

Before
Ali Azeem Ikram, Executive Director/Head of Department (Adjudication-I)

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

Dates of Hearing

December 08, 2020

Order-Redacted Version

Order dated December 31, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of Ali Asghar Textile Mills Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated September 04, 2020
2. Name of Company	Ali Asghar Textile Mills Limited (the Company)
3. Name of Individual*	The proceedings were initiated against directors of the Company.
4. Nature of Offence	Violations of under Section 226 read with Section 229 and 476 of the Companies Ordinance, 1984.
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have gone through the facts of case, relevant provisions of the law and the record placed before me. Based on the aforesaid, it is evident that the Company had received security deposits from tenants/ lessee of factory premises of the Company however such deposit was not kept in separate accounts. Subsequently, the Company was authorized in writing by the lessee/tenant to utilize the security deposit for operational purposes. Taking cognizance of the submissions of the Respondents and in exercise of the powers conferred under aforesaid provisions of the Ordinance.</p> <p>Penalty order dated December 31, 2020 was passed by Executive Director/HoD (Adjudication-I).</p>
6. Penalty Imposed	A Penalty of Rs.5,000/- was imposed on Chief Executive Officer and remaining respondents was warn to be careful and ensure compliance of law in future.
7. Current Status of Order	No Appeal has been filed by the respondents.