



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
Company Law Division  
(Corporatization & Compliance Department)  
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(26)

No.CLD/RD-305 (02)/2012

Islamabad, the May 09, 2012

Before

**Executive Director (C & CD)**

*In the matter of*

**Training & Logistics Services (Pvt.) Ltd.**

**Sanction under section 309 (b) the Companies Ordinance, 1984**

Present: Raja Abid Hassan of Jillani & Hassan.  
Attorneys at Law, (Authorized representative)  
on behalf of the Company and its offices.

Date of Hearing: 26.04.2012 & 30.04.2012

Place of Hearing: Islamabad

**ORDER**

M/s. Training & Logistics Services (Pvt.) Limited (the "Company") was incorporated on 07.10.2010 having its registered office at office No. 14, First Floor, Block No. 1-C, Muhammadi Plaza, Blue Area, Islamabad. The authorized and paid up capital of the Company is Rs. 500,000 divided into 5,000 shares of Rs. 100 each. The business activities of the Company as mentioned in its Memorandum of Association include *inter alia* the following;

- (i) *To deliver professional support services to government and non-government public and private organization/agencies and international organizations operating in Pakistan in order to make them deliver their core business as efficiently as possible. Such support services include but are not limited to the following:*

a. *Medical, Health, Safety, Environment and Community services;*

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- b. *Camp construction services;*
- c. *Construction management services;*
- d. *Facilities management services;*
- e. *Life support services;*
- f. *Communication management services;*
- g. *Provision of pre-fabricated container units; and*
- h. *Logistics and supply chain management services.*

*(ii) To provide training services and capacity development to government and non-governmental public and private organizations/agencies and international organizations operating in Pakistan in accordance with the best practices international standards such training services include but not limited to the following:*

- a. *Conflict mitigation;*
- b. *Explosive material disposal;*
- c. *Medical, Health, safety, Environment and Community;*
- d. *Facilities management;*
- e. *Communications management;*
- f. *Logistics and supply chain management; and*
- g. *Construction and maintenance management.*

2. The Ministry of Interior informed the registrar concerned, that the Company is involved in activities which are against national interest and security and directed to cancel its registration forthwith. The registrar concerned, therefore, in national interest and in the interest of public at large, has sought "prior sanction" in terms of proviso to clause (b) of section 309 of the Ordinance, for filing a winding up petition before the Islamabad High Court against the Company on the aforesaid grounds and additionally by stating that the Company is involved in ultra vires activities/businesses which are not authorized by its Memorandum of Association. Therefore, the Company was served with a Show Cause Notice dated 12.04.2012, and provided with an opportunity of making a representation and of being heard in terms of proviso to clause (b) of section 309 of the Ordinance.

3. The authorized representative of the Company appeared on 26.04.2012, in response to the aforesaid notice, and stated that management of the Company is being chased regularly by different security agencies in spite of the fact that the Company has not carried out any business activity since its incorporation on 07.10.2010. He informed that the directors are foreign nationals and do not reside in Pakistan and often use to

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manage affairs of the Company while sitting abroad. The authorized representative, however, when asked was unaware about the name and particulars of responsible officer of the Company in Pakistan, particulars of auditors, status of annual audited accounts and compliance position of other mandatory requirements of the Ordinance like holding of meetings and filing of statutory returns under the Ordinance. He, therefore, requested for adjournment of proceedings so as to be able to get the desired information from the Company. He was, as such, advised to submit copies of specified papers so as to evaluate the activities and affairs of the Company, particularly in relation to compliance with the mandatory requirements of relevant provisions of the Ordinance. The authorized representative appeared again on 30.04.2012 and provided copies of a certificate titled, "TO WHOM IT MAY CONCERN" thereby stating that the Company never had any employees on its payroll due to no business activity, minutes of the meetings of Board of Directors dated 15-10-2010, 04-12-2010, 05-09-2011, & 20-10-2011 and AGM dated 31-10-2011. Copy of bank statements from January 2011 to June 2011 were also provided.

4. He categorically informed that the Company does not have any employee on its payroll. As regard business activities of the Company, it was stated that the Company had never carried out any business since its registration. It was also informed that efforts were made in the past by the management to fetch the business of prefabricated houses and logistic services. No business could, however, be obtained and the Company is practically non operative.

5. The copies of annual accounts, as demanded during the proceedings were also not provided on the plea that the Company has not done any business and therefore has not prepared its annual accounts. The contention of the authorized representative highlighted the violations of mandatory provisions of the Ordinance. Besides the reported information was found to be absolutely insufficient to ascertain the justification for failure of the Company to comply with the mandatory provisions. Moreover, in the absence of visible business of the Company in Pakistan, inflow of hefty amount of Rs. 11.995 million within a period of only one month i.e. Rs. 4,220,000 on 05.03.2011, Rs. 5,055,000 on 08.03.2011 and Rs. 2,719,886 on 24.03.2011, and reflection of transactions

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in millions in the bank statements further strengthens the doubts about involvement of the Company in objectionable and dubious activities and cannot be termed as prudent business practices carried out by the Company.

6. While going through all relevant record, documentary evidence, reply filed by the Company and reference received by the CRO and taking into consideration the submissions made by the Company during the hearings it is observed that the business of the Company is not being run in a normal prudent manner, rather it is being carried out in an objectionable, dubious and mysterious style. I have given anxious consideration to the points pleaded by representative of the Company that the Company is not carrying out any business and that no proof of its involvement in any activity against the national interest has ever been provided by any government department or agency.

7. The Company is registered with the Commission as a private limited company and, as such, come within its regulatory regime. Under the Securities and Exchange Commission of Pakistan Act, 1997 (SECP Act) the role of the regulator is not restricted to the corporate record of the companies but can also check the activities of the Company in a larger context. The Company's involvement in alleged activities i.e. against the national interest is exclusively sufficient cause alone which call for action to file a winding up petition before the competent court of law, however, I have given consideration to the applicable mandatory provisions of the Ordinance as well so as to satisfy myself in the context of judicious exercise of power and observed that circumstances exist in which the Company may be wound up by Court as described in clause (c) and sub clauses (i), (ii) & (iv) of clause (f) of section 305 of the Ordinance. The relevant portion of the said provision is reproduced hereunder for ease of reference:

**305. Circumstances in which company may be wound up by Court.-** A company may be wound up by the Court-

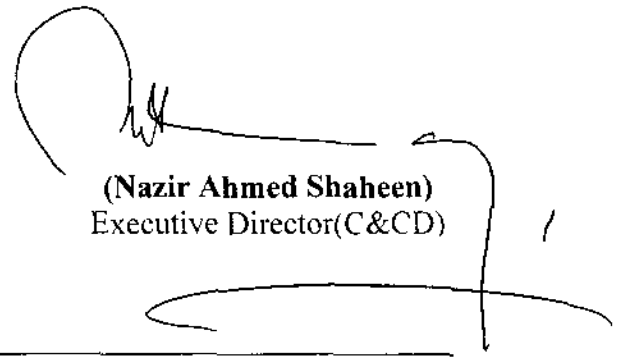
- (c) if the company does not commence its business within a year from its incorporation, or suspends its business for a whole year.
- (f) if the company is-

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- (i) conceived or brought forth for, or is or has been carrying on, unlawful or fraudulent activities;
- (ii) carrying on business not authorized by the memorandum;
- (iv) run and managed by persons who fail to maintain proper and true accounts, or commit fraud, misfeasance or malfeasance in relation to the Company....

8. Under the circumstances and the facts noted above, it has been an admitted fact that the Company has suspended its business since its incorporation which necessitated its winding up in terms of clause (c) and sub clauses (i), (ii) and (iv) of clause (f) of section 305 of the Ordinance. It is further established that the Company has no business of its own and is rather engaged in carrying on business which is not authorized by its Memorandum of Association and it is just and equitable that the Company be wound up through the Honorable Islamabad High Court.

9. I, therefore, in public interest and in exercise of the powers conferred by proviso (b) of Section 309 of the Ordinance, hereby, authorize the Additional Registrar, Company Registration Office, Islamabad to file a winding up petition in the Hon'ble Islamabad High Court for winding up of M/s Training & Logistics Services (Private) Limited.

  
**(Nazir Ahmed Shaheen)**  
Executive Director(C&CD)

Islamabad  
09.05.2012