

Before Ali Azeem Ikram, Executive Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Shaffi Chemical Industries Limited

Dates of Hearing

February 6, 2019, September 23, 2020,
October 22, 2020 & November 26, 2020

Order-Redacted Version

Order dated March 26, 2021 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of Shaffi Chemical Industries Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated January 22, 2019
2. Name of Company	Shaffi Chemical Industries Limited
3. Name of Individual*	The proceedings were initiated against the directors including the chief executive officer of the company i.e. Shaffi Chemical Industries Limited.
4. Nature of Offence	In view of alleged violations of section 499 read with section 479 of the Companies Act, 2017.
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>It is pertinent to mention that the mandatory updated website is aimed at serving as a valuable tool for existing and potential investors for making well-informed decisions, as well as being mutually beneficial for companies giving them an effective platform to provide all significant material information to stakeholders and seek their feedback wherever required. The Commission believes that this is a progressive step towards aligning the participants of capital markets with global technological progress and international best practices. Needless to say, that an optimized, functional, interactive website is instrumental to a Company's success helping it establish credibility as a business. Website maintenance is essential as it warrants its performance at peak by removing errors, security issues and delivering the best user experience to customers and clients alike.</p> <p>2. I have gone through the facts of the case, relevant provisions of the statute, and the arguments set forth over the course of the hearing as well as the Company's written</p>

	<p>correspondence with the Commission. I have observed that ample time was provided to the Company for complying with the requirements of the SROs for placement of necessary information on its website. The Company failed to comply with the Commission's Order dated April 27, 2017 under Section 472(1) of the Ordinance and the same persisted inordinately up until 2020. Hence, I deem it appropriate to render Respondents liable for penal action under Section 499 of the Act. Therefore, in exercise of powers conferred under sub-section (1) of Section 499 of the Act, I hereby impose a fine of Rs. 10,000/- (Rupees ten thousand only) on each Respondents.</p>
6. Penalty Imposed	Penalty aggregating Rs. 70,000/- (Rupees seventy thousand only) was imposed on the Respondents.
7. Current Status of Order	No Appeal has been filed by the Respondents.

Redacted version issued for placement on website of the Commission.