



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department-I

Adjudication Division

Before
Shahzad Afzal Khan - Director/
Head of Department

Adjudication Department-I
In the matter of
Karam Ceramics Limited

Date of Review Application: October 17, 2023
Date of hearing: December 11, 2023
Present: Syed Mazhar Ali Nasir, Chief Executive

ORDER

Review Application under Section 32-B of the Securities and Exchange Commission of Pakistan Act, 1997

This Order shall dispose of the review application dated October 17, 2023 (the **Application**), filed by Syed Mazhar Ali Nasir, Chief Executive of Karam Ceramics Limited (the **Company**) under Section 32-B of the Securities and Exchange Commission of Pakistan Act, 1997 (SECP Act) against order dated October 3, 2023 (the **impugned order**) passed under Section 512(2) of the Companies Act, 2017 (the **Act**) read with the Companies (Code of Corporate Governance) Regulations, 2019 (the **Regulations**). In terms of the aforesaid order, penalty of Rs. 100,000/- was imposed each on the Chief Executive and Executive Director (total penalty of Rs. 200,000/-).

2. In terms of the aforesaid Application, it was prayed that penalties imposed be reconsidered and waived.

3. In order to provide opportunity of personal representation; hearing in the matter was fixed for December 11, 2023. On the date of hearing, Syed Mazhar Ali Nasir, Chief Executive appeared as Authorized Representative on behalf of the Board of Directors of the Company. He reiterated his stance as given through aforesaid application and through letter dated October 30, 2023 and, *inter alia*, stated as under:

- There is no legal objection on the impugned order passed by the Commission;
- Due to difficult circumstances faced by the Company, the non-compliances mentioned in the aforesaid order were inadvertent;
- Assured that compliances of the applicable requirements would be made in the future.

4. Subsequent to the hearing, the Company through letter dated December 14, 2023 informed that penalties imposed amounting to Rs. 200,000/- through the impugned order were duly deposited by the Respondents.



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5. I have examined the facts of the case, submissions made in writing as well as during the hearing proceedings. Through the instant review application, the appellant has neither contended the default committed under section 512 of the Act and the regulations, nor provided any legal grounds for reviewing the order. The appellants only requested to waive the penalties imposed through the impugned order. However, the penalties imposed through the impugned order has been deposited on December 13, 2023.
6. In view of the above, the impugned order is upheld and consequent to deposit of penalties, the matter of the instant application becomes infructuous, therefore, stands disposed of.
7. This Order is issued without prejudice to any other action that the Commission may initiate in accordance with the law on the matter subsequently investigated or otherwise brought to the knowledge of the Commission.

Shahzad Afzal Khan
Head of Department
Adjudication Department-I

Announced on: December 20, 2023,
Islamabad