



Corporate Supervision Department
Company Law Division

Before Amina Aziz – Director

In the matter of

Bestway Cement Limited

Number and date of notice: CSD/ARN/220/2015-3600 dated March 10, 2016
Date of hearing: March 30, 2016
Present: Muhammad Tabraiz Baig – Authorized Representative

ORDER

UNDER SUB-SECTION (3) OF SECTION 245 READ WITH SECTION 476 OF THE COMPANIES ORDINANCE, 1984

This order shall dispose of the proceedings initiated vide show cause notices dated March 10, 2016 issued to chief executive and directors (“respondents”) of Bestway Cement Limited (“Company”) for default made in complying with the provisions of Sub-section (1) of Section 245 read with Section 476 of the Companies Ordinance, 1984 (“Ordinance”).

2. The brief facts of the case are that as per record, the Company failed to file interim financial statements (“Quarterly Accounts”) for following period with the Commission within stipulated time, as per requirements of section 245 of the Ordinance.

| Quarter Ended | Due On | Received on | Remarks |
|---------------|-----------|-------------|---------------|
| 31-Dec-14 | 28-Feb-14 | 11-Mar-15 | 11 days delay |
| 31-Mar-15 | 30-Apr-15 | - | Not Filed |
| 30-Sep-15 | 31-Oct-15 | 20-May-15 | 20 days delay |

Consequently, the show cause notice (“SCN”) was issued to the respondents whereof they were called upon to show cause in writing as to why penal action may not be taken against them under sub-section (3) of section 245 of the Ordinance for not filing the aforesaid Quarterly Accounts in a timely manner as stipulated by the law.

3. The respondent replied vide letter dated March 22, 2016 submitting the following:
- The Quarterly Accounts for December 31, 2014 were filed on March 11, 2015.
 - The Quarterly Accounts for March 31, 2015 were filed on May 19, 2015.
 - The Quarterly Accounts for September 31, 2015 were not filed through oversight in good faith as a consequence of change of official entrusted with responsibility of corporate reporting to a new official at the time when the return was due and both the official believing in good faith that the other has discharged the duty thus resulting in omission and submitted the quarterly accounts with filing fee.



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

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- We are cognizant of our responsibilities of ensuring compliance of the requirements of law regarding filing of statutory returns and also understand that these statutory returns help the Company in achieve it long term objectives and catering for the interests of all the stakeholders and assure timely filing of quarterly accounts in future duly supported by filing/additional filing fee as per requirement of law as and when required.
 - In view of the above submissions requested for a lenient view.
4. In order to provide opportunity of personal hearing; the case was fixed before the undersigned for March 30, 2016. Mr. Muhammad Tabraiz Baig attended the hearing on behalf of the respondents and reiterated the earlier written submissions.
5. In terms of the Commission's notification SRO 1003(I)/2015 dated October 15, 2015, the powers to adjudicate cases under section 245 of the Ordinance have been delegated to Director (Corporate Supervision).
6. Before proceeding to decide this case, I consider it necessary to highlight the importance of the strict observance of the mandatory requirements of law. The protection of the investors/shareholders is one of the primary objectives of the Ordinance. These are shareholders who provide seed for the capital formation of the Company. It is their lawful right to receive timely, adequate and meaningful information. It is the annual and interim accounts, which provide information to the investors about the affairs of the company. It has unfortunately been noted that the directors of the Company have failed to comply the requirements of law and have not circulated the quarterly accounts to the shareholders nor filed with the Commission within the prescribed time.
7. It is clear from the record that the Company did not file the aforesaid Quarterly Accounts in physical form with the Commission in a timely manner; however, considering the otherwise satisfactory compliance history of filing of quarterly accounts with the Commission, instead of imposing fine, I hereby conclude the proceedings with a warning to the respondents to be careful in future and ensure meticulous compliance with provisions of section 245 of the Ordinance.

Amina Aziz
Director

Announced:
April 15, 2016
Islamabad