



# SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

## Adjudication Department-I

### Adjudication Division

ORDER	
Name of Company:	J.A. Textile Mills Limited
Show Cause Notice No. & Date:	CSD/ARN/315/2016-270 dated March 25, 2025
Name(s) of Respondent(s):	(i) Mr. Riaz Ahmed, Chairman (ii) Mr. Imran Zahid, Chief Executive (iii) Mr. Zahid Anwar, Executive Director (iv) Mr. Anwar Ul Haq, Non-Executive Director (v) Mr. Muhammad Ali, Non-Executive Director (vi) Ms. Kuratulain Zahid, Non-Executive Director (vii) Mr. Liaqat Ali Qamar, Non-Executive Director
Date(s) of Hearing(s):	April 15, 2025
Case represented by:	(i). Mr. Usman Ali Khan (as the Authorized Representative) (ii). Mr. Omer Farooq (Chief Financial Officer)
Provision of law involved:	Circular No. 10 of 2024 dated April 17, 2024 read with Section 510 of the Companies Act, 2017.
Date of Order:	April 17, 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. CSD/ARN/315/2016-270 dated March 25, 2025 ("SCN") against Board of Directors ("BoD") of J.A. Textile Mills Limited (the "Company"), hereinafter collectively referred to as the "Respondents", for contravention of the requirements of Circular No. 10 of 2024 dated April 17, 2024 (the "Circular") read with Section 510 of the Companies Act, 2017 (the "Act").

2. The Commission vide the above referred Circular, directed the BoDs of the listed companies to prepare and include, in the annual reports for the financial years ending on or after June 30, 2024, a statement on gender pay gap and also make it available on their respective website; where the violation of the Circular attracts penal action in terms of sub-section (2) of Section 510 of the Act. The relevant provisions of the Act are hereunder:

*"510. Power to issue directives, circulars, guidelines.—(1) The Commission may issue such directives, prudential requirements, codes, guidelines, circulars or notifications as are necessary to carry out the purposes of this Act and the rules and regulations made under this Act.*

*(2) Any person, who obstructs or contravenes or does not comply with any directive, prudential requirements, codes, circulars or notifications, given under this section shall be liable to a penalty of level 3 on the standard scale.*

3. The review of the Annual Report of the Company for the year ended June 30, 2024 revealed that it has failed to include gender pay-gap disclosure in the same and has also failed to make the statement available on the Company's website as per requirement of the Circular. In order to probe the matter, the Commission vide letter dated February 03, 2025 sought clarification from the Company with regards to the aforesaid non-compliances for which the Company, in its response vide letter dated March 07, 2025, submitted that the information was unintentionally omitted and that they assure of future compliance.

5. Taking cognizance of the alleged violation of law, SCN was served upon the Respondents 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 the Circular. In response to SCN, the Company Secretary of the Company vide letter dated April 07, 2025 on behalf of the Respondents *inter alia* made the following submissions:

- (i) The management and BoD acknowledge and believe in promoting transparency and advancing gender equality.

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(ii) This is first time of gender pay-gap disclosure requirement and the compliance was unintentionally omitted and they apologize for this oversight.

(iii) The Company assured to be diligent in future.

6. In order to provide an opportunity of being heard to the Respondents, hearing in the matter was fixed for April 15, 2025; which was attended by Mr. Usman Ali Khan and Mr. Omer Farooq as the “**Authorized Representatives**” on behalf of all the Respondents. The Authorized Representatives during the hearing reiterated the earlier furnished response to SCN and, *inter-alia*, submitted that:

(i) This was a new circular and matter of a first-time compliance. Therefore, a lenient view is requested.

(ii) The main business is spinning unit, which is 25 km away from urban area, therefore male work force is more inclined towards this type of work and the local females prefer working in garment factories instead of a spinning unit.


(iii) The IT official is on medical leave therefore the website would be updated within a week and accordingly incorporating the required gender pay gap disclosure as per the Circular.

(iv) Authorized Representatives, in view of the instructions issued by the Authorized/Adjudicating Officer during the hearing, assured to discuss the criticality of the matter in the next Board Meeting to duly sensitize the members in respect of the same.

7. Subsequent to the hearing, the Chairman and CEO vide letter dated April 15, 2025 submitted that the Company’s website would be updated in a week with regards to the gender pay gap statement. They also assured to discuss the matter related to gender pay gap in the next Board Meeting and further submitted that the disclosure would be incorporated in the next Annual Report.

8. I have gone through the provisions of the Circular, relevant provisions of Section 510 the Act and considered the facts of the case, as well as written and verbal submissions made by the Respondents through the Authorized Representatives. It is important to observe here that the gender pay gap is a persistent issue that requires ongoing attention from organizations, businesses, and society as a whole. In simple terms, the gender pay gap is the difference in average gross hourly earnings between women and men, who are employed for similar job roles in any organization where disclosure of such information and becoming sensitized on the issue is part of an overall effort to inculcate fairness and environment of equal opportunities.

9. In light of the foregoing, the assurance of the Chairman and CEO of the Company to update the website within a week and assurance of taking up the matter in the next BoD meeting; the Company has shown a positive approach in respect of realizing the importance of gender pay-gap. Moreover, I have also considered the assurance provided by the Authorized Representative on behalf of the Respondents for exercising greater vigilance in adhering to the legal/regulatory requirements in future. I, therefore, in exercise of powers conferred upon me under Section 510(2) of the Act read with S.R.O. 1545(I)/2019 dated December 6, 2019, hereby conclude the instant proceedings with a strict **WARNING** to the Respondents. The Respondents are also advised to ensure meticulous compliance with all applicable laws in the future.

  
17-04-2025  
Sohail Qadri  
Director/ HOD  
Adjudication Department-I

**Announced:**

Dated: April 17, 2025

Islamabad