



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department- I

Adjudication Division

ORDER	
Name of Company:	M/s. Supernet Technologies Limited (Formerly HallMark Company Limited)
Show Cause Notice No. & Date:	No. CSD/ARN/412/2016-620 dated July 07, 2025
Name(s) of Noticee(s):	(i) Syed Aamir Hussain, Chairman/Director; (ii) Mr. Waseem Ahmad, Chief Executive Officer/Director; (iii) Mr. Asad Mujtaba Naqvi, Director; (iv) Mrs. Fabzia Ahsen, Director; (v) Mr. Jamal Nasir Khan, Director; (vi) Syed Imran Haider Jaffery, Director; and (vii) Ms. Naeen Ahmed, Director.
Date of Hearing:	August 19, 2025
Case represented by:	(i) Mr. Waseem Ahmad, CEO/Director; (ii) Mr. Muhammad Farhan Saeed; (iii) Mr. Subhan Ali Bhatti; and (iv) Mr. Mikael Azmat Rahim -Legal Counsel <i>As the Authorized Representatives on behalf of all the Noticee(s).</i>
Provision of law involved:	Sections 205, 207 and 176 of the Companies Act, 2017 read with Section 479 thereof
Date of Order:	November 11, 2025

This Order shall dispose of the proceedings initiated by the Securities and Exchange Commission of Pakistan (the "Commission") through Show Cause Notice No. CSD/ARN/412/2016-620 dated July 07, 2025 ("SCN") against the Board of Directors ("BOD") including the Chief Executive Officer ("CEO") of M/s. Supernet Technologies Limited (Formerly M/s. HallMark Company Limited) (the "Company"), hereinafter collectively referred to as the "Noticee(s)", for contravention of the requirements of sub-section (1) of Section 205, sub-section (1) of Section 207 and sub-section (1) of Section 176 of the Companies Act, 2017 (the "Act").

2. The provisions of sub-section (1) of Section 205 of the Act require that every director of a company who is in any way, whether directly or indirectly, concerned or interested in any contract or arrangement entered into, or to be entered into, by or on behalf of the company shall disclose the nature of his concern or interest at a meeting of the board. Provided that a director shall be deemed also to be interested or concerned if any of his relatives, is so interested or concerned. Furthermore, the provisions of sub-section (1) of Section 207 of the Act require that no director of a company shall, as a director, take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the company, if he is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void. Provided that a director of a listed company who has a material personal interest in a matter that is being considered at a board meeting shall not be present while that matter is being considered. Moreover, the provisions of sub-section (2) of Section 207 of the Act require that if majority of the directors are interested in, any contract or arrangement entered into, or to be entered into, by or on behalf of the company, the matter shall be laid before the general meeting for approval.

3. Furthermore, the provisions of sub-section (1) of Section 176 of the Act provides that quorum for a meeting of board of a listed company shall not be less than one-third of number of directors or four (04), whichever is greater and the participation of the directors by video conferencing or by other audio-visual means shall be counted for the purposes of the quorum under this sub-section.

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11-11-2025

4. The brief facts of the case are that during the examination of the Annual Audited Financial Statements of the Company for the year ended June 30, 2024 (**the "Accounts 2024"**), it was observed in Note 10 to the Accounts 2024 that an amount of Rs. 284.052 million (2023: Rs.Nil) is shown as receivable from a related party namely; M/s. Supernet Infrastructure Solutions (Private) Limited (**the "SIS"**). The SIS, directly and indirectly through M/s. Supernet Limited (the "SNL"), is associated to the Company based on common ownership/directors as disclosed in Note 10.1 to the Accounts 2024. It was further revealed that the aforesaid related party transaction was an arrangement between the Company and its associate SNL on account of an amount due from the Company to SNL which was then transmitted to the SIS (*the wholly owned subsidiary of SNL*) upon instructions of SNL. The common directorship of the Company with the associated companies i.e. SNL and SIS is noted in the tabulated form as under for ready reference:

Sr. No.	Company Name	Name of Directors	Common Directors
1.	Supernet Technologies Limited (the Company) (Formerly HallMark Company Limited)	a) Mr. Waseem Ahmad, b) Syed Aamir Hussain, c) Mr. Asad Mujtaba Naqvi, d) Mr. Jamal Nasir Khan, e) Syed Imran Haider Jaffery, f) Ms. Naeen Ahmed, g) Mrs. Fabzia Ahsen.	Directly between the Company and SIS a) Mr. Jamal Nasir Khan; b) Syed Imran Haider Jaffery. Indirectly between the Company and the SIS through SNL
2.	Supernet Limited (the SNL) (the Associate Company of the Company)	a) Mr. Waseem Ahmad, b) Syed Aamir Hussain, c) Mr. Asad Mujtaba Naqvi, d) Mr. Jamal Nasir Khan, e) Ms. Naeen Ahmed, f) Syed Hashim Ali, g) Mr. Ahmer Qamar.	a)Mr. Jamal Nasir Khan; b)Mr. Waseem Ahmad; c)Syed Aamir Hussain; d)Mr. Asad Mujtaba Naqvi; e)Syed Imran Haider Jaffery; f)Ms. Naeen Ahmed.
3.	Supernet Infrastructure Solutions (Pvt.) Limited (SIS) (the wholly owned subsidiary of the Associate Company i.e. SNL)	a) Mr. Jamal Nasir Khan, b) Syed Imran Haider Jaffery.	

5. In order to probe the matter, the Commission vide letter dated February 21, 2025 advised the Company to furnish the minutes of the meetings of the Board of Directors (**the "BOD"**) along with the attendance sheet evidencing the approval of aforesaid Related Party Transaction (**the "RPT"**) amounting to Rs. 284.052 million. In response, the Company vide its letter dated March 14, 2025, submitted the minutes of the BOD meeting held on February 15, 2024, along with the attendance sheet. Upon review of these documents, it was revealed that the BOD of the Company approved a payment of Rs. 285 mn to SIS (an associate of the Company through SNL) pursuant to the instructions of SNL (an associated company of the Company) where the approved arrangement stipulated that this payment amount would either be repaid directly to the Company by SIS within three (03) months, thereby enabling the Company to reimburse the same to SNL, or alternatively, be settled by SIS directly with SNL against the Company's outstanding liability to SNL, upon due intimation to the Company. It was further revealed that:

- (a) As per the attendance disclosed in the minutes of the BOD meeting, out of a total five (05) directors present in the meeting approving the RPT, three (03) directors namely **Syed Aamir Hussain, Mr. Waseem Ahmad** and **Mr. Asad Mujtaba Naqvi** were interested and failed to disclose their interest while also participating in the proceedings of the meeting. Details are noted as under for ready reference:

Handwritten signature and date:
11-11-2025

Sr. No.	Name of the Directors as per Minutes	Attendance of the Directors at the Meeting	Directors interested in RPT with Supernet Ltd and Supernet Infrastructure Solutions (Pvt.) Ltd.
1	Syed Aamir Hussain	Present	Yes
2	Mr. Waseem Ahmad	Present	Yes
3	Syed Hashim Ali	Present	-
4	Mr. Asad Mujtaba Naqvi	Present	Yes
5	Mrs. Fabzia Ahsen	Present	-

(b) Furthermore, on account of the three (03) interested directors being present, the remaining two (02) directors attending the meeting and approving such RPT did not form the quorum of the meeting.

6. Therefore, the directors of the Company, *prima facie*, contravened the following provisions of the Act in respect of the BOD's meeting held on February 15, 2024:

- (i) In respect of the three (03) interested directors; provisions of sub-section (1) of Section 205 of the Act by not disclosing their interest in RPT with aforesaid related party/associated company, which attracts penal action pursuant to the provision of sub-section (6) of Section 205 of the Act, read with Section 479 thereof;
- (ii) In respect of the three (03) interested directors; provisions of sub-section (1) of Section 207 of the Act as the interested directors participated and voted to approve RPT with the aforesaid associated/related company, despite being interested in them, which attracts penal action pursuant to the provision of sub-section (4) of Section 207 of the Act, read with Section 479 thereof; and
- (iii) The members of the BOD, including the Chairman, by failing to meet the requirements of sub-section (1) of Section 176 of the Act by conducting the Board's meeting in the absence of quorum, which attracts penal action pursuant to the provisions of sub-section (4) of Section 176 of the Act, read with Section 479 thereof.

7. Accordingly, cognizance was taken for the alleged violation of law and a 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 aforementioned requirements of the Act. In response to SCN, Mr. Waseem Ahmad, Chief Executive Officer of the Company, vide letter dated August 15, 2025, *inter alia*, stated as under:

"..... it is denied that there have been any non-compliances of section 205, 207 or 176 of the Act.

We would like to apprise you that the Company holds 51% shareholding of Supernet Limited ("SNL"), and is the (indirect) holding company of Supernet Infrastructure Solutions (Private) Limited ("SIS"), i.e. by virtue of its shareholding in SNL, and SNL's 100% shareholding in SIS. More importantly, the Company and SNL are both subsidiaries of Telecard Limited ("Telecard") ...

With respect to the "transaction" referred to in the SCN, as stated in the Company's letter dated March 14, 2025 (in response to the SECP's letter dated February 21, 2025), the Company had an outstanding liability payable to SNL arising from amounts collected by the Company on SNL's behalf as per arm's length arrangement between the Company and SNL. At SNL's request, this amount, which was payable by the Company to SNL, was instead transferred to SIS (being a wholly owned subsidiary of SNL) on

Handwritten signature and date: 11-11-2025

behalf of SNL and, as such, this amount pertains to payments made by the Company to SIS on behalf of SNL, and upon SNL's direction in the ordinary course of business. Such amount was fully recovered during the quarter ended September 2024.

Based on the above clarification alone, it is evident that the same was not in fact a new "transaction" between the related parties; instead, the payment, which was due from the Company to SNL, was merely made to SNL's wholly owned subsidiary, that too upon the instructions of SNL. In essence, the same was tantamount to an assignment of SNL's rights / amounts to its subsidiary, which was being adhered to by the Company. Thus, it is submitted that no 'approval' was per se being sought from the Board of Directors of the Company for such payment; instead, the resolutions were more in the nature of an acknowledgement and authorization, which funds would be routed back to the Company, for payment to SNL (as per the original arrangement) or then be paid by SIS to SNE directly.

Without prejudice to the above submission, and even otherwise, it is further submitted that while the directors highlighted in paragraph no. 5 of the SCN do reflect common directorship amongst the Company, SNL and SIS, most are actually nominees / representatives of the ultimate holding company i.e. Telecard (taking into account that these are group companies, as demonstrated above). Resultantly, such persons / directors do not have any "interest" or "concern" of their own with respect to the arrangements between the group companies, for the purposes of Sections 205 and 207 of the Act. It is added that the determination as to whether a director has any interest in the arrangement must be seen in the context of the case i.e. the same is subjective in nature, and is to be determined by such directors. It is evident from the above that the directors had no personal interest with respect to the arrangement.

This is also evidenced by the fact that the common directors' (as listed in the SCN) shareholdings in the Company, SNL and SIS (to the extent applicable) is merely nominal/insignificant and, in certain cases, only restricted to qualifying shares, ---, which further substantiates that they do not hold any interest in the arrangement between the companies.

At this stage, it is also highlighted that the three directors listed in paragraphs 6(a) and (b) of the SCN do not hold any directorship or position in SIS that would constitute an interest in the transaction executed between the Company and SIS. Accordingly, and without prejudice to the above submissions, they were eligible to participate in and vote on the board resolution passed through circulation dated February 15, 2024.

In view of the foregoing facts and explanations, it is respectfully submitted that no violation of Sections 205 and / or 207 of the Act has occurred."

8. In order to meet the ends of justice, a hearing in the matter was fixed for August 19, 2025, which was attended by Mr. Mikael Azmat Rahim, Legal Counsel, Mr. Muhammad Farhan Saeed, Mr. Subhan Ali Bhatti and Mr. Waseem Ahmad, Chief Executive Officer of the Company, as the **"Authorized Representatives"** on behalf of all the Noticee(s). During the hearing, the Authorized Representatives reiterated the same stance as taken in letter dated August 15, 2025 and, *inter alia*, submitted that the transaction in the instant matter was only undertaken as an ease of operations effort through an arrangement to settle the outstanding amount to one of associated companies by settling its outstanding due to another associated company as per the instruction of the earlier. Moreover, the interested directors as identified in the SCN only represent the stake of the ultimate holding company, i.e., M/s. Telecard, and themselves do not have a direct interest in their personal capacities.

9. I have gone through the relevant provisions of Sections 205(1), 207(1) and 176(1) of the Act along with the facts of the case, the available company records, and the written and oral submissions of the Noticee(s)

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11-11-2025

through their Authorized Representatives. I have also considered the penal provisions prescribed under Sections 205(4), 207(6) and 176(4) of the Act. It is pertinent to observe that in the relevant provisions of law the directors are not only obligated to disclose any direct or indirect interest in contracts or arrangements involving the company but also to abstain from participating in discussions or voting on such matters. Moreover, the interested director's presence could not be justifiably counted and considered for the purpose of forming the legitimate quorum of the BOD's meeting.

10. It is also imperative to observe that failure to comply with these mandatory provisions compromises the principles of corporate governance, transparency, and fair dealing, which are fundamental to protect shareholders interests and ensuring the integrity of board decisions. Disclosure of interest by the common/interested directors is vital to uphold transparency and accountability within a company's governance framework and is necessary to ensure that any potential conflicts of interest are openly acknowledged, preventing undue influence or bias in board deliberations and decisions by fostering an environment of trust and ethical conduct, thereby reinforcing the integrity of the board's decision-making process. Therefore, timely and accurate disclosure, coupled with appropriate abstention from voting by interested directors, is essential to safeguard the principles of fairness and corporate governance. Furthermore, participation of interested directors from voting during the Board meeting either due to intentional disregard or a mere procedural lapse has a direct bearing on the proper constitution of the meeting as envisaged under Section 207 of the Act which is not a procedural formality but a substantive safeguard, integral to upholding the principles of sound corporate governance, especially in case of a listed company having common public as shareholders. It mandates the exclusion of interested directors to ensure that Board decisions are made independently, free from any real or perceived conflicts of interest. Failure to adhere to these requirements, even in the absence of mala fide intent or deliberate non-compliance, undermines the integrity of the decision-making process and erodes stakeholder confidence in the governance framework.

11. It is also observed that the Authorized Representatives, during the proceedings of the instant matter, did not deny the fact regarding the approval of the aforesaid RPT amounting to Rs. 284.052 million in the BOD's meeting dated February 15, 2024, the presence of interested directors in transaction between the Company and its related parties/associates (RPT); namely SNL and SIS, and their attendance at the BOD's meeting as observed in Paras above. Furthermore, it is observed that the minutes of the aforesaid BOD's meeting, copy of which is furnished by the Company, indicate clearly that a deliberate arrangement was entered into between the Company and its associated company, i.e., SNL, *inter alia*, stated that *"WHEREAS Hallmark Company Limited (the 'Company') has any outstanding liability payable to its associated company namely Supernet Limited ('SNL') arising from the amount collected by the Company on SNL's behalf as per the arrangement between the Company and SNL. WHEREAS SNL has requested the Company to transfer the outstanding amount equivalent to PKR 285 million to Supernet Infrastructure Solutions (Private) Limited ('SIS'), a wholly owned subsidiary of SNL, on behalf of SNL."*

12. Upon examination of the foregoing information, it is evident that the common/interested directors namely: Syed Aamir Hussain, Mr. Waseem Ahmad and Mr. Asad Mujtaba Naqvi attended the board meeting of the Company held on February 15, 2024; wherein the aforementioned transaction and arrangement involving SNL and SIS was discussed and approved. It is highlighted that the afore-referred three (03) directors were, in fact, interested directors given their common directorship in the Company and in SNL (As observed in Paras above). However, the minutes of the BOD meeting held on February 15, 2024 nowhere reflected any disclosure of interest by these interested directors, as expressly required under Section 205(1) of the Act. Moreover, during the hearing proceedings the relevant noticee(s) did not share any evidence of any such prior disclosure in terms of their interest. Hence, the contravention of Section 205(1) of the Act is established.

Handwritten signature and date: 11-11-2025

13. It is also apt to observe that the aforementioned common/ interested directors were present in the meeting held on February 15, 2024 where the minutes of the said meeting did not disclose that the common/ interested directors recused/abstained from the proceedings of discussion and voting, when the matter of afore-stated related party transaction (RPT) was considered and approved. The requirement of the law is clear and explicitly prohibits the common/ interested directors of a company to participate in discussion and vote on any contract/ arrangement entered or to be entered where such director is directly or indirectly interested. This prohibition gains more importance for directors of listed companies as they are subject to enhanced standards of transparency, corporate governance, and accountability to a broader base of public shareholders and in such companies, even the perception of conflict of interest can severely damage investor confidence and market integrity. Accordingly, the Noticee(s), in the instant matter, had interest in the afore-stated RPT due to their directorship and shareholding therein, and by participating in the consideration and approval of said transaction; the Noticee(s) contravened the provisions of Section 207 of the Act. In this respect, reliance is placed on the Order passed by the Commission in the matter of M/s. Chashma Sugar Mills Limited on July 10, 2024, wherein *inter alia* non-compliance of Section 207 of the Act was established, and it was held that "..... interested directors of a company are prohibited to participate in discussion and vote on any contract/arrangement entered or to be entered where such director is directly or indirectly concerned. For listed companies, the requirements are further stringent as to the presence of a director having material personal interest is prohibited to be present in such meeting of the board while considering the matter...."

14. At this juncture, it is also considered necessary to shed light upon the rationale behind and significance of the requirements of Section 205 and 207 of the Act. The Ramaiya Guide to the Companies Act (18th Edition; Volume 2) emphasizes on the rationale and intent behind the construction of law requiring disclosures by interested directors. It stipulates that "*as observed by the Madras High Court: the Directors of a company are agents of the company and trustees for the shareholders of the powers committed to them and as such trustees, the general rule applies that no who has a duty to perform shall place himself in a situation in which his interest conflicts with his duty and he must not make profit by the trust [V. Ramaswami Iyer v. Madras Times Printing and Publishing Company Ltd. AIR 1915 Mad 1179]... the provisions enacted in ss. 297, 299 and 300 of the 1956 Act [corresponding to ss. 188 and 184 of the 2013 Act] are founded on the principle that a director is precluded from...entering into engagements in which he has personal interest conflicting or which possibly may conflict with the interest of those with whom he is bound by fiduciary duty. A director occupies a fiduciary position in relation to a company and he must act bona fide in the interests of the company... the obligation of a director to disclose his interest in a contract entered into or to be entered into is an obligation similar to that of trustee...*" [Yashovardhan Saboo v. Groz-Beckert Saboo Ltd. (1995) 83 Comm Cases 371 at p. 413 (CLB)]. The Guide further elaborates by stating that "...section 299 of the 1956 Act does not prohibit a director from being interested in any contract with the company. The only duty cast upon him is to make disclosure of his concern or interest as provided in the section..." [Amritsar Rayon & Silk Mills Ltd. v. Amirchand Saideh (1998) 64 Comm Cases 762 (P & H)]. With regards to the extent of disclosure required under the Indian Company Law, it pronounces that "*it is in respect of the contracts which are before the Board. In addition to the factum of interest, the nature of the interest is also required to be disclosed... the interest has to be disclosed even if it is too small to be material.*"

15. It is also pertinent to observe that the minutes of meeting of the BOD held on February 15, 2024 clearly disclose that matter of transaction\arrangement with associated company/related party i.e. SNL and SIS was placed before the Noticee(s) for consideration and approval. Considering the fact that the aforesaid three (03) out of five (05) directors; namely; (i) Syed Aamir Hussain, (ii) Mr. Waseem Ahmad and (iii) Mr. Asad Mujtaba Naqvi; were interested in transaction/arrangement with SNL and SIS; hence, they were required to refrain from participation and voting in the meeting of the BOD and their presence could not be counted for the purpose of forming the quorum while considering the transaction\arrangement with SNL and SIS. Therefore, the quorum of meeting dated February 15, 2024 in terms of Section 176 of the Act was also injured and not validly formed.

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11-11-2025

Guidance on the matter can again be obtained from The Ramaiya Guide for the overarching principle of law in this regard by stating that *"in the case of a company, out of 13 directors who attended the Board meeting, six were interested in three agreements which were approved by the Board at the meeting. Technically one may accept what is recorded in the minutes of the Board meeting that the directors had disclosed their interest in the agreement which was being approved and also did not take part in the discussion or vote on the resolution. Though, therefore, there could not be any technical objection to these resolutions, yet one could not overlook the patent incongruity of accepting that an unbiased mind was brought to bear on the merits of these agreements when almost half of the Board was interested in one or the other agreement. In such a case, the criticism that this was nothing but mutual backslapping to enrich themselves did not sound improbable."* It further guides that *"where on account of more than one director being concerned or interested, there is difficulty having a quorum, the safe course will be to summon and get the approval of a general meeting..."* It is clearly evident from the above facts and circumstances of the case that the Noticee(s) have contravened the provisions of Section 176(1) of the Act, as the requirements of quorum for holding board meeting was not met.

16. The argument presented by the Authorized Representative that the payment in question did not constitute a "new transaction" and was merely in the nature of an assignment of rights through an arrangement on the instructions of an associated company (i.e., SNL), thus falling outside the scope of Sections 205 and 207 of the Act, is untenable as the instant matter does not delve into the efficacy of the arrangement itself but the failure to observe the disclosure and other procedural requirements including the observance of the quorum for the meeting. It is imperative to note that the language of Section 205(1) imposes an overriding fiduciary obligation upon directors to act in good faith and in the best interests of the Company and its stakeholders. The duty is comprehensive and extends beyond formal "transactions" and encompasses all decisions or authorizations where directors may find themselves in a position of divided loyalty or potential conflict. Even if the arrangement was presented as an "acknowledgement" the directors' involvement in a matter affecting related parties cannot be insulated from scrutiny under Section 205 of the Act. Secondly, Section 207(1) of the Act expressly mandates disclosure of every "direct or indirect" interest of a director in any contract or arrangement entered into by or on behalf of the Company. The statutory scope is deliberately broad and is not restricted to transactions in the strict contractual sense. The assignment of rights and the subsequent authorization of payments between related parties where directors simultaneously represent entities having a material stake clearly gives rise to an indirect interest, requiring disclosure under Section 207 of the Act. Thirdly, the assertion that no approval was being sought from the Board is contradictory by the very fact that the matter was placed before the directors through circulation and resolutions were passed. Such resolutions, irrespective of being styled as "acknowledgement" or "authorization," fall squarely within the ambit of BOD action and therefore attract the duties and disclosure obligations under Sections 205 and 207 of the Act.

17. The contention that mere commonality of directors between companies does not *ipso facto* constitute an "interest or concern" in an arrangement is entirely misconceived. In particular, Section 205(1) of the Act obliges directors to act in good faith in the best interests of the company, its shareholders, and other stakeholders. Where a director simultaneously represents two related or associated entities, such commonality may reasonably give rise to questions of divided loyalty, potential conflict of interest, or undue influence, irrespective of whether the director asserts a lack of personal or financial benefit. Furthermore, Section 207(1) of the Act expressly requires disclosure of a director's interest, whether direct or indirect, in any arrangement or contract. The phrase "direct or indirect" is intentionally wide to encompass situations where the director may not personally derive pecuniary benefit but is placed in a position of influence or representation of another entity with a material stake in the arrangement. Accordingly, the determination of a director's "interest" cannot be left solely to the subjective opinion of the director, as suggested. Rather, it must be assessed objectively, in the context of Sections 205 and 207 of the Act, to ensure transparency, accountability, and protection of stakeholders from even the appearance of conflict or prejudice. Moreover, the Authorize Representatives claim that the directors had no interest in the transaction is untenable, as Section 207 of the Act requires disclosure of both direct and

Handwritten signature and date:
11-11-2025

indirect interests. Their simultaneous association with the Company and SNL compromises independence, regardless of being Independent or Non-Executive Directors. Hence, their participation in approving the transaction/arrangement without disclosure is contrary to the law and lacks merit.

18. Reliance is placed on the judgment reported as 2017 CLD 759 (Securities and Exchange Commission of Pakistan vs. Sikander Mustafa Khan & others), wherein the Commission held that:

"Interested Directors, despite being interested owing to their common directorship and beneficial shareholding in the associated companies, not only failed to give a notice of their interest in the transaction, with related parties, which were to be approved, but also participated in the proceedings of Directors and voting to approve such transaction... Appellants had violated S.216 of Companies Ordinance, 1984 by participating in meetings, and approving transaction in which they were interested party... In the present case, due to operation of S.216 of the Companies Ordinance, 1984, which prohibited participation and voting by interested Directors, the quorum for Directors, was not competent to approve the transaction."

19. In view of above, the aforesaid contravention with the requirements of Sections 205(1), 207(1) of the Act by the interested directors and Section 176(1) of the Act by the BOD at the relevant point in time have been established beyond doubt, which attract penal action in terms of sub-section (6) of Section 205, sub-section (4) of Section 207, and sub-section (4) of Section 176 of the Act, read with Section 479 thereof. I, therefore, in the exercise of the powers conferred upon me under Sections 205(4), 207(6) and Section 176(4) of the Act read with S.R.O. 1545(I)/2019 dated December 6, 2019, hereby, conclude the instant proceedings by imposing an aggregate penalty of **Rs.160,000(Pak Rupees One Hundred Sixty Thousand only)** on the Noticee(s) in the following manner:

S.No.	Name of Noticee(s)	Violation of Section 205(6) of the Act.	Violation of Section 207(4) of the Act.	Violation of Section 176 (4) of the Act.
		Amount of the Penalty in Rs.	Amount of the Penalty in Rs.	Amount of the Penalty in Rs.
1.	Syed Aamir Hussain, Chairman/Director	10,000	10,000	50,000
2.	Mr. Waseem Ahmad, Chief Executive Officer/Director	10,000	10,000	25,000
3.	Mr. Asad Mujtaba Naqvi, Director	10,000	10,000	25,000
	Total Amount	30,000/-	30,000/-	100,000/-

Furthermore, all Noticee(s) are strictly ADVISED to ensure meticulous compliance with all applicable laws in true letter and spirit, henceforth.

20. 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.

21. Without prejudice to the above, in case the Noticee(s) are aggrieved by this Order, they may, within thirty days of the Order, prefer to file review application in terms of Section 32B of the Securities and Exchange Commission of Pakistan Act, 1997 ("SECP Act") or may file an appeal to Appellate Bench of the Commission

Handwritten signature and date:
11-11-2025

in terms of Section 33 of the SECP Act in accordance with the procedure for filing an appeal as laid down under the Securities and Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003.



Sohail Qadri
Director/ HOD
Adjudication Department-I

Announced:
Dated: November 11, 2025
Islamabad