



Securities and Exchange Commission of Pakistan

Adjudication Division Adjudication Department

Before

Amir M. Khan Afridi, Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Dandot Cement Company Limited

Date of Hearing

October 22, 2020, October 28, 2020, December 14, 2020, January 21, 2021, February 15, 2021, February 24, 2021, April 27, 2021, May 31, 2021, June 25, 2021, April 26, 2021 and September 10, 2021.

Order-Redacted Version

Order dated December 07, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Dandot Cement Company Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 05, 2020
2. Name of Company	Dandot Cement Company Limited
3. Name of Individual*	The proceedings were initiated against nine directors of the Company.
4. Nature of Offence	Under Section 218 read with Section 219 and Section 479 of Companies Act, 2017.
5. Action Taken	<p>Key findings were reported in following manner:</p> <p>I have gone through the facts of the case, relevant provisions of the law, the record placed before me, and acknowledgement of delays in transferring of the Company's as well as the employees' contributions to the provident fund for the years ended June 30, 2017 and June 30, 2018, I have observed that the Respondents have contravened the requirements of Section 218 of the Act and, therefore, are liable for penalty under Section 219 and 479 of the Act. However, keeping in view the fact that: (i) operations of the Company's factory at Dandot are still closed, (ii) the Company has been taken-over by a new business group, (iii) new Board has been constituted, (iv) the new business group has injected funds in the Company for operationalization of its factory at Dandot, (v) the new Board has committed that it will trace the old employees for payment to them their due provident fund, (vi) the reported arrangement agreed between the Respondents and the new Board, and (vii) the reasonable plan for payment of the outstanding contributions towards the employees provident fund, I hereby close the proceedings initiated through the SCN without imposing any monetary penalty, however, the existing Board is advised to pay the whole outstanding contribution to the Company's Employees' Provident Fund according to plan and pay all the outstanding Employees' Provident Fund to the ex-employees of the Company.</p>



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	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.