



PAKISTAN STOCK EXCHANGE LIMITED

PSX/N-159

N O T I C E

February 08, 2019

Reproduced hereunder Petition Under Section 301 read with Section 304 of the Companies Act, 2017 read with all other enabling provisions of Law for winding up of Mubarak Textile Mills Limited filed by Additional Registrar of Companies. bearing No. C.O. No.5990/2019 in the Honourable Lahore High Court, Lahore, received from **Securities & Exchange Commission of Pakistan** vide email dated February 08, 2019, for information of all concerned.

**IN THE LAHORE HIGH COURT LAHORE
(Companies Jurisdiction)**

C.O.No. 5990/2019

Additional Registrar of Companies

Vs

M/s Mubarak Textile Mills Limited & Others

PETITION UNDER SECTION 301 READ WITH SECTION 304 OF THE COMPANIES ACT, 2017 READ WITH ALL OTHER ENABLING PROVISIONS OF LAW FOR WINDING UP OF MUBARAK TEXTILE MILLS LIMITED (RESPONDENT NO.1)

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PETITIONER

Through


Hafiz Tallaha
Advocate High Court
C.C.No.44101

CNIC NO. 36302-7065790-3

118

0005-5536391

E-STAMP

PB-LHR-94A025380E9BE4F5

Court Fee

Rs 200/-

Description : COURT FEE
Plaintiff / Appellant / Petitioner : Additional Registrar Of Company [30000-0000000-0]
Defendant / Respondent : Mubarik Textile Mills Limited Etc
Agent : M Iqbal [35202-9828828-5]
Stamp Duty Paid by : Additional Registrar Of Company [30000-0000000-0]
Issue Date : 24-Jan-2019, 10:34:57 AM
Paid Through Challan : 2019420A3635D294
Amount In Words : Two Hundred Rupees Only

Please Write Below This Line

In The Lahore High Court, Lahore.

C.O. _____/2019

Additional Registrar of Companies

v/s
M/s Mubarak Textile Mills Ltd Etc

Petitioner

Through:-

Haris Vallaha
Advocate High Co.
C.C. 44/01
CNIC # 36302-7065790



1

IN THE HONORABLE LAHORE HIGH COURT, LAHORE
(Companies Jurisdiction)

C. O. No. 5990 of 2019

Additional Registrar of Companies,
Securities & Exchange Commission of Pakistan,
Company Registration Office, Lahore.

... Petitioner

Versus

1. **M/s Mubarak Textile Mills Limited**
Registered office at, 20KM off Ferozepur
Road, Lahore through its Chief Executive Officer.
2. **Mr. Zulifqar Ali,**
Chief Executive/Director,
Village Jurna Wala P/o Gulzarpur, Tehsil & District,
Multan.
3. **Ch. Naseer Ahmed,**
Director,
Shahra-e-Rasheed, House No.34,
Gulzaib Colony Multan.
4. **Mr. Abdul Shakoor,**
Director,
House No.5, Hussain Mills Colony,
Fazalabad Vehari Road,
Multan.
5. **Mr. Shakeel Ahmed,**
Director,
Outside Kot Peran Kasur.
6. **Mr. Imtiaz Hussain Quraishi**
Director,
House No.328-329/G, Shah Rukan-e-Alam Colony,
Multan.

7. **Mr. Nadeem Abbass**
Director,
House No. 13/5, Street No.9/A,
Kot Abdur Rehman Bargbanpura,
Lahore.

8. **Mr. Nafees Iqbal,**
Director,
Peer Colony – 3, Near Suraj Kund Road,
Multan.

... Respondents

**PETITION UNDER SECTION 301 READ WITH SECTION 304 OF THE
COMPANIES ACT, 2017 READ WITH ALL OTHER ENABLING PROVISIONS
OF LAW FOR WINDING UP OF MUBARAK TEXTILE MILLS LIMITED
(RESPONDENT NO.1)**

Respectfully *Sheweth*:-

1. That the names and addresses of the parties as given in the title of the Petition are true and correct as per the record maintained by the office of the Petitioner and the same are sufficient for the purposes of effecting service upon them.

2. That the Petitioner is an officer of the Securities & Exchange Commission of Pakistan ("SECP") established under the Securities and Exchange Commission of Pakistan Act, 1997 for, *inter alia*, the superintendence and control of corporate entities and for matters connected therewith and incidental thereto. The Petitioner, being the Additional Registrar of Companies and Incharge Companies Registration Office, Lahore, SECP is fully conversant with the facts of the instant Petition and is duly authorized under Section 304(b) of the Companies Act, 2017 (the "Act") to present this Petition before this Hon'ble Court after taking due sanction in this behalf from the SECP.

3. That the Respondent company namely, **M/s Mubarak Textile Mills Limited** (hereinafter the "**Respondent Company**") was incorporated on 11.08.1991 as a 'Private Limited Company' and was subsequently converted into 'Public Limited Company' under the Companies Ordinance 1984 (**Repealed Ordinance,1984**) which was repealed by the Companies Act 2017 (**Act of 2017**) under Section 509 of the Act of 2017. Furthermore, the shares of the Respondent Company are listed on Pakistan Stock Exchange (**PSX**). However, the registered office of the Company is situated at 20-KM off Ferozepur Road Lahore.

(Copies of the Certificate of Incorporation, copy of Acknowledgement of Filing and Form-21 dated 23-06-2007 are appended herewith as Annexures "A, B & C")

4. That the authorized capital of the Company is Rs. 80,000,000/- (Rupees Eighty Million) divided into 8,000,000 shares of Rs.10/- each. While the paid-up capital of the Respondent Company is Rs. 54,000,000/-

(Copy of Form A of the Company made up to 31.10.2017, Form 29 dated 06.11.2017 and dated 14-02-2017 are appended as Annexures "D, E & F")

5. That the objects for which the Respondent Company was established, *inter alia*, is manufacturing and sale of yarn and formed to establish a composite knitting unit as mentioned/stated in its Memorandum of Association under clause III sub-clause (a) to (j).

(Copy of Memorandum of Association and Articles of Association is appended herewith as Annexure "G".)

6. That on examination of annual audit accounts of the Respondent Company and other record of the same maintained at Company Registration Office (CRO) Lahore, it was inter alia observed that Respondent Company has suspended its business for more than a year as disclosed in the accounts for the year of 2016 and 2017. However, the Auditor of the Respondent Company in their audit report for the year of 2016 provided adverse opinion to members of the Respondent Company has ceased its operations since 2011 and it would not be able to realize its assets or discharge its liabilities in the normal course of business. The Company suffered net loss of Rs. 0.754 million during the current year and the Company's current liabilities exceed its current assets by Rs. 50.028 million.

(Copies of Annual Reports for the year of 2016 & 2017 are attached herewith as Annexure "H & I")

7. That as a result of abovementioned observations, the CRO Lahore sent a reference to the Executive Director, Corporate Supervision Department, SECP, Islamabad (in terms of Commission's notification SRO No. 1003(I)/2015 dated October. 15th, 2015) seeking prior sanction of the Commission in terms of section 309 (b) of the Repealed Ordinance for filing of the petition for winding up of the Respondent Company, before this Honorable Court.

(Copies of CRO Reference dated 08-03-2017 and SRO No. 1003(I)/2015 dated 15.10.2015 are attached herewith as Annexure "J & K")

12. Therefore, the Executive Director, Corporate Supervision Department (CSD), SECP while exercising the powers of the Commission as per the authority delegated to him granted sanction vide order dated 06.02.2018 to the petitioner to file a petition before this Honorable Court for the winding up of the Respondent Company. Hence, this petition for winding up.

13. That the Respondent Company is liable to be wound up inter alia on the following:

GROUNDS

- a. That the annual accounts of the Respondent Company reflects that the business of the same has been suspended since 2011, hence the same is liable to be wound up under clause (m) of Section 301 of the Act of 2017 previously as Section 305 (c) of the repealed Companies Ordinance, 1984.
- b. That the Respondent Company has failed to comply with the mandatory provisions of clause (g) (iii) and (iv) of Section 301 of the Act, 2017 and the same is liable to be wound up.
- c. That the substratum of the Respondent Company has been lost as the same has suspended its business since 2011 and also disposed of its entire machinery & plant.
- d. That the Company has ceased its operations since 2011 and it would not be able to realize its assets or discharge its liabilities in the normal course of business. The Company suffered net loss of Rs.0.754 million during the current year and the Company's current liabilities exceed its current assets by Rs.50.028 million. Hence, the Company's going concern assumption seems in appropriate. However, it is just and equitable to wound up the Respondent Company.

- e. That the Annual Audited Accounts for the year 2016 and 2017 reflects that the aforesaid conditions cast significant doubt on the ability of the Respondent Company to continue as going concern. Hence, the substratum of the company has lost and the same is liable to be wound up on this score alone.
- f. That the Respondent Company has failed to justify and provide any plans/projections that could demonstrate the intention of the Respondent Company to continue its operations, hence the same is liable to be wound up.
- g. That additional grounds may kindly be allowed to be raised during the proceedings of the instant petition.

14. That in the circumstances mentioned above and under the provisions of clause (b) of Section 304 read with clauses (g) and (m) of Section 301 of the Company Act, 2017, the Respondent Company is liable to be wound up. However it is clarified that the sanction order dated 06-02-2018 passed under clause (b) of section 309 of the repealed Ordinance, 1984 and after the promulgation of the Act of 2017 a saving provided in this regard under section 509 of the Act of 2017.

15. That this Hon'ble Court has jurisdiction to entertain this petition as the registered office of the Respondent Company is situated within the territorial jurisdiction of this Hon'ble Court.

PRAYER:

It is, therefore, most respectfully prayed that this Honorable Court may be pleased: