cause notice are that five (05) subscribers to the memorandum of association namely Mr. Syed Abid Rizvi, Mr. Zafar Zeeshan, Ms. Mubadra Jan Durrani, Ms. Uzma Arshad and Mr. Pervaiz Iqbal have quitted the Company without getting prior approval of the Commission in contravention to Rule 6(4) of the Rules, and the condition of the license which states that the subscribers to the memorandum and articles of association of the Company shall continue to be the members of the company unless allowed by the Commission on application to quit as members. Further the Company has also violated the terms and conditions of Circular No 45/2015 dated 16th December 2015, issued by the Commission.

3. Accordingly, a show cause notice (the "SCN") dated October 18, 2016 was issued calling upon the Company and its officers to show the cause in writing within 14 days from the date of

receipt of the notice as to why penalties for the aforesaid violation might not be imposed. In response to the above SCN, the authorized representative of the respondents replied vide letter dated November 09, 2016 that the Company has been working in the most underdeveloped Province of Pakistan where there are no expert consultants to provide advice to the Company in corporate matters. Some of the directors resigned more than a decade ago and the Commission and CRO also never drew the attention of the Company regarding non-compliance with the condition of the license. He further apprised that the default is inadvertent and not willful, which may be condoned.

4. Hearing in the matter was fixed on 07-11-2016, which was adjourned to 17.11.2016 on the request of the authorized representative of the respondents. The authorized representative appeared on the date of hearing and adopted the same arguments as mentioned in aforementioned reply.

5. In view of above, since the default is established; I therefore, in exercise of the powers conferred under section 509 of the Ordinance impose penalty of Rs. 10,000/- (ten thousand only) on the Company, only.

6. The Company is, hereby, directed to deposit the amount of penalty in the Commission's account within 30 days of the receipt of this Order and furnish original receipt/ challan of the same to this office for record. The Chief Executive and directors are also advised to remain careful in the compliance of law in future.

7. This order is issued without prejudice to the any action(s) that may be initiated against the Company and its directors responsible for the violations of the aforesaid provisions of the Ordinance.



(Mubasher Saeed Saddozai)
Director (CCD)

Announced
23.11.2016