



Securities and Exchange Commission of Pakistan

Adjudication Division
Adjudication Department-I

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

In the matter of Show Cause Notice issued to S.G. Allied Businesses Limited

Dates of Hearing

May 05, 2020, May 12, 2020, May 18, 2020
November 24, 2020, January 18, 2021

Order-Redacted Version

Order dated January 21, 2021 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of S.G. Allied Businesses Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 07, 2019
2. Name of Company	S.G. Allied Businesses Limited
3. Name of Individual*	The proceedings were initiated against the directors of the Company i.e. S.G. Allied Businesses Limited
4. Nature of Offence	In view of alleged violations of Listed Companies (Code of Corporate Governance) Regulations, 2017 through SCN dated May 07, 2019 and order dated January 21, 2021 was passed.
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>Based on the facts of the case and requirements of the Act, I have observed that the Respondents are in contravention of the provisions of the Regulations and have acknowledged the default w.r.t the financial year ended June 30, 2018. As for the two years period requested for subsequent compliance, it is important to state that the Company is required to approach the relevant department to seek relaxation of applicable legal requirements and this matter is not under the purview of subject proceedings. Without prejudice to the above, the subject non-compliances continue to remain unaddressed as per the financial statements for year ended June 30, 2020.</p> <p>2. In the aforementioned matter, after careful consideration of all the facts of this case, that the provisions of Regulation 20, 21, 28, 29 and 32 of the Regulations have been contravened and the Respondents are liable under the Regulation 41 of the Regulations</p>



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	<p>read with Section 512 of the Act. Taking cognizance of the submissions of the Respondents and in exercise of the powers conferred under aforesaid provisions of the Regulations, I hereby impose penalty of Rs. 50,000/- (Rupees fifty thousand only) on Chief Executive Officer. I also warn Respondents to be careful and ensure compliance of law in future.</p> <p>3. The aforesaid fines must be deposited in the designated bank account maintained with MCB Bank Limited in the name of the <i>Securities and Exchange Commission of Pakistan</i> within thirty days from the receipt of this order and furnish receipted bank vouchers to the Commission. In case of non-deposit of the penalties, proceedings for recovery of the fines as arrears of land revenue will be initiated. It may also be noted that the said fines are imposed on Respondents in their personal capacity, therefore, they are required to pay the said amount from personal resources.</p> <p>Nothing in this Order may be deemed to prejudice the operation of any provision of the Ordinance or the Act providing for imposition of penalties in respect of any default, omission or violation of the Ordinance or the Act.</p> <p>Penalty order dated January 21, 2021 was passed by Executive Director (Adjudication-I).</p>
6. Penalty Imposed	A Penalty of Rs. 50,000/- (Rupees fifty thousand only) was imposed on Chief Executive Officer and remaining respondents were warned to ensure compliance of law in future.
7. Current Status of Order	No Appeal has been filed by the respondents

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