

**Before Amir Saleem - Additional Director/Head of Wing (Adjudication-I)**  
**In the matter of Show Cause Notice issued to Apollo Textile Mills Limited**

Dates of Hearing:

December 9, 2021, January 6, 2022 & February 4, 2022

**Order - Redacted Version**

Order dated April 30, 2022 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 September 22, 2021
2. Name of Company	Apollo Textile Mills Limited
3. Name of Individual*	The proceedings were initiated against the Board of Directors including the CEO and 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 period ended September 30, 2020 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 period are yet to be filed with the Commission and the same have not been disseminated through the PSX.</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 period ended September 30, 2020 with the Commission within the statutory timeframe.</p> <p>Therefore, in exercise of powers conferred under sub-section (4) of Section 237 of the Act, I hereby impose penalties of Rs. 10,000/- each on the Respondents for the afore-mentioned default period.</p>
6. Penalty Imposed	Penalty aggregating Rs. 80,000/- imposed on the Respondents.
7. Current Status of Order	No Appeal has been filed by the Respondents.

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