



Securities and Exchange Commission of Pakistan

Adjudication Division
Adjudication Department-I

Before Amir Saleem, Joint Director/Head of Wing (Adjudication-I)

In the matter of Mian Textile Industries Limited

Dates of Hearing

July 17, 2020, September 18, 2020

Order-Redacted Version

Order dated November 4, 2020 was passed by Joint Director/Head of Wing (Adjudication-I) in the matter of Mian Textile Industries Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated November 14, 2019
2. Name of Company	Mian Textile Industries Limited
3. Name of Individual*	The proceedings were initiated against the directors of the Company i.e. Mian Textile Industries Limited
4. Nature of Offence	Violations of section 219 and section 476 of the Companies Ordinance, 1984.
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have analyzed the facts of the case, relevant provisions of the Ordinance, arguments put forth by the Authorized Representative and reply submitted. Relevant annual audited financial statements of the Company for the years ended June 30, 2014, June 30, 2015, and June 30, 2016 revealed related party transactions of 'lease rent' and 'loans from family associates'. The directors were interested in the aforesaid contracts or arrangements of related party transactions and the particulars of the said arrangements were required to be entered in the register of contracts, arrangements and appointments in which directors were interested. In this context it is observed that neither the register of contracts, arrangements and appointments of interested directors was shared with the inspection team nor any evidence of compliance of section 219 of the Ordinance was provided pursuant to hearing held in the matter.</p> <p>2. In view of above, the Respondents have violated the requirements of section 219 of the Ordinance, so, I, in term of</p>



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	<p>section 219(6) of the Ordinance, hereby impose a penalty of Rs. 5,000/- (Rupees five thousand) on the Chief Executive of the Company.</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	Penalty of Rs. 5,000 was imposed.
7. Current Status of Order	Penalty was deposited. No Appeal has been filed by the respondents.

Redacted version issued on June 08, 2021 for placement of website of the Commission.