



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department- I

Adjudication Division

ORDER	
Name of Company:	M/s. Media Times Limited
Show Cause Notice No. & Date:	CSD/ARN/361/2016-360 dated August 19, 2024
Name(s) of Respondent(s):	(i) Ms. Aamna Taseer, Chairman; (ii) Mr. Sheheryar Ali Taseer, Chief Executive; (iii) Mr. Shahbaz Ali Taseer, Director; (iv) Ms. Shahrbano Taseer, Director; (v) Ms. Ayesha Tammy Haq, Director; (vi) Ms. Leila Khan, Director; (vii) Mr. Salman Khalid Mian, Director; and (viii) M/s. Media Times Limited.
Date(s) of Hearing(s):	December 04, 2024
Case represented by:	Syed Ali Rizvi (M/s Khosa & Rizvi Associates & Legal Consultants) (as the Authorized Representative).
Provision of law involved:	Section 236 of the Companies Act, 2017 read with Section 479 thereof.
Order Date:	May 07, 2025

This Order shall dispose of proceedings initiated by the Securities and Exchange Commission of Pakistan (the "Commission") in the matter of Show-Cause Notice No. CSD/ARN/361/2016-360 dated August 19, 2024 ("SCN") under Section 236 of the Companies Act, 2017 (the "Act") read with Section 479 thereof issued to M/s. Media Times Limited (the "Company") and its board of directors including the Chief Executive Officer, hereinafter collectively referred as the "Respondents", for violations of the provisions of Section 236 of the Act in respect of improper issue, circulation and publication of the annual audited financial statements for the year ended June 30, 2023 (the "Accounts").

2. Brief facts of the case are that during the review of the Accounts it was revealed that pursuant to the provisions of Section 233 of the Act, the Company vide letter number MDTL/CS/10/2023 dated October 06, 2023 filed the Annual Audited Financial Statement for the FY 2023 (the "First Accounts") with the Commission. The same set of the First Accounts were received at the Companies Registration Office (CRO) on October 11, 2023 and were also placed by the Company at the website of Pakistan Stock Exchange (the "PSX") through PUCARS on October 10, 2023. The date of authorization for issuance of the accounts by the Board of Directors and the date of the Auditor's Report as mentioned in the First Accounts was October 06, 2023.

3. From the available record it was revealed that after the review of these First Accounts, the Commission vide letter dated November 13, 2023, raised certain queries in respect of the same and the Company vide its letter dated December 28, 2023, only subsequent to the clarification sought by the Commission, responded that it shall revoke its First Accounts for reasons of submitting erroneous Cash Flow Statement and corresponding notes to the accounts and shall replace the same with revised financial statements for the year ended June 30, 2023 (the "Revised Accounts") on its website.

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4. Subsequently, the Company retransmitted its Revised Accounts through PUCARS, on January 03, 2024, in compliance of the provisions of Section 223 (6) & (7) of the Act. Comparison of Revised Accounts with the First Accounts transpired that the Cash Flow Statement, corresponding notes to the accounts and the Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 annexed to the First Accounts were revised and replaced.

5. The Company vide letter dated January 17, 2024 addressed to PSX reiterated its earlier submissions to the Commission with regards to erroneously filing signed pages from its draft accounts and stated that the revised financial statements published on January 03, 2024, do not contain any material / price sensitive information as no change in the Profit & Loss Statement and Balance Sheet has been made.

6. With regard to the differences observed between the First Accounts and Revised Accounts the Commission, vide letter dated May 22, 2024, required the Company and its statutory auditors i.e. M/s. Junaidy Shoaib Asad, Chartered Accountants (the "Auditors"), to clarify and provide their respective comments on the same. The Company vide letter dated June 03, 2024 *inter alia* submitted as follows:

"In fact the revised accounts were approved by the Audit Committee/Board of the Directors and shareholders on October 06, 2023 and October 28, 2024 respectively, however by mistake of staff few pages including Cash Flow Statement, pages for note no. 7, 14, 29, 32 and the SOC from draft accounts were signed by the Directors and circulated to all concerned including PSX and SECP, which were replaced subsequently and this fact has been communicated in our earlier letter dated December 28, 2023."

7. The Auditors vide letter dated June 11, 2024 *inter alia* stated as follows:

"At the outset, please note that there are no two sets of financial statements. Only one set of audited financial statements was released by us before issuance of audit report. The Company uploaded/released some of the draft pages, inadvertently instead of final version issued by us before issuance of audit report. This does not mean that there are two sets of audit reports issued by us, hence the concept of two sets of audited financial statements is not correct."

8. The Revised Accounts revealed that First Accounts circulated by the Company to all the stake holders on October 10, 2024, *prima facie*, were not containing the information as approved by the board of directors which tantamounted to improper circulation of the financial statements under the provisions of Section 236 of the Act, which provides that:

"If any copy of financial statements is issued, circulated or published without there being annexed or attached thereto, as the case may be, a copy each of (i) any component of financial statements, reports, or statements referred therein, (ii) the auditors' report, (iii) review reports on the statement of compliance, (iv) the directors' report and (v) the statements of compliance, the company, and every officer of the company who is in default shall be liable to a penalty of level 1 on the standard scale."

9. Having being not satisfied with the aforesaid responses, SCN was issued to the Respondents to show the cause in writing as to why a penal action may not be taken for non-compliance of the Act. In response to SCN the Company vide email dated December 3, 2024 submitted its response to the SCN which *inter alia* stated:

"That it has already been clarified in our previous correspondence dated 03.06.2024 wherein it was stated that by mistake of the company's staff named [redacted] serving as Chief Financial Officer the replacement of few pages including Cash Flow Statement, pages for note # 7, 14, 29,32

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and Statement of Compliance from draft accounts that were signed by the Directors and circulated to all concerned including PSX and SECP was an unintentional human error and a honest mistake on the Employee's end.

That MTL pursuant to the Notice undertook an internal enquiry and the Employee was instructed to join the same. During the course of proceedings, it was concluded that the aforesaid mistake by the Employee was an unintentional and honest mistake without any malafide or ulterior motives. However, despite the findings an Affidavit was procured from the Employee.

That during the course of the internal enquiry and as a precautionary measure the Company's share trading volumes and prices were thoroughly scrutinised and no material difference was found that could be attributed as price sensitive information. The same confirmed that it was an unintentional human error committed by the Employee.

In view of the foregoing submissions it is humbly requested that due to the unintentional human error by the Employee the above-mentioned replacement of accounts occurred. Therefore, it is most humbly prayed that the authority shall take a lenient view and condone the matter as an honest mistake. It is pertinent to mention here that the mistake has already been ratified by MTL."

10. In order to provide an opportunity of personal representation and to meet the ends of justice, hearing in the matter was fixed for December 04, 2024; where Syed Ali Rizvi of M/s. Khosa & Rizvi Associates & Legal Consultants, appeared as Authorized Representative (the "**Authorized Representative**") on behalf of the of the Respondents and reiterated the submissions made in the email-based response dated December 3, 2024. He further requested for a lenient view by the Commission in the subject matter as the mistake was inadvertent and had no material impact upon the share price or the base line footing of the financial statements of the Company.

11. I have gone through the facts of the case, written and verbal submissions made by Respondents and the Authorized Representative as well as the provisions of Section 236 of the Act and observed that the applicability of Section 236 of the Act is explicit and clear requiring the company to issue, circulate and publish complete set of its financial statements which includes reports, or statements referred therein, the auditors' report, review reports on the statement of compliance, the directors' report and the statements of compliance. It is the foremost responsibility of the BOD of the Company to ensure that any information that is being disseminated to the general public, common shareholders, regulators and other stakeholders is correct and published in a responsible and proper manner as the BOD has the responsibility of approving and authenticating the same.

12. I have also perused the provisions of Section 232 of the Act which demands that the financial statements must be approved by the BOD of the Company and shall be signed by the CEO and one Director of the Company along with the CFO for the purposes of authentication and shall be laid before the AGM for approval by the member as per requirement of Section 233 of the Act.

13. In view of the above, it is evident that the Respondents were unable to exercise due care and vigilance as the First Accounts circulated by the Company to all the stake holders on October 06, 2024 were not containing the information as approved by the board of directors, which amounts to improper circulation of the financial statements under the provisions of Section 236 of the Act. The argument presented by the Company regarding human error does not hold any solid grounds as the Company failed to exercise vigilance and care and only rectified after the issue was probed by the Commission which clearly shows weakness of the system and internal controls placed therein. Moreover, all shareholders were presented with the same faulty financial statements at the AGM (the First Accounts), who infact proceeded to approve the same. I am also bound to note that the external auditors in the subject case also showed a

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casual behavior by not only providing their initials on the relevant pages of the accounts (included in the First Accounts) and subsequently proceeded to initial the revised pages as well (included in the Revised Accounts), thereby showing their clear inability to undertake the circulation and publication of incorrect information by the Company to all stakeholders

14. It is also observed that the Company has accepted the mistake and has also fixed the responsibility through an internal inquiry upon the CFO, while assurance has also been given to improve the process. However, the same doesn't absolve the BOD and the management, especially the CEO (Respondent no. ii) being the head of the management, from the basic responsibility of proper circulation of information.

15. Keeping in view the above, the non-compliance of Section 236 of the Act is established and the said contravention attracts penal provision contained in Section 236 of the Act read with Section 479 thereof. I, therefore, in exercise of the powers conferred under Section 236 of the Act, read with SRO 1545(I)/2019 dated December 06, 2019, hereby conclude the proceedings initiated through the SCN by imposing an aggregate penalty of **Rs.90,000/- (Rupees Ninety Thousand Only)** on the Respondents in the following manner:

S No.	Name of Respondent	Penalty Amount (Rs.)
i.	Ms. Aamna Taseer, Chairman	10,000
ii.	Mr. Sheheryar Ali Taseer, Chief Executive	20,000
iii.	Mr. Shahbaz Ali Taseer, Director	10,000
iv.	Ms. Shahrano Taseer, Director	10,000
v.	Ms. Ayesha Tammy Haq, Director	10,000
vi.	Ms. Leila Khan, Director	10,000
vii.	Mr. Salman Khalid Mian, Director	10,000
viii.	Media Times Limited	10,000
	TOTAL	90,000

16. The Respondents 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.


Sohail Qadri
Director/ HOD
Adjudication Department-I
07-05-2025

Announced:
Dated: May 07, 2025
Islamabad