



Corporate Supervision Department
Company Law Division

Before Mr. Abid Hussain- Executive Director

In the matter of

Mandviwalla Mauser Plastic Industries Limited

Number and date of SCN: No. CSD/ARN/130/2015-647-54 dated October 12, 2017

Date of hearing: October 25, 2017, November 2, 2017, February 1, 2018 & March 26, 2017

Present: Mr. Azeem H. Mandviwalla , Chief Executive, Mandviwalla Mausers Plastic Industries Limited
Mr. Abdur Rehman, Senior Accounts Executive, Mandviwalla Mausers Plastic Industries Limited
Ms. Hina Ambreen, Company Secretary, Mandviwalla Mausers Plastic Industries Limited
(Authorized Representatives)

ORDER

UNDER SECTION 245 READ WITH SECTION 476 OF THE COMPANIES ORDINANCE, 1984

This order shall dispose of the proceedings initiated against the following directors including the chief executive officer (*the "Respondents"*) of Mandviwalla Mauser Plastic Industries Limited (*the "Company"*):

1	Mr. Azeem H. Mandviwalla	5	Mr. Masih-ul-Hasan
2	Mr. Tariq Mehmood	6	Mr. Nadeem H. Mandviwalla
3	Mr. Abdul Qadir Shiwani	7	Syed Asghar Ali
4	Mrs. Shireen H. Mandviwalla	8	Mr. Shamim Ahmed Khan

The proceedings against the respondents were initiated through show cause notice dated October 12, 2017 (*the "SCN"*) under the provisions of section 245 read with section 476 of the Companies Ordinance, 1984 (*the "Ordinance"*).

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2. The brief facts of the case are that the Company did not file the quarterly accounts for the following period with the Commission, in a timely manner as against requirements of section 245 of the Ordinance.

Quarter Ended	Due On
31-Dec-16	28-Feb-17
31-Mar-17	30-Apr-17

Consequently, the SCN dated October 12, 2017 was issued to the respondents wherein they were called upon to show cause in writing as to why penal action may not be taken against them under sub-section (3) of section 245 of the Ordinance non-filing of the aforesaid quarterly accounts with the Commission.

3. Hearing in the matter was fixed for October 25, 2017, November 2, 2017 and February 1, 2018 which were adjourned on the Company's request. The matter was re-fixed for hearing on March 26, 2018 wherein Mr. Azeem H. Mandviwalla, the Chief Executive of the Company Ms. Hina Ambreen, the Company Secretary and Mr. Abdur Rehman, senior accounts executive appeared as authorized representatives on behalf of the Company. They stated that the Company has been in crisis for some time. The authorized representatives informed that the Company will be holding its over-due AGM in May 2018 and also submitted the annual accounts for the year ended June 30, 2016 & June 30, 2017. They further submitted that the quarterly accounts have also been prepared and will be filed with the Commission soon. Accordingly, the accounts for the respective quarters i.e. December 31, 2016 and March 31, 2017 were received by the Commission vide letter dated April 18, 2018.

4. Before proceeding further, it is necessary to advert to the following relevant provisions of the Ordinance. In terms of sub-section (1) of section 245 of the Ordinance read with Commission's circular no. 9 dated March 19, 2003, all listed companies are, inter alia, required to file their quarterly accounts with the Commission within stipulated time i.e. one month from the close of first and third quarters and two months from the close of second quarter.

Sub-section (3) of section 245, *inter alia*, provides as under:



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(3) If a company fails to comply with any of the requirements of this section, every director, including chief executive and chief accountant of the company who has knowingly by his act or omission been the cause of such default shall be liable to a fine of not exceeding one hundred thousand rupees and to a further fine of one thousand rupees for every day during which the default continues.

In terms of the Commission's notification SRO 751(I)/2017 dated August 2, 2017, the powers to adjudicate cases under section 245 have been delegated to the Executive Director (Corporate Supervision Department).

5. I have analyzed the facts of the case, relevant provisions of the Ordinance, and facts available on record. The aforesaid provisions of the law are clear and explicit. Quarterly accounts prepared properly and in a timely manner not only provide to its users a reliable source of information regarding a company's financial position and performance but these also show the results of management's stewardship of resources entrusted to it. In order to ensure transparency, all the companies must meticulously follow the legal requirement for preparing and circulation of quarterly accounts.

6. Keeping in view the above facts, I have observed that the Company has taken the corrective measures and submitted the quarterly accounts. The respondents have made a firm commitment to timely comply with the mandatory statutory requirements in future I, therefore, while taking a lenient view, hereby conclude the proceedings with a warning to the respondents for strict compliance of law in future.



ABID HUSSAIN
Executive Director
Corporate Supervision Department

Announced:
May 3, 2018
Islamabad

