



816

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department- I

Adjudication Division

ORDER	
Name of Company	M/s. S.S. Oil Mills Limited
Number and Date of Show Cause Notice (SCN)	2(472) SMD/Adj-1/2025-560 dated May 14, 2025
Date of Hearing	July 22, 2025.
Case represented by	(i) Barrister Khurram Raza - Legal Counsel; and (ii) Mr. Taha Faisal - Legal Counsel. <i>(As the Authorized Representatives of the Company)</i>
Provisions of law involved	Section 102(3) of the Securities Act, 2015 read with Regulation 3(3) of the Reporting and Disclosure (of Shareholding by Directors, Executive Officers and Substantial Shareholders) Regulations, 2015 and Section 106 of the Securities Act, 2015.
Date of the Order:	September 29, 2025

This Order shall dispose of the proceedings initiated through the Show Cause Notice No. 2(472)SMD/Adj-1/2025-560 dated May 14, 2025 (the "SCN") by the Securities and Exchange Commission of Pakistan (the "Commission") against M/s. S.S. Oil Mills Limited (the "Company") under Section 106 of the Securities Act, 2015 (the "Act") for failure to comply with the mandatory requirements of Section 102 of the Act read with Regulations 3(3) of the Reporting and Disclosure (of Shareholding by Directors, Executive Officers and Substantial Shareholders) Regulations, 2015 (the "Regulations").

2. The provisions of sub-section (1) of Section 101 of the Act require every person who becomes a director, executive officer, or substantial shareholder of a listed company to give notice in writing to the company: (a) of his beneficial ownership in the listed equity securities of the company or any other nature of securities as may be prescribed by the Commission; and (b) of the amount and description of the securities of the company and date of acquisition of beneficial ownership. The reporting requirement under sub-section (1) of Section 101 shall be fulfilled before the expiration period of seven (7) days beginning with the day on which the requirement first arises.

3. Similarly, the provisions of Section 102(3) of the Act require that whenever a listed company is notified of any matter in consequence of requirement imposed by sub-section (1) of Section 101, the company shall notify it to the Commission, within seven (7) days of the receipt of the information, showing therein name of director, executive officer or shareholder, date of appointment or acquisition of beneficial ownership and number of shares held by him. Further, the provisions of Regulation 3(3) of the Regulations require that the listed company shall notify the Commission in Form 4 whenever such company receives Form 1 from director, executive officer, or substantial shareholder pursuant to the requirement of Section 102(3) of the Act.

4. Section 106(2) of the Act provides that any person who contravenes or fails to comply with any provision of Section 102, the Commission may by order in writing direct, in the case of a company, to pay by way of penalty to the Commission such sum which may extend to five hundred thousand rupees and to a further sum which may extend to one thousand rupees per day for every day during which the default continues.

5. The brief facts of the matter are that the Company appointed seven (07) directors (the "Appointed Directors") in its Annual General Meeting (AGM) held on October 28, 2024. On the same day, i.e. October 28, 2024, the Appointed Directors submitted Form 1 pursuant to the requirements of Section 101(1) of the Act read with Regulation 3(1) of the Regulations. The Company was required to submit Form 4 to the Commission

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within seven (07) days of submission of Form 1 by the Appointed Directors. However, the Company failed to submit Form 4 within the statutory deadline.

6. In order to probe the matter, the Commission vide letter dated January 31, 2025 sought explanation from the Company on the aforesaid non-compliance with the requirements of the Act and Regulations. In response, the Company filed the required Forms 4 of the Appointed Directors but did not prefer to explain the delay in filing Form 4. The details of filing of Forms 4 of all the directors are provided as under:

S.NO	Name of Appointed Directors	Date of Appointment	Form 1 submission date	Form 4 due date	Form 4 submission date	Form 4 delay
1.	Mr. Shahzad Ali Khan	28/10/2024	28/10/2024	4/11/2024	04/02/2025	92
2.	Mr. Shaharyar Ali Khan	28/10/2024	28/10/2024	4/11/2024	10/02/2025	98
3.	Mr. Sikandar Ali Khan	28/10/2024	28/10/2024	4/11/2024	10/02/2025	98
4.	Mr. Nawabzada Wajahat Ali Khan	28/10/2024	28/10/2024	4/11/2024	10/02/2025	98
5.	Ms. Nawabzadi Begum Shamim Shafqat	28/10/2024	28/10/2024	4/11/2024	10/02/2025	98
6.	Mr. Hassan Javed	28/10/2024	28/10/2024	4/11/2024	10/02/2025	98
7.	Mr. Javaid Umar	28/10/2024	28/10/2024	4/11/2024	10/02/2025	98

7. Having being not satisfied with the aforesaid response, cognizance in the matter was taken and a SCN was issued to the Company to show the cause in writing as to why penal action may not be taken against it for non-compliance with the requirements of the Act and the Regulations. In response to the SCN, the Company vide letter dated May 22, 2025, *inter alia*, made the following written submissions:

"Please note that, AGM of the Company for financial year 2024 was held on October 28, 2024, which has also been conveyed by the Company to Pakistan Stock Exchange vide Letter No. 241154 dated October 29, 2024, where following directors were appointed on the Board of the Company:

Sr. No	Name of Director(s)/CEO	Date of Appointment
1	Mr. Shahzad Ali Khan	October 28, 2024
2	Mr. Shaharyar Ali Khan	October 28, 2024
3	Mr. Sikander Ali Khan	October 28, 2024
4	Mr. Nawabzada Wajahat Ali Khan	October 28, 2024
5	Ms. Nawabzadi Begum Shamim Shafqat	October 28, 2024
6	Mr. Hassan Javed	October 28, 2024
7	Mr. Javaid Umar	October 28, 2024

It is pertinent to mention here that in response to your Letter No. SMD/BO/SEC-Act107-S-67/108 dated January 31, 2025, the Company submitted Form 4 belatedly due to delay in procurement of login credentials of the above-mentioned directors of the Company.

We regret the inconvenience caused and assure you that it was neither willful nor intentional. We appreciate your office for bringing this matter to our attention. Further, it is also respectfully emphasized that the Company is a conscientious corporate citizen and is aware of its statutory obligations and has at all times adhered to and duly observed the requirements of the legislation.

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We assure you that the Company has taken steps to ensure that such delay does not occur in the future, as we strive for strong compliance.

The lapse on the part of the Company was genuine and is deeply regretted and it is humbly requested that a lenient view may be taken in the matter and such lapse be condoned.

It is further submitted that no adverse order be passed against the Company without giving a right of hearing."

8. In order to provide opportunity of personal representation and to meet the ends of justice, hearing in the matter was fixed for July 22, 2025 which was attended by Barrister Khurram Raza along with Mr. Taha Faisal, Legal Counsels, as the Authorized Representatives of the Company (the "Authorized Representatives"). During the course of hearing, the Authorized Representatives admitted the default without relying on any legal argument and reiterated the written submission made vide letter dated May 22, 2025. Furthermore, upon inquiry, it was observed that the Company did not prefer to undertake any exercise to fix the responsibility upon any officer regarding the non-filing of forms. The Authorized Representatives requested that as the prescribed forms had been filed, the Commission should take a lenient view in the matter.

9. I have gone through the relevant provisions of Section 102(3) of the Act read with Regulation 3(3) of the Regulations and considered the facts of the case, available record of the Company, as well as the written and the verbal submission made by the Authorized Representatives. I have also perused Section 106(2) of the Act, which stipulates penal provisions for contravention of the afore-referred provisions of law. At this juncture, it is important to discuss the following legal and factual elements:

- (i) In terms of Section 102(3) of the Act read with Regulation 3(3) of the Regulations, the Company was clearly required to file Form 4 within seven (07) days of submission of Form 1 by the Appointed Directors. This form is critical in disclosing the shareholding status of directors; thereby ensuring transparency, preventing conflicts of interest, mitigating risks of insider trading, and contributing to the integrity of the market.
- (ii) In the instant case, the record demonstrates that the Company appointed seven (07) directors on October 28, 2024, who duly submitted Form 1 on the same day. Consequently, the statutory deadline for submission of Form 4 fell on November 4, 2024. However, the Company failed to discharge its statutory duty within the prescribed period, and instead, belatedly filed the requisite Forms in February 2025 after delays ranging from ninety-two (92) to ninety-eight (98) days. Such prolonged and uniform delay across all directors reflects not a minor or technical lapse, but a systemic disregard for the compliance framework.
- (iii) The Company's justification that the delay was caused by "procurement of login credentials" of directors is untenable. Compliance with the Act and Regulations cannot be made contingent upon internal administrative processes. Indeed, if the Company had genuinely encountered technical or procedural impediments, it should have approached the Commission within the statutory period to seek guidance. Further, it is significant that during the hearing, the Authorized Representatives candidly admitted the default and refrained from advancing any legal defence. The absence of any internal inquiry or fixation of responsibility upon concerned officers further illustrates a lack of seriousness towards regulatory obligations. Failure to promptly notify the regulator about changes in the directorship or beneficial ownership undermines effective regulatory oversight.

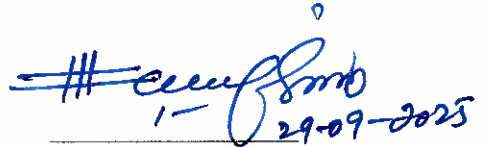
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(iv) In light of the above, the Company's explanation is devoid of legal merit which does not exonerate it from the consequences of its default. The prolonged delay, absence of remedial responsibility, and failure to approach the Commission within the prescribed period all aggravate the non-compliance.

10. In view of the foregoing, non-compliances/contraventions of Section 102(3) of the Act read with Regulation 3(3) of the Regulations have been established beyond doubt which attracts a penal action in terms of Section 106(2)(a) of the Act. I have also given due attention to the grounds presented by the Authorized Representatives to the said non-compliance, however, it does not seem to justify the non-adherence with the provisions of law where the post compliance also does not exonerate the Respondents from its obligations. I, therefore, hereby, in terms of powers conferred under Section 106(2)(a) of the Act read with S.R.O.1545(I)/2019 dated December 06, 2019, conclude the proceedings with a penalty of **Rs.25,000/- (Rupees Twenty-Five Thousand only)** imposed on the Company on account of established default. Furthermore, the Company is also advised to ensure meticulous compliance with the applicable legal and regulatory framework in the future.

11. The Company is, 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 162 of the Act will be initiated for recovery of the penalty/fines as arrears of land revenue pursuant to provision of Section 42B of the Securities and Exchange Commission of Pakistan Act, 1997(the "SECP Act").

12. Without prejudice to the above, in case the Company is aggrieved by this Order, it may, within thirty (30) days of the Order, prefer to file review application in terms of Section 32B of the 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.


29-09-2025

(Sohail Qadri)

Director / Head of Department
Adjudication Department-I

Announced:

September 29, 2025

Islamabad