

Before Amir M. Khan Afridi, Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Hajra Textile Mills Limited

Dates of Hearing

April 15, 2021, May 26, 2021 & June 16, 2021

**Order-Redacted Version**

Order dated August 12, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Hajra Textile Mills Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated February 24, 2021
2. Name of Company	Hajra Textile Mills Limited
3. Name of Individual*	The proceedings were initiated against the Company
4. Nature of Offence	In view of alleged violation of Section 132 of the Companies Act, 2017 read with Section 479 thereof
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have considered the facts of the case, relevant provisions of the law, written responses by the Respondent and arguments submitted during the hearing and state that holding of AGM is a vital statutory requirement as it provides an opportunity to the members to participate in the decision making and voting on agenda items of the general meetings which include consideration and approval of the company's financial statements. In order to ensure transparency and protect the shareholders' rights, all companies must adhere to the law by following the relevant procedure for holding AGM. The Respondent cannot absolve itself from its statutory duties pertaining to holding of the AGM, preparation, and filing of annual and quarterly financial statements in a timely manner as specified under the law.</p> <p>In view of the preceding facts, taking cognizance of the submissions by virtue of the Company's arguments set forth during the hearing coupled with the fact that the Company has not convened its AGM for the year ended June 30, 2020 within the statutory timeframe, I have come to the conclusion that the pertinent provisions of the statute have been violated which</p>

	<p>renders the Company liable to penal action in terms of Section 132 of the Act.</p> <p>Therefore, in the exercise of powers conferred under sub-section (5) of Section 132 of the Act, I hereby impose a fine of Rs. 100,000/- (Rupees one hundred thousand only) on the Respondent i.e. Hajra Textile Mills Limited.</p>
6. Penalty Imposed	A Penalty of Rs. 100,000/- was imposed on Hajra Textile Mills Limited
7. Current Status of Order	No Appeal has been filed by the Company.

**Redacted version issued for placement on website of the Commission.**