



# Securities and Exchange Commission of Pakistan

Adjudication Division

Adjudication Department

Before Asif Iqbal,

Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Haseeb Waqas Sugar Mills Limited

Date of Hearing

June 07, 2022; July 19, 2022; December 08, 2022

## Order-Redacted Version

Order date December 20, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Haseeb Waqas Sugar Mills Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 09, 2022
2. Name of Company	Haseeb Waqas Sugar Mills Limited
3. Name of Individual*	The proceedings were initiated against Directors of Haseeb Waqas Sugar Mills Limited
4. Nature of Offence	Under Regulation 4(1) and regulation 7 of Companies (Maintenance and Audit of Cost Accounts) Regulations, 2020 read with Section 512 of the 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, submissions made in writing by the Company. It is important to mention here that the Company is engaged in the manufacturing of sugar and allied products, therefore, the Respondents were required to appoint cost auditors within ninety (90) days from the promulgation of the Regulations on December 14, 2020 i.e. latest by March 14, 2021. It is however observed that the Respondents failed to appoint the first auditor within the stipulated time period. The Company in this context vide its letters dated August 29, 2022 and December 03, 2022 stated that it could not timely appoint cost auditors as most of the staff was laid off due to suspension of operations of the Company by the Supreme Court of Pakistan. Moreover, the Company submitted that it has dispatched the cost audit report on June 24, 2022; for the year ended September 30, 2021.</p> <p>From the above discussion and after consideration of submission of the relevant requirements of law and relevant facts of this case, I am of the view that the Respondents contravened the provisions of regulation 4(1) of the Regulations by failing to appoint the cost auditor within the statutory timeframe. However, taking cognizance of the rectification measure taken by the Respondents i.e. by subsequently appointing the cost auditor and submission of cost audit report to the Commission; I hereby conclude the proceedings initiated through the SCN without imposition of any monetary</p>



**Securities and Exchange Commission of Pakistan**  
**Adjudication Division**  
**Adjudication Department-I**

	<p>penalty. Nevertheless, the Respondents are hereby <b>Warned</b> to ensure compliance with all the regulatory laws in letter and spirit.</p> <p>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.</p>
6. Penalty imposed	Nil
7. Current Status of Order	No appeal has been filed by the respondents.