

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

In the matter of Show Cause Notice issued to Power Cement Limited

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Dates of Hearing

June 24, 2021

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**Order-Redacted Version**

Order dated April 25, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Power Cement Limited. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show cause notice dated May 19, 2021.
2. Name of Company	Power Cement Limited (the Company and/ or the Respondent)
3. Name of Individual*	The proceedings were initiated against the Company.
4. Nature of Offence	Alleged contraventions of <u>Section 159 of the Securities Act, 2015 (the Act)</u> .
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have examined the written as well as verbal submissions of the Company and its authorized representative and observed that:</p> <ol style="list-style-type: none"><li>i. the information provided in the Advertisement published in the daily Business Recorder on September 2, 2020 was price sensitive and material in nature;</li><li>ii. subsequent to publication of the Advertisement on September 2, 2020; both trading volume and price of the share of the Company has increased by 48% and 27% respectively, in a short span of just fourteen (14) days, as provided in detail in para 3 above;</li><li>iii. the Respondent failed to disseminate the said material and price sensitive information to the public through PSX's PUCAR; and</li><li>iv. the Respondent's failure is contravention of Section 96 of the Act.</li></ol> <p>I am of the considered view that the information about the Respondent's entrance in a foreign market through exports was</p>

	<p>result of a material contract with a foreign buyer. Such information could not be termed as immaterial and non-price sensitive. The Respondent has failed to comply with the disclosure requirements of Section 96 of the Act and has contravened the provisions of the said Section 96. In view of the foregoing, non-compliance by the Respondent with Section 96 of the Act has been established. Therefore, in terms of the powers conferred under Section 159 of the Act, I hereby impose a penalty of Rs. 225,000/- (Rs. Two Hundred Twenty-Five Thousand Rupees) on the Respondent.</p>
6. Penalty Imposed	Rs. 225,000/-
7. Current Status of Order	No Appeal has been filed by the respondents.