

*Before*

**Amir M. Khan Afridi, Director/Head of Department**

*In the matter of*

**Metropolitan Steel Corporation Limited**

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Dates of Hearing September 20, 2021, October 5, 2021 and October 27, 2021

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**Order-Redacted Version**

Order dated November 3, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Metropolitan Steel Corporation Limited. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show Cause Notice dated June 7, 2021
2. Name of Company	Metropolitan Steel Corporation Limited
3. Name of Individual*	The proceedings were initiated against the Company and its directors for non-filing of annual return SMD-BO-107 for the financial year 2020.
4. Nature of Offence	Violations under Section 107 of the Securities Act, 2015 (the Act) and regulation 5 of the Reporting and Disclosure of (Shareholding by Directors, Executive Officers and Substantial Shareholders) Regulations, 2015 read with Section 106 of the Act.
5. Action Taken	Key findings are given as hereunder:  I have gone through the facts of the case, relevant requirements of law and submissions by the Respondents. I am of the view that filing of annual return under Section 107 read with Regulation 5 of the Regulations is a statutory requirement that is required to be complied by listed companies in letter and spirit. Moreover, the annual return is essential to determine, among others, particulars and summary of shareholding of each director, executive officer and substantial shareholder, their beneficial ownership and associated companies. It is stated that the Respondents have acknowledged default in filing the annual return for the year 2020 under Section 107 read with Regulation 5 of the Regulations and therefore the Respondents are liable for penalty under Section 106 of the Act. Taking cognizance of submissions of the Respondents and in terms of powers

	<p>conferred under Section 106 of the Act, I hereby impose a penalty of <b>Rs. 25,000/- (Rupees twenty five thousand only)</b> on the Respondent Company and also warn the directors to be careful in future.</p> <p>7. The aforesaid fine must be deposited in the designated bank account maintained with MCB Bank Limited in the name of the Securities and Exchange Commission of Pakistan within thirty days of the date of this order and furnish receipted bank vouchers to the Commission. In case of non-deposit of the said penalty, proceedings under law including Section 485 of the Companies Act, 2017 will be initiated for recovery of the same as arrears of land revenue.</p> <p>Nothing in this Order may be deemed to prejudice the operation of any provision of the Act providing for imposition of penalties in respect of any default, omission or violation of the Act.</p>
6. Penalty Imposed	A Penalty of Rs. 25,000/- was imposed on the Respondent Company.
7. Current Status of Order	No Appeal has been filed by the Company.