

Before Asif Iqbal, Director/HoD (Adjudication-I)

In the matter of Show Cause Notice issued to the Acquirer -The Crescent Textile Mills Limited

Dates of Hearing

November 23, 2022

Order-Redacted Version

Order dated December 02, 2022 was passed by Director/ Head of Department (Adjudication-I) in the matter of the Acquirer -The Crescent Textile Mills Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated January 10, 2022.
2. Name of Respondent	The Acquirer -The Crescent Textile Mills Limited (the Respondent).
3. Nature of Offence	Alleged contraventions of Section 109(2) of the Securities Act, 2015 and regulation 4(1) of the Listed Companies (Substantial Acquisition of Voting Shares and Takeover) Regulations, 2017 thereof read with Section 126 of the Securities Act, 2015.
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case and considered both the written submissions and verbal arguments presented by the Respondent and its Representative and state that the Respondent, on August 02, total shareholding of the Respondent in the Company stood at 13,244,627 shares which constitutes 13.24% of the total issued voting shares of the Target Company. As depicted in the table, it is evident that the Respondent by acquiring voting shares of the Company on July 30, 2021 and August 02, 2021 pursuant to Section 109(1)(h) of the Act was required to make a disclosure in terms of Section 109(2) of the Act read with regulation 4(1) of the Regulations within two working days of such acquisition to the Target Company, the Securities Exchange and the Commission containing the information as prescribed under Schedule II of the Regulations. However, the Respondent failed to file such disclosure and therefore, was found in contravention of the Act and the Regulations.</p>

	<p>In terms of the arguments presented above and keeping in view that facts that (i) the Respondent, has filed the requisite disclosure under Section 109(h)(i) of the Act read with regulation 4(i) of the Regulations on November 30, 2022; and (ii) that the Respondent had already filed disclosure pursuant to Section 103 Of the Act for the same acquisition of shares. Therefore, I, in terms of the powers conferred under Section 126(3) of the Act, take a lenient view in the matter and conclude the proceedings without imposing any monetary penalty or issuance of adverse order.</p>
<p>5. Penalty Imposed</p>	
<p>6. Current Status of Order (As of the uploading date)</p>	<p>No Appeal has been filed by the respondent.</p>