



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department- I

Adjudication Division

ORDER	
Name of Company:	M/s. Mandviwalla Mauser Plastic Industries Limited
Show Cause Notice No. & Date:	CSD/ARN/130/2015-507 dated May 29, 2025
Noticee(s):	(i) Mr. Azeem H. Mandviwalla, Director/CEO (ii) Mr. Tariq Mahmood, Director (iii) Mr. Shamim Ahmed Khan, Director (iv) Syed Asghar Ali, Director (v) Mr. Naseer Ahmed, Director (vi) Mr. Abdul Qadir Shiwani, Director (vii) Ms. Huma Darugar, Director (viii) Mr. Saquib Ali, CFO
Date(s) of Hearing(s) Opportunities:	(i) July 11, 2025; and (ii) July 18, 2025.
Case Represented by:	(i) Mr. Abdul Hanan (ii) Syed Muhammad Saad (As Authorized Representatives)
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 25, 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/130/2015-507 dated May 29, 2025 (the "SCN") against the Board of Directors, Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO") of M/s. Mandviwalla Mauser Plastic Industries Limited (the "Company") hereinafter collectively referred to as the "Noticee(s)" under Section 237 read with Section 479 of the Companies Act, 2017 (the "Act") and Circular No.11 of 2023 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 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.

3. The brief facts of the case are that the Company being public listed company was required to electronically transmit its second quarterly financial statements for the quarter ended December 31, 2024 (the "Second Quarter") and the third quarter ended March 31, 2025 (the "Third Quarter") with the Registrar/Commission and post the same on its website within sixty (60) days and thirty (30) days of the close of the respective quarters i.e., March 01, 2025 and April 30, 2025. However, as per the relevant record of the Commission, it has *prima facie* failed to file/transmit Quarterly Financial Statements (QFS) for the Second Quarter and the Third Quarter with the Commission/ Registrar within stipulated time.

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/the 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).

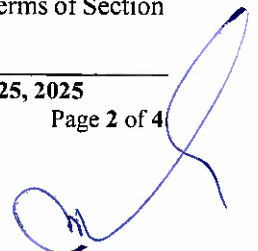
(3).....

(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 non-compliance of the requirements of law, SCN was served upon the Noticee(s) on May 29, 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, Ms. Hina Ambreen (**Company Secretary**) on behalf of the Noticee(s) vide its letter dated July 15, 2025 made the submissions that the Noticee(s) sincerely regrets the delay in financial reporting. The delay primarily resulted from a significant acquisition process involving extensive coordination with regulatory bodies i.e., CCP, PSX, legal advisors, and the implementation of an enterprise resource planning (**ERP**) system aimed at enhancing financial reporting accuracy. The Noticee(s) affirms its commitment to strict compliance with statutory requirements under Section 237 of the Act, from the financial year 2025-26 onward, and has already initiated proactive measures, including quarterly internal audits, dedicated compliance resources, and regular oversight meetings by the Board. The Noticee(s) also requested for leniency and providing an opportunity for a personal hearing to further clarify their position.

6. In order to meet the ends of justice and to provide opportunity of being heard to the Noticee(s), hearing in the matter was fixed for July 11, 2025, which was adjourned on the request of the Noticee(s). Subsequently, in order to provide a final opportunity to the Noticee(s) for personal representation hearing in the matter was re-fixed for July 18, 2025 with a clear instruction that in case of non-appearance the matter would be decided ex-parte based on its merits and the record available with the Commission. On the date of hearing, Mr. Abdul Hanan and Mr. Syed Muhammad Saad appeared on behalf of the Noticee(s) as their Authorized Representatives (**the "AR"**). During the course of hearing the AR reiterated the stance as submitted vide letter dated July 15, 2025.

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 sixty (60) days and thirty (30) days from the date of close of its Second and Third Quarter respectively of its year of accounts. The 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.

8. 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. In another case cited as 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 quarterly financial statements 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.

9. It is observed that the argument of a significant acquisition process and ERP system implementation doesn't absolve of the Noticee(s) from mandatory statutory obligation. The Company was obligated to implement effective mechanism to ensure timely compliance. In another 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.*

10. It is pertinent to note that ensuring timely compliance with legal and regulatory requirements is the fundamental responsibility of the Noticee(s), irrespective internal challenges. Under the fiduciary duty to obey law, "*Directors have a duty to comply with the law*". In 2019 CLD 355 Islamabad [*Inam Ullah Khan vs Aksa Solutions Development Services (Pvt.) Ltd*] wherein it was highlighted that, "*It is settled law that Director of a company are saddle with the duty of loyalty, trust and utmost good faith. They are under a duty to act with diligence and care. Such a duty is termed as 'fiduciary'. The Directors, therefore, owe a fiduciary duty towards the shareholders and company*".

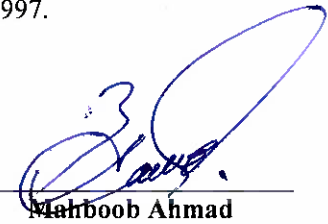
11. Furthermore, based on the available record of the Commission, it has been observed that the Company has history of non-compliance in filing/transmission of QFS. The Company vide its email dated July 18, 2025 has submitted evidence in the form of "Acknowledgement of Filing for the QFS" dated June 2, 2025, and July 17, 2025, pertaining to the Second and Third Quarter respectively, with the Commission thereby these filings were made with delays of 93 and 77 days. Additionally, the Company uploaded the Second and Third Quarter on PSX PUCAR on May 23, 2025 and July 15, 2025, respectively.

12. In view of the above-stated facts and circumstances, I am of the considered view that the Noticee(s), by failing to prepare, file/transmit the QFS for the second quarter ended December 31, 2024 and the third quarter ended March 31, 2025, within the prescribed timeframe and by not posting the same on the Company's website, have contravened the requirements of sub-section (2) of Section 237 of the Act, read with the relevant provisions of the Circular. I have further taken into account that the QFS for the said quarters were filed with delays of 93 and 77 days, respectively. Accordingly, in exercise of the powers conferred upon me under sub-section (4) of Section 237 of the Act, read with Section 479 thereof and S.R.O. 1545(I)/2019 dated December 6, 2019, I hereby impose an aggregate penalty of **Rs. 80,000/- (Rupees Eighty Thousand only)** on the Noticee(s) in the following manner:

S.#	Name of Noticee(s)	(For Second Quarter) Amount of the Penalty Rs.	(For Third Quarter) Amount of the Penalty Rs.
1.	Mr. Azeem H. Mandviwalla, Director\CEO	5,000	5,000
2.	Mr. Tariq Mahmood, Director	5,000	5,000
3.	Mr. Shamim Ahmed Khan, Director	5,000	5,000
4.	Syed Asghar Ali, Director	5,000	5,000
5.	Mr. Naseer Ahmed, Director	5,000	5,000
6.	Mr. Abdul Qadir Shiwani, Director	5,000	5,000
7.	Ms. Huma Darugar, Director	5,000	5,000
8.	Mr. Saquib Ali, CFO	5,000	5,000
	Total Amount	40,000/-	40,000/-

Further, the Noticee(s) are also advised to ensure meticulous compliance with all applicable laws in true letter and spirit, henceforth.

13. 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 25, 2025
Islamabad.