



Corporate Supervision Department  
Company Law Division

Before Abid Hussain – Executive Director

*In the matter of*

**Nirala MSR Foods Limited**

Number and date of notice: CSD/ARN/225/2015-3862-63 dated March 30, 2016  
Date of hearings: April 11, 2016, April 25, 2016 and May 23, 2016  
Present: No one appeared

**ORDER**

**UNDER SECTION 309 READ WITH SECTION 305 OF THE COMPANIES ORDINANCE, 1984**

This order shall dispose of proceedings in the matter of show cause notice dated March 30, 2016 under Section 309 read with Section 305 of the Companies Ordinance, 1984 (“Ordinance”) issued to Nirala MSR Foods Limited (“Company”) and directors (“respondents”) of the Company.

2. The facts leading to this case, briefly stated, are that the Company Registration Office, has approached this office for grant of sanction in terms of clause (b) of Section 309 read with clause (b) of Section 305 of the Ordinance to present a petition before the Honorable High Court for winding up of the Company on the ground that the Company failed to hold its annual general meeting for two consecutive years.

3. Show cause notice dated March 30, 2016 was served on the Company under Section 309 of the Ordinance indicating the aforesaid ground to present a petition for winding up of the Company. The respondents, however, failed to submit their response to the SCN. In order to provide opportunity of personal hearing; the case was fixed on April 11, 2016 but no one appeared on the given date of hearing. Second opportunity of hearing was provided to respondent on April 25, 2016 however again no one appeared. Final hearing opportunity was provided on May 23, 2016. The hearing notice clearly mentioned a final opportunity and failure to appear will result an issuance of ex parte order. However, the respondents once again failed to appear in the hearing.

4. In terms of the Commission’s notification SRO 1003 (I)/2015 dated October 15, 2015, the powers to adjudicate cases under section 309 of the Ordinance have been delegated to Executive Director (Corporate Supervision Department).

5. Before proceeding further, it would be necessary to look at certain important facts regarding the Company. Al-Jadeed Textile Mills Limited (“Al-Jadeed”) was incorporated on



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October 12, 1988 under the Ordinance as a public company. The Company suspended its operation and sold off all its assets in July 2002. The name of Al-Jadeed was changed to Shakarganj Foods Limited ("SFL") on February 21, 2007. In an EOGM held on September 7, 2013 the shareholders once again accorded approval for change of name of the Company to Nirala MSR Foods Ltd. Simultaneously approval was also given for issuance of shares otherwise than right to Anmol Company for a consideration otherwise than cash stated to be for revival of the Company. Subsequently shares were issued to Mr. Faisal Farooq, Mr. Ahmed Farooq, Mr. Umer Farooq and Mr. Fahd Farooq, partners of the Anmol Company ("TAC") a partnership concern which is engaged in the business of making and marketing of sweat meat, nimkos and milk under the brand name "NIRALA to undertake the business of manufacturing of sweat meat and nimko and thereby revive the Company. Thereafter the trading of the Company's shares was suspended on December 8, 2015 for non-holding of annual general meeting for two or more years as required under clause 5.11.1.(b) of PSX Regulations. In the meantime penal proceedings for non-holding of AGM and non-submission of annual and interim accounts were initiated and concluded on ex-parte basis. As per statutory auditor, Azhar Zafar & Co. Chartered Accountants report to the members for the year ended June 30, 2013 the Company has been closed since July 2, 2002. It has been observed that the Company failed to hold annual general meeting for the years ended June 30, 2014 and June 30, 2015. The Company also failed to provide statutory reports to the Registrar and the Commission due to which it is suspected that prima facie, the business of the Company has been suspended for the same period and the new management failed to revive the Company. The shareholders of the Company have time and again been deceived that the Company after its revival shall be capable of paying return on their investment.

6. From the above discussion and after careful consideration of all the facts and circumstances of the case, I am of the view that the Company is liable to be wound up since such shell companies are easy targets in hands of the manipulators to make gain on the expense of the small shareholder. The Anmol Company and its partners conveniently avoided the rigors of listing by acquiring a shell listed Company with forecasts of its revival and promises to give return to the shareholders. However, immediately upon securing the same the directors failed to comply with even the basic statutory requirement of holding of AGM and publishing of annual and interim accounts.



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7. For the forgoing, I, in exercise of the powers conferred on me under Section 309 of the Ordinance, hereby authorize the Registrar, Company Registration Office, Lahore to present a petition for winding up of Nirala MSR Foods Limited.

**Abid Hussain**  
Executive Director

**Announced:**  
June 17, 2016  
Islamabad