



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department- I

Adjudication Division

ORDER	
Name of Company:	Secure Logistics Group Limited
Show Cause Notice No. and Date:	Adj.I/ARN/67/2025-955 dated February 25, 2025
Name(s) of Respondent(s):	(i) Mr. Gulraiz Afzal Khan, CEO (ii) Mr. Pervaiz Afzal Khan, Director (iii) Mr. Faraz Mehmood Minai, Director (iv) Ms. Afshan Nasir, Director (v) Mr. Pervaiz Afzal Khan, CFO (vi) Mr. Gulraiz Afzal Khan, Director
Date of Hearing:	March 24, 2025
Case Represented by:	Mr. Gulraiz Afzal Khan, Director/CEO (Authorized Representative)
Provision of Law Involved:	Section 237 of the Companies Act, 2017 read with Section 479 thereof and Circular No.11 of 2023 dated August 11, 2023
Order dated:	April 10, 2025

This Order shall dispose of the proceedings initiated by the Securities and Exchange Commission of Pakistan (the Commission) through the Show Cause Notice No. Adj.I/ARN/67/2025-955 dated February 25, 2025 (the SCN) against the Board of Directors, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of M/s. Secure Logistics Group Limited (the "Company") hereinafter collectively referred to as the Respondents under Section 237 of the Companies Act, 2017 (the Act) read with Section 479 thereof and Circular No.11 dated August 11, 2023 (the "Circular").

2. The provisions of sub-section (1) of Section 237 of the Act requires all public listed companies to prepare its Quarterly Financial Statements ("QFS") within thirty days of the close of their first and third quarters of their year of accounts and within sixty days of the close of their second quarter of their year of accounts. Sub-section (2) of Section 237 of the Act requires the listed companies to post on their website quarterly financial statements for information of members and also electronically transmit the same to the Commission, securities exchange and with the registrar within the period specified under sub-section (1).

3. The brief facts of the case are that the Company being a public listed company was required to electronically transmit its Quarterly Financial Statements ("QFS") for the first quarter ended September 30, 2024 with the Commission and the registrar, within thirty (30) days of the close of the said quarter i.e. latest by October 30, 2024. However, as per the relevant record of the Commission, it has *prima facie* failed to file/transmit the aforesaid quarterly financial statements with the Commission/Registrar.

4. As per the requirements of the Circular, all listed companies are *inter alia* required to file their QFS through eService/eZfile of the Commission, and such filing is considered as compliance of Section 237(2) of the Act with respect to filing/transmission of QFS to the Commission/registrar. The relevant provisions of law are reproduced hereunder:

"237. Quarterly financial statements of listed companies. — 1) Every listed company shall prepare quarterly financial statements within a period of :-

- a) thirty days from the close of first and third quarters of its year of accounts; and*
- b) sixty days from the close of its second quarter of its year of accounts.*

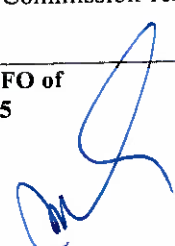
(2) The quarterly financial statements shall be posted on the company's website for the information of its members and also be transmitted electronically to the Commission, securities exchange and with the registrar within the period specified under sub-section (1).

(3).....

4) If a company fails to comply with any of the requirements of this section, every director, including chief executive and chief financial officer of the company who has by his act or omission been the cause of such default shall be liable to a penalty of level 2 on the standard scale."

5. Taking cognizance of the alleged violation of law, a SCN was served upon the Respondents on February 25, 2025 to show the cause in writing as to why a penal action may not be taken against them for non-compliance of the requirements of Section 237 of the Act read with the Circular. In response to the SCN, the Company Secretary of the Company vide letters dated March 05, 2025 and March 24, 2025 on behalf of the Respondents *inter alia* made the following submissions:

- (i) The Company duly prepared and filed its QFS within the prescribed timeframe. However, due to technical issue in eZfile, the Company was unable to access the eZfile portal to upload the QFS.
- (ii) The Company, formally launched a query with the Commission on July 03, 2024, informing the Commission that the Company had transitioned to listed status on April 22, 2024. Despite this transition, the eZfile portal had not been updated to reflect the listing status, and as a result, there was no provision available for the Company to file its QFS within stipulated time.
- (iii) The Company's share registrar consistently highlighted the technical issue before the Commission from May 27, 2024 till October 27, 2024. Once the Commission resolved the



system-related issue, the Company's share registrar promptly uploaded the accounts on December 27, 2024 through the eZfile portal.

(iv) The Company acted in good faith and the delay in uploading the QFS was due to the Commission's system-related issue.

6. In order to provide an opportunity for personal representation, a hearing in the matter was fixed for March 24, 2025, which was attended by Mr. Gulraiz Afzal Khan, CEO/Director, as the Authorized Representative (the "AR"). During the hearing, the AR reiterated the stance taken vide letters dated March 05, 2025 and March 24, 2025 and *inter alia*, submitted that concerted efforts were made to resolve the issue by contacting the Commission and as soon the system-related issue was resolved, the QFS were uploaded through eZfile portal. The AR also provided evidence of communication with the Commission regarding the technical issue of filing QFS through eZfile portal. Further, submitted that once the Commission resolved the system issue, the Company's share registrar promptly uploaded the accounts on the eZfile portal on December 27, 2024.

7. I have gone through the relevant provisions of Section 237 of the Act and the requirements of the Circular, and considered the facts of the case, available record of the Company, as well as written and verbal submissions of the AR. I have also perused Section 237(4) of the Act, which stipulates penal provisions for contravention of the afore-referred provisions of law. I have noted that in terms of Section 237(2) of the Act, every listed company is required to file/transmit its QFS within thirty (30) days from the date of close of its third quarter of its year of accounts. QFS are a crucial source of information for the stakeholders, especially shareholders, of a publicly listed company. It provides timely insights into a company's financial performance and such information is essential for assessing the company's overall financial health. In terms of Section 237 of the Act, every company is required to file/transmit QFS within thirty days from the date of close of its third quarter of its year of accounts. QFS are crucial source of information for stakeholders/members.

8. The evidence of communication with the Commission in respect of efforts to get resolved the system-related issue of eZfile portal has been provided, to support the argument that the delay in the submission of the QFS was primarily due to a technical issue in the eZfile portal. Subsequently, the QFS were ultimately filed with the Commission on December 27, 2024. Furthermore, it has been observed that the QFS for the quarter ended September 30, 2024 was placed on the PSX website on October 10, 2024 i.e. before the due date for filing/transmission with the Commission. From the foregoing it transpired that the Company timely prepared the QFS.

9. In light of the foregoing and considering the fact that the Respondents failed to timely comply with the requirement of Section 237 of the Act due to technical glitch in eZfile, this cannot be regarded as a default on the part of the Respondents. Considering the given circumstances, subsequent compliance in

filing of QFS and the assurance provided by the AR on behalf of the Respondents for exercising greater vigilance for adhering to legal requirements in future and recognizing the Company's recent listing status, I, in the exercise of powers conferred under sub-section (4) of Section 237 of the Act read with S.R.O. 1545(I)/2019 dated December 6, 2019, hereby conclude these proceedings initiated through the SCN against the Respondents without any adverse order.



Mahboob Ahmad

Additional Director/Head of Wing
Adjudication Department – I
Listed Companies Wing

Announced:

April 10, 2025

Islamabad