



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department-I

Adjudication Division

ORDER	
Name of Company:	M/s. Siddiqsons Tin Plate Limited
Show Cause Notice No. & Date:	CSD/ARN/132/2015-502 dated May 27, 2025
Names of Noticee(s)	(i) Mr. Muhammad Naeem-ul-Hasnain Mirza, Chief Executive/Director (ii) Mr. Ibrahim Shamsi, Director (iii) Ms. Alia Sajjad, Director (iv) Mr. Abdul Wahab, Director (v) Mr. Munir Qureshi, Director (vi) Mr. Muhammad Tariq Rafi, Director (vii) Mr. Muhammad Yousaf Adil, Director (viii) Ms. Bushra Hanif, Chief Financial Officer
Date(s) of Hearing(s):	(i) June 20, 2025; (ii) June 27, 2025; and (iii) July 09, 2025
Case Represented by:	Mr. Amir Khan Afridi, Director Corporate Affairs, M/s. MJ Panni & Associates-Corporate & Capital Market Consultants (As the 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:	July 11, 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/132/2015-502 dated May 27, 2025 ("SCN") against the Board of Directors (BOD) including the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of M/s. Siddiqsons Tin Plate Limited (the "Company"), hereinafter collectively referred to as the "Noticee(s)", 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 (the "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. Furthermore, sub-section (2) of Section 237 of the Act requires the listed companies to post on their website the QFS 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 public listed company, was required to electronically transmit its QFS for the second quarter ended December 31, 2024 with the Registrar/Commission, within sixty (60) days of the close of the said quarter i.e. latest by March 01, 2025. However, as per the relevant record of the Commission, the Company, *prima facie*, failed to file/transmit the aforesaid QFS with the Registrar/Commission.

4. As per the requirements of the Circular, all listed companies are *inter alia* required to file their QFS through 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 Registrar/Commission. 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, SCN was served upon the Noticee(s) 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. However, no response was submitted by the Noticee(s),

6. In order to provide an opportunity for personal representation, hearings in the matter were fixed for June 20, 2025 and June 27, 2025 which were adjourned on the requests made vide emails dated June 18, 2025 and June 24, 2025 respectively by Mr. Amir Khan Afridi, Director Corporate Affairs-M/s. MJ Panni & Associates-Corporate & Capital Market Consultants, the Authorized Representative of the Noticee(s) (**the “Authorized Representative”**).

7. Subsequently, the Authorized Representative vide letter dated July 09, 2025 submitted written response, *inter alia*, as under:

(i) The Audited Financial Statements for the year ended June 30, 2024 have been approved by the BOD on June 26, 2025 and the same will be approved by shareholders in the Annual General Meeting (AGM) proposed to be held on July 25, 2025.

(ii) After the AGM, the pending QFS for the first quarter ended September 30, 2024 will be prepared and will be disseminated as per the requirement of the law. Furthermore, after the finalization of aforesaid QFS, the preparation of the QFS for the second quarter ended December 31, 2024 will be taken into hand and will be filed in two months.

(iii) The Company was unable to file/transmit the QFS for the aforementioned quarters due to an outstanding dispute/litigation, the turnover of key personnel, and the rollback of a project. These circumstances constituted force majeure, as they were beyond the management's control and directly impacted the preparation of the Company's financial statements. Consequently, the audit process was prolonged, preventing the Company from holding the AGM, finalizing its financial statements, and filing/transmitting the pending QFS within the prescribed time. The matter was further complicated by the resignation of the Company Secretary and CFO.

(iv) Furthermore, it is an established practice that the QFS for the first quarter are prepared on the basis of Audited Financial Statements for the last year. The QFS for the second quarter along with the limited review of the auditor are based on the closing figures of the first quarter QFS.

The law does not provide the manner/mechanism for issue of any QFS not based on the opening balances for the previous quarters.

8. In order to meet the ends of justice and to provide a final opportunity for personal representation, a hearing in the matter was re-fixed for July 09, 2025, which was attended by the Authorized Representative. During the course of the hearing, the Authorized Representative reiterated the written response submitted vide letter dated July 09, 2024 and stated that the Company failed to conclude the audit for the relevant year due to an ongoing dispute/arbitration with a foreign vendor and the compliance with respect to the instant matter remains pending. The magnitude of the dispute is significant enough to have a substantial impact on the Company's financials. Furthermore, the Authorized Representative stated that the AGM of the Company will be held on July 25, 2025 in which the Audited Financial Statements for the year ended June 30, 2025, will be approved, and the pending QFS including the QFS for the second quarter ended December 31, 2024 will be filed/transmitted by August 31, 2025 and September 30, 2025, respectively. The Authorized Representative also assured that the Noticee(s) would implement necessary measures to ensure timely compliance with legal requirements in future and requested a lenient view in the matter.

9. 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 Authorized Representative. 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 sixty (60) days from the date of close of its second quarter of its year of accounts. Accordingly, the Company was required to file/transmit the QFS for the period ended December 31, 2024 by March 01, 2025, however, it failed to do so.

10. It is pertinent to note that QFS are a crucial source of information for the stakeholders, especially shareholders, of a public 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. Moreover, the provisions of Section 237 of the Act unambiguously and explicitly obligate the Company to file/transmit its QFS in a timely manner. In this respect, reliance is placed on an Order passed by the Appellate Bench of the Commission on March 01, 2023 (*in Appeal No. 73 of 2022-Gulistan Textile Mills Limited, vs. SECP*), whereby it was held that a public listed company has higher responsibility to disseminate true and accurate state of affairs to all the stakeholders in a timely manner so that they may take appropriate decisions.

11. The argument of turnover of key personnel doesn't stand any solid ground as the same should never result in a delay in preparing and filing/transmitting the Company's statutory obligations. The Company was obligated to implement effective mechanism to address any such circumstances in order to ensure timely compliance. In the case law in the matter of Pakistan Telecommunication Company Limited v. Wateen Telecom Limited (*CLD 2019 Lahore 1213*): The Lahore High Court held that the failure to maintain a backup system for critical infrastructure was not a force majeure event, but rather a result of the company's own negligence.

12. The argument of the Authorized Representative that the law does not provide a mechanism to issue QFS in the absence of opening balances for the previous quarters is not cogent, as the requirement under Section 237 of the Act explicitly obligates the Company to prepare and file QFS within the prescribed timelines, notwithstanding internal operational challenges. It is the responsibility of the Company to ensure that the financial reporting process, systems, and internal controls are sufficiently robust to enable timely preparation and dissemination of QFS. In 2024 CLD 672 [*Appeal No. 77 of 2021 decided on August 25, 2023*], the Appellate Bench of the Commission held that "...interim financial statements prepared accurately and in timely manner, provide a reliable source of information regarding a company's financial position and performance to its users, besides illustrating regarding the results of the management's stewardship of resources

entrusted to it...” The significance of transmitting QFS of a listed company in a timely manner is also echoed in 2024 CLD 635 – Appeal No. 78 of 2021 decided on August 25, 2023, and 2024 CLD 415 – Appeal No. 97 of 2020 decided on August 25, 2023.

13. It is also observed that the Company has not prepared and file/transmit the QFS for the period ended December 31, 2024 till the date of this order. Needless to say, it is a matter of concern that the Noticee(s) have failed to rectify the non-compliance even after lapse of a considerable time.

14. In view of the above-stated facts, I am of the considered view that by failing to prepare and file/transmit the QFS for the period ended December 31, 2024 within the stipulated timeline, the Noticee(s) have contravened the requirements of sub-section (2) of Section 237 of the Act. However, in view of the assurance provided by the Authorized Representative on behalf of the Noticee(s) regarding their commitment to exercising greater vigilance in adhering to legal requirements in the future and filing/transmitting the QFS for the quarter ended December 31, 2024 by September 30, 2025, a lenient view is being deemed appropriate. I, therefore, in exercise of the powers conferred upon me under sub-Section (4) of Section 237 of the Act read with section 479 vide S.R.O. 1545(I)/2019 dated December 06, 2019, hereby, impose an aggregate penalty of **Rs.80,000/- (Rupees Eighty Thousand only)** in the following manner:

S.No.	Name of Noticee(s)	Amount of the Penalty Rs.
1.	Mr. Muhammad Naeem-ul-Hasnain Mirza	10,000
2.	Mr. Ibrahim Shamsi	10,000
3.	Ms. Alia Sajjad	10,000
4.	Mr. Abdul Wahab	10,000
5.	Mr. Munir Qureshi	10,000
6.	Mr. Muhammad Tariq Rafi	10,000
7.	Mr. Muhammad Yousaf Adil	10,000
8.	Ms. Bushra Hanif	10,000
	Total Amount	80,000/-

Furthermore, the Noticee(s) are advised to urgently ensure completion of all pending compliances, including the preparation and filing/transmission of the QFS to the Registrar/Commission, and to report the same to the Supervision Department of the Commission. The Noticee(s) are also advised to remain vigilant in the future and to ensure meticulous compliance with the provisions of law, both effectively and efficiently.

15. The Noticee(s) are, hereby, directed to deposit the aforesaid amount of penalty in the designated bank account maintained in the name of the Commission with MCB Bank Limited or United Bank Limited within thirty (30) days from the date of this Order and to furnish a receipted bank challan to the Commission forthwith. In case of failure to deposit the penalty, the proceedings under Section 485 of the Act will be initiated for recovery of the fines as arrears of land revenue pursuant to provision of Section 42B of the Securities and Exchange Commission of Pakistan Act, 1997.


Mahboob Ahmad

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

Announced:
July 11, 2025
Islamabad.