Securities and Exchange Commission of Pakistan
Adjudication Division
Adjudication Department

Before Shahzad Afzal Khan,
Director/HOD (Adjudication-I)
In the matter of Show Cause Notice issued to Asim Textile Mills Limited

Date of Hearing	November 30, 2022; December 19, 2022; January 04, 2023; January 16, 2023; and January 25, 2023

Order-Redacted Version

Order date February 01, 2023 was passed by Director/Head of Department (Adjudication-I) in the matter of Asim Textile Mills Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated September 26, 2022
2. Name of Company	Asim Textile Mills Limited
3. Name of Individual*	The proceedings were initiated against Directors of Asim Textile Mills Limited
4. Nature of Offence	Under section 166 of the Companies Act, 2017 read with Sections 169 and 479 thereof
5. Action Taken	Key findings were reported in following manner: I have observed that Mr. ***** and Mr. ***** were elected as independent directors. It was acknowledged by the Respondents that names of Mr. ***** and Mr. ***** were not registered in the databank maintained by PICG at the time of their election, however, subsequently the said non-compliance was ratified and evidence of registration of Mr. ***** and Mr. ***** in databank of PICG, is provided. In view of the aforesaid, it is stated that contravention of Section 166 of the Act, at the relevant point of time, has been established and the same has been admitted by the Respondents as well. However, keeping in view of the fact that non-compliance has now been ratified, I hereby conclude the proceeding initiated through the SCN without imposition of any monetary penalty. Nevertheless, the Respondents are hereby **Warned** to ensure compliance with all the regulatory laws in letter and spirit. 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, violation of the Act.

6.	Penalty imposed	Nil
7.	Current Status of Order	No appeal has been filed by the respondents.