

**Before Amir Saleem - Additional Director/Head of Wing (Adjudication-I)**

**In the matter of Show Cause Notice issued to Apollo Textile Mills Limited**

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Dates of Hearing: March 26, 2020, June 5, 2020, August 27, 2020,  
October 21, 2020, January 22, 2021, February 4,  
2021 & February 25, 2021

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**Order - Redacted Version**

Order dated March 3, 2021 was passed by Additional Director/Head of Wing (Adjudication-I) in the matter of Apollo Textile Mills Limited. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show Cause Notice dated March 13, 2020
2. Name of Company	Apollo Textile Mills Limited
3. Name of Individual*	The proceedings were initiated against the Board of Directors and the CFO ( <b>Respondents</b> ) of the Company.
4. Nature of Offence	The Company is in contravention of Section 237 read with Section 479 of the Companies Act, 2017 ( <b>the Act</b> ) read with Circular No. 24 of 2017, vis-à-vis failing to electronically transmit its periodic financials for the periods ended December 31, 2018, March 31, 2019 and September 30, 2019 with the Commission within the statutory timeframes.
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have analyzed the facts of the case and the relevant provisions of the Act. In order to ensure transparency, all companies must meticulously adhere to the law for preparation and circulation of interim financial statements. Moreover, the Respondents have fiduciary duties towards the Company and its shareholders while providing information to various stakeholders concerning their performance as to how diligently and ethically they are discharging their fiduciary duties and responsibilities. The preparation and circulation of quarterly accounts rests with the Respondents who are required to take appropriate action within the time stipulated under the law.</p> <p>In this context, I have reviewed Company records which reveal that interim financial statements for the subject default periods have not been electronically transmitted to the Commission through the designated email address to date.</p> <p>In view of the preceding facts, I have concluded that the pertinent provisions of the statute have been violated, and Respondents are liable to penal action in terms of Section 237 of the Act as a result of failing to electronically transmit its interim financial statements for the periods ended December 31, 2018, March 31, 2019 and September 30, 2019 with the Commission within the statutory timeframes.</p> <p>Therefore, in exercise of powers conferred under sub-section (4) of Section 237 of the Act, I hereby impose penalties of Rs. 40,500/- each on the Board of Directors for the afore-mentioned default periods.</p>
6. Penalty Imposed	Penalty aggregating Rs. 283,500/- imposed on the Company's Board of Directors.
7. Current Status of Order	No Appeal has been filed by the Respondents.

**Redacted version issued for placement on website of the Commission.**