



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department-I

Adjudication Division

ORDER	
Name of Company:	M/s. Oilboy Energy Limited
Show Cause Notice No. & Date:	CSD/ARN/100/2015-573 dated November 11, 2024
Name(s) of Respondent(s):	i. Mr. Farhan Abbas Sheikh, Chairman; ii. Ms. Fatima Jamil, CEO/Director; iii. Mr. Muneeb Ahmad Khan, Director; iv. Mr. Saad Liaquat, Director; v. Mr. Abdul Ghaffar, Director; vi. Mr. Muhammad Usman Shaukat, Director; vii. Ms. Farkhanda Abbas, Director; and viii. Mr. Habib Ahmad, Chief Financial Officer
Date of Hearings:	i. December 09, 2024; ii. April 08, 2025; and iii. May 12, 2025
Date of Response Received:	May 12, 2025
Case Represented by:	Mr. Inamullah, Company Secretary (as Authorized Representative)
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:	May 14, 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/100/2015-573 dated November 11, 2024 (the “SCN”) against the Board of Directors (BoD), Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of M/s. Oilboy Energy Limited (the “Company”), hereinafter collectively referred to as the Respondents, 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 therein quarterly financial statements within thirty days (30) 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 the 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).

3. The brief facts of the case are that the record of the Commission transpired that the Company, *prima facie*, filed/ transmitted through e-Services/ eZfile with the Registrar/ Commission, its QFS for the following periods with delay as per the following details:

Period Ended	Due Date	Date of Filing/ Transmitting through eServices with Registrar/ Commission	Delay (days)
December 31, 2023	February 29, 2024	September 03, 2024	187
March 31, 2024	April 30, 2024	September 03, 2024	126

4. As per the requirements of the Circular, all listed companies are *inter alia* required to file their QFS through eServices/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/registrar. 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."

5. Taking cognizance of the alleged violation of law, SCN was served upon the Respondents on November 11, 2024 to show the cause in writing within fourteen (14) days 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. However, no response of the Respondents was received.

6. In order to provide an opportunity for personal representation, a hearing in the matter was fixed for December 09, 2024. However, no response was received in respect of the hearing notice issued to the Respondents. The hearing notice was duly served at the notified registered address of the Company i.e. 5A/1, Gulberg III, Off M.M Alam Road, Lahore. In order to meet the ends of justice, a final hearing opportunity was accorded to the Respondents on April 08, 2025. In response to the final hearing notice, the Authorized Representative, vide letter dated April 07, 2025 requested for adjournment in the matter. In view of the adjournment request, another hearing opportunity was provided to the Respondents on May 12, 2025 on which date Mr. Inamullah (**Company Secretary**) appeared as Authorized Representative on behalf of the Respondents. During the hearing proceedings, the Authorized Representative submitted that the SCN was not received at their office address and the same might have been misplaced as they have multiple offices in the same building due to which there has been a delay in provision of response to the SCN. The Authorized Representative vide its letter dated May 08, 2025 (received in this office on May 12, 2025), *inter alia*, submitted as under:

- i. The delay in filing/ transmission of QFS through e-Services/ eZfile with the Registrar and the Commission was unintentional and arose due to the unavailability of the Company's authorized signatories during the relevant filing periods.
- ii. Subsequently, the QFS for the afore-mentioned periods have since been filed and transmitted via e-Services to the Commission and have also been published on the website of the company, albeit after the required deadlines.
- iii. The Company promptly took corrective actions to prevent such delays from occurring in the future.
- iv. It is requested to take a lenient view in the matter.

7. 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 Authorized Representative. I

have also perused Section 237(4) of the Act, which stipulates penal provisions for contravention of the afore-referred provisions of law. It is observed that the Company has duly prepared its QFS for the period ended March 31, 2024 and December 31, 2023 within due time and the same were transmitted to the Pakistan Stock Exchange (PSX) on April 30, 2024 and March 01, 2024 respectively. However, the QFS were not filed/ transmitted through e-Services with the Registrar/ Commission within the stipulated time period as per the requirement of Section 237 of the Act read with the Circular. The Company filed/ transmitted the afore-mentioned QFS to the Registrar/ Commission on September 03, 2024 **i.e. with a substantial delay.**

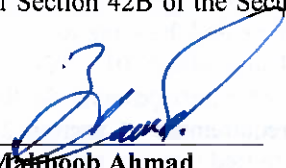
8. The provisions of Section 237 of the Act unambiguously and explicitly obligate the Company to file/transmit its QFS in a timely manner. In this respect, reliance is placed on an order dated March 01, 2023 passed by the Appellate Bench Registry of the Commission ("ABR") (in Appeal No. 73 of 2022- *Gulistan Textile Mills Limited, vs. SECP*), whereby it was held, *"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"*. Similarly, in 2024 CLD 672 [Appeal No. 77 of 2021 decided on August 25, 2023], the ABR 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 QFS of a listed company in a timely manner is also reverberated 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.

9. Furthermore, it is pertinent to note that ensuring timely compliance with legal and regulatory requirements is the fundamental responsibility of the BOD, irrespective internal challenges. Under the fiduciary duty to obey law, *"Directors have a duty to comply with the law"*. In 2019 CLD 355 Islamabad [*Inam Ullah Khan vs Aksa Solutions Development Services (Pvt.) Ltd*] wherein it was highlighted that, *"It is settled law that Director of a company are saddle with the duty of loyalty, trust and utmost good faith. They are under a duty to act with diligence and care. Such a duty is termed as 'fiduciary'. The Directors, therefore, owe a fiduciary duty towards the shareholders and company"*.

10. In light of the foregoing, the contravention with the requirements of Section 237 of the Act read with the Circular has been established as the Respondents failed to timely file/transmit the QFS for the periods ended on March 31, 2024 and December 31, 2023, respectively, with the Registrar/Commission. Therefore, I, in the exercise of powers conferred under sub-section (4) of Section 237 of the Act read with S.R.O. 1545(I)/2019 dated December 6, 2019, hereby conclude the proceeding initiated through the SCN against the Respondents by imposing an aggregate penalty of **Rs. 120,000 (Pak Rupees One Hundred and Twenty Thousand only)** on the Respondents in the following manner:

S.No.	Name of Respondent(s)	Amount of the Penalty Rs.
1.	Mr. Farhan Abbas Sheikh, Chairman	15,000
2.	Ms. Fatima Jamil, CEO/ Director	15,000
3.	Mr. Muneeb Ahmad Khan, Director	15,000
4.	Mr. Mr. Saad Liaquat, Director	15,000
5.	Mr. Abdul Ghaffar, Director	15,000
6.	Mr. Muhammad Usman Shaukat, Director	15,000
7.	Ms. Farkhanda Abbas, Director	15,000
8.	Mr. Habib Ahmad, Chief Financial Officer	15,000
	Total Amount	120,000/-

11. The Respondents, 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.


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

Announced:
May 14, 2025
Islamabad