



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department-I

Adjudication Division

ORDER	
Name of Company:	M/s. Sitara Peroxide Limited
Show Cause Notice No. & Date:	CSD/ARN/543/2018-558 dated June 13, 2025
Name(s) of Noticee(s):	1. Mr. Yasir Ahmed Awan, Chairman; 2. Mr. Junaid Makda, Director; 3. Mr. Saqib Anjum, Director; 4. Mr. Imran Ghafoor, CEO/Director; 5. Mr. Haroon Ahmed Zuberi, Director 6. Mrs. Sharmeen Imran, Director; 7. Mr. Saim Bin Saeed, Director; and 8. Mr. Shahid Irshad, Chief Financial Officer.
Date(s) of Hearing(s):	i. July 31, 2025; and ii. August 06, 2025.
Case Represented by:	i. Mr. Yasir Ahmed Awan; ii. Mr. Junaid Makda; and iii. Mr. Saqib Anjum. (Representing themselves respectively)
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
Date of the Order:	September 05, 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/543/2018-558 dated June 13, 2025 (the “**SCN**”) against the Board of Directors (BoD), Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of M/s. Sitara Peroxide 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 the quarterly financial statements within thirty (30) days of the close of their first and third and within sixty (60) days of the close of their second quarter of their accounts. Sub-section (2) of Section 237 of the Act requires the listed companies to post the quarterly financial statements for information of members on company’s website and also electronically file/ transmit the same to the Commission, Securities Exchange and with the Registrar within the period specified under sub-section (1) of Section 237 of the Act.

3. As per the requirements of the Circular, the Company may file their Quarterly Financial Statements (“**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 and the Registrar.

4. The brief facts of the case are that the Company being public listed company was required to file/electronically transmit its third quarterly financial statements for the quarter ended March 30, 2025 with the Registrar/Commission, within thirty (30) days of the close of the said quarter i.e. latest by April 30, 2025. However, as per the relevant record of the Commission, it had *prima facie* failed to file/transmit the aforesaid quarterly financial statements with the Registrar/Commission.

5. 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."

6. In taking cognizance of the alleged violation of law, a SCN was served upon the Noticee(s) on June 13, 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.

7. Although no response to the SCN was received, in order to provide an opportunity for personal representation and to meet the ends of justice, a hearing in the matter was fixed for July 31, 2025. The hearing was attended by Mr. Yasir Ahmed Awan, Mr. Junaid Makda and Mr. Saqib Anjum (Noticee(s) No. 1, 2 and 3, respectively) in their respective personal capacities and made the following submissions:

- i. The business is shut down with no ongoing operations and the status of the factory is unknown.*
- ii. The CEO and CFO withhold all necessary information and are unwilling to share it with the members of the BoD who have been continuously deprived of critical information.*
- iii. The CEO, CFO and Company Secretary are not fulfilling their responsibilities and irregularity in filing/transmission of QFS is mainly due to their mismanagement.*

8. The Noticee(s) No. 1, 2 and 3 in support of their claim of making concerted and sincere efforts to ensure Company's compliance to Section 237 of the Act, subsequently provided evidences in the form of following emails:

- i. March 24, 2025, addressed to the Company Secretary, Mr. Mazar Ali Khan, highlighting non-compliance of Section 237 of the Act; specifically, mentioning pendency of filing the QFS; and*
- ii. April 4, 2024, submitted a complaint to the Chairman, SECP, detailing negligence on the part of the management of the Company regarding various non-compliances including the violations under Section 237 of the Act.*

9. In order to ensure provision of due hearing opportunity to all the Noticee(s), another hearing opportunity to Noticee(s) No. 4, 5, 6, 7 and 8 was given for August 06, 2025. On the date of hearing, it was noted with concern that no representation was made by any of the the Noticee(s) No. 4, 5, 6, 7 and 8 either personally or through authorized representatives.

10. 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 Noticee(s) No. 1, 2 and 3. I have also perused the provisions of 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 thirty (30) days from the date of close of its third quarter of its year of accounts. QFS are a crucial source of information for the stakeholders, particularly for 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.

11. 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.

12. In the instant matter, I observed that the Noticee(s) No. 1, 2 and 3 made reasonable efforts to ensure compliance with Section 237 of the Act. They raised the issue of non-compliance through formal complaints and communications to the BoD and the Company Secretary, demonstrating their bona fide intent to comply with the requirements of Section 237 of the Act.

13. It is further observed that the Noticee(s) No. 4, 5, 6, 7 and 8 failed to participate in the proceedings and to submit any response regarding alleged non-compliance; thereby reflecting their non-cooperative behavior in the matter. Therefore, I am left with no other option except to pass an *ex-parte order* against the Noticee(s) No. 4, 5, 6, 7 and 8 in the instant proceedings based upon the record available with this office.

14. I, therefore, in the 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, hereby, impose an aggregate penalty of Rs. **Rs.150,000/- (Rupees One Hundred and Fifty Thousand Only)** on the Noticee(s) No. 4, 5, 6, 7 and 8 mentioned hereunder in the following manner:

S.No.	Name(s) of Noticee(s)	Amount of the Penalty Rs.
1.	Mr. Imran Ghafoor, Noticee No. 4	30,000
2.	Mr. Haroon Ahmed Zuberi, Noticee No. 5	30,000
3.	Mrs. Sharmeen Imran, Noticee No. 6	30,000
4.	Mr. Saim Bin Saeed, Noticee No. 7	30,000
5.	Mr. Shahid Irshad, Noticee No. 8	30,000
	Total Amount	150,000/-

Moreover, considering the sincere efforts of the Noticee(s) No. 1, 2 and 3 for pursuing the Company for making compliance of Section 237 of the Act, I conclude the proceedings without any adverse order against them.

15. The Noticee(s) No. 4, 5, 6, 7 and 8 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.

16. Without prejudice to the above, in case the Noticee(s) No. 4, 5, 6, 7 and 8 are aggrieved by this Order may, within thirty days of the Order, may 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 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.



Mahboob Ahmad
Additional Director/Head of Wing
Adjudication Department – I

Announced:
September 05, 2025
Islamabad