



# SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

## Adjudication Department- I

### Adjudication Division

ORDER	
Name of Company:	M/s. Secure Logistics Group Limited
Show Cause Notice No. & Date:	No. Adj.I/ARN/67/2025-644 dated July 16, 2025
Name(s) of Noticee(s):	(i) Mr. Gulraiz Afzal Khan, CEO/Director (ii) Mr. Pervaiz Afzal Khan, Director/ CFO (iii) Mr. Shahbaz Haider Agha, Director (iv) Ms. Amara Bashir, Director (v) Ms. Afshan Nasir, Director (vi) Mr. Faraz Mehmood Minai, Director (vii) Mr. Javed Afzal Khan, Director (viii) M/s. Secure Logistics Group Limited through CEO
Date of Hearing:	August 18, 2025
Case represented by:	Mr. Gulraiz Afzal Khan, CEO/Director <i>As the Authorized Representative on behalf of the Noticee(s).</i>
Provision of law involved:	Section 228(1) of the Companies Act, 2017 read with Sections 228(8) and 479 thereof.
Date of Order:	September 08, 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. Adj.I/ARN/67/2025-644 dated July 16, 2025 ("SCN") against M/s. Secure Logistics Group Limited (the "Company") and its Board of Directors ("BOD") including the Chief Executive Officer ("CEO"), hereinafter collectively referred to as the "Noticee(s)", for contravention of the requirements of Section 228(1) of the Companies Act, 2017 (the "Act") read with Sections 228(8) and 479 thereof.

2. The provision of sub-section (1) of Section 228 of the Act mandates the holding companies, having a subsidiary or subsidiaries, to attach to their financial statements at the end of its financial year, consolidated financial statements of the group as those of a single enterprise. Furthermore, it also requires that such consolidated financial statements shall comply with the disclosure requirements of the relevant schedule and presented as those of a single enterprise and such consolidated financial statements shall comply with the disclosure requirements of the relevant Schedule and financial reporting standards notified by the Commission.

3. The penalty for non-compliance of the aforementioned provision of Section 228(1) of the Act attracts a penal action as specified under sub-section (8) of Section 228 thereof, which provides that any contravention or default in complying with requirements of this section shall be an offence liable to a penalty of level 2 on the standard scale.

4. The brief facts of the case are that the Company reported following subsidiaries companies under Note 1 of the Annual Audited Financial Statements/Annual Report for the year ended December 31, 2023 (the "Annual Report"), however, review thereof, revealed that the Company had not prepared/ furnished stand-alone accounts for the aforesaid period.

Name	Holding / Subsidiary	% of Shareholding
Secure Logistics Group Limited	Holding Company	-
First Securities (Pvt.) Limited	Subsidiary Company	100
Logi Serve (Pvt.) Limited	Subsidiary Company	100
Sky Guards (Pvt.) Limited	Subsidiary Company	75

*Handwritten signature and date: 08-09-2025*

5. In order to probe the matter, the Commission vide letter dated February 13, 2025 sought an explanation/justification from the Company regarding non-submission of stand-alone accounts. In response, the Company through its letter dated March 05, 2025 stated that *"it prepares the attached stand-alone and consolidated accounts for each reporting period. Please refer to the attached stand-alone and consolidated accounts for the period ending December 31, 2023."* However, it was observed that the Company's claim was not substantiated either through the copy of the Annual Report submitted by it or through the Annual Report uploaded on PSX PUCAR, which reflects only the consolidated financial statements for the said period.

6. In view of the aforesaid, the Company had, prima facie, failed to submit the stand-alone accounts in contravention with the requirement of Section 228(1) of the Act.

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 penal action as provided under Section 228(8) of the Act read with Section 479 thereof may not be taken against them for the above-mentioned contravention of the Law. In response to SCN, the CEO of the Company, vide letter dated July 25, 2025, *inter-alia*, submitted as under:

*"The Company acknowledges that, for the financial year ended December 31, 2023, only the Audited Consolidated Financial Statements were filed with the Annual Report, while the standalone financial statements were inadvertently not attached/uploaded due to an internal oversight. We regret this unintentional lapse and assure the Commission that it was not a willful act of non-compliance.*

*We would like to highlight that this is the first instance of such a lapse by the Company. The Company has consistently aimed to comply with all statutory and regulatory requirements in a timely and accurate manner, and this occurrence was an exception rather than the norm. We assure the Commission that going forward, both standalone and consolidated financial statements will be prepared, reviewed, and submitted as per the requirements of Section 228(1) of the Act, without exception.*

*Given that this is the first and unintentional occurrence, we request the Commission to take lenient view and kindly condone the oversight. The Company is fully committed to maintaining high standards of corporate governance and regulatory compliance."*

8. In order to provide an opportunity of personal representation to the Noticee(s), hearing in the matter was fixed for August 18, 2025, which was attended by Mr. Gulraiz Afzal Khan (CEO/Noticee No. i) as the **"Authorized Representative"** on behalf of all the Noticee(s), assisted by Mr. Faisal Atta (Company Secretary). During the hearing, the Authorized Representative fully acknowledged the default, reiterated the response earlier furnished to the SCN, and further stated as under:

- (i) *The Company was listed on April 22, 2024 and the Annual Financial Statements (consolidated and stand-alone Audited Accounts for the year ended December 31, 2023) of the Company were audited by RSM Avais Hyder Liaquat Nauman, Chartered Accountants. However, the publication of the stand-alone financial statements of the Company were inadvertently missed in the Annual Report.*
- (ii) *The Authorized Representative confirmed that this default was not repeated in the Annual Report for the year ended December 31, 2024 and requested for leniency.*

*1- [Signature] 08-09-2025*

9. Subsequently, Mr. Faisal Atta vide email dated August 19, 2025, *inter-alia*, submitted the following documents as under:

- (i) *Notice of Board Meetings concerning Approval of Accounts for the Year 2023.*
- (ii) *Minutes of the Meeting for same period.*
- (iii) *Notices and Minutes of Meeting for Approval of Accounts for the Year 2024.*
- (iv) *Consolidated and Standalone Audited Accounts for the Years 2023 and 2024*
- (v) *Power of Attorney of Independent Directors and Company Secretary.*
- (vi) *Copy of PSX Listing letter dated April 19, 2024.*

10. I have gone through the relevant provisions of sub-section (1) of Section 228 of the Act and have considered the facts of the case as well as the written and the verbal submissions made by the Noticee(s) through their Authorized Representative. I, have also perused sub-section (8) of Section 228 of the Act read with section 479 thereof, which prescribe penal action for contravention of the aforementioned requirements. Section 228(1) of the Act requires every listed company, having a subsidiary or subsidiaries, to annex both the standalone and consolidated financial statements of the group, presented as those of a single enterprise, at the end of the financial year to which the holding company's financial statements relate. It has been observed that the Authorized Representative acknowledged the said default both in the written response to the SCN and during the course of the hearing. Furthermore, it has provided copy of the minutes of the Board of Directors' meeting held on May 09, 2024, wherein Agenda Item No.2 concerning the approval of the audited financial statements of the Company for the financial year ended December 31, 2023, was approved, along with the Notice of Board Meeting dated May 08, 2024, from which it is evident that the Company had prepared the stand-alone financial statements of the relevant period but failed to furnish the same to the Commission.

11. Compliance with sub-section (1) of section 228 of the Act is of paramount importance, as the standalone financial statements present the true and independent financial position and performance of the Company, without the influence of subsidiaries or group entities. Such compliance is essential for fulfilling legal requirements, facilitating shareholder assessment, enabling dividend declaration, and assisting creditors' evaluation, thereby ensuring transparency and accountability.

12. In view of above, the aforesaid contravention with the requirements of Section 228(1) of the Act at the relevant point in time have been established beyond doubt and the same has been admitted by the Authorized Representative, which attract penal action in terms of Section 228(8) of the Act read with Section 479 thereof. I have also given consideration to the fact that the Company had already prepared the stand-alone financial statement of the relevant period but inadvertently missed to attach with the Annual Report and the Authorized Representative assured that corrective measures, including the preparation of checklists and SOPs have been instituted to prevent recurrence of such lapses in future. I, in exercise of the powers conferred upon me under Section 228 of the Act and Section 479 thereof read with S.R.O. 1545(I)/2019 dated December 6, 2019, hereby, conclude the proceedings initiated through SCN with a Strict ADVICE to the Noticee(s) without any adverse action to ensure meticulous compliance with the applicable legal and regulatory framework in future.



08-09-2025

Sohail Qadri  
Director/ HOD  
Adjudication Department-I

**Announced:**  
Dated: September 08, 2025  
Islamabad