



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
Securities Market Division  
Market Supervision and Registration Department

**Before the Director/HOD (MSRD)**

In the matter of Show Cause Notice issued under Section 224(4) of the Companies Ordinance, 1984 to Mrs. Goshi M. Bhandara, Director of Murree Brewery Company Limited

**Order**

This Order will dispose of the proceedings initiated under Section 224(4) of the Companies Ordinance, 1984 (“**Ordinance**”) by the Securities and Exchange Commission of Pakistan (“**Commission**”) through Show Cause Notice No. S.M(B.O)C.O.222/18(541) 08 dated 24/07/2013 (“**Notice**”) issued to Mrs. Goshi M. Bhandara (“**Respondent**”), Director of Murree Brewery Company Limited (“**Issuer Company**”).

2. The facts of the matter leading up to aforesaid Notice are that the Issuer Company is a public listed company and the Respondent being its Director was required to file return of beneficial ownership on Form 32, within the period stipulated under Section 222 of the Ordinance. However, she failed to discharge the said obligation which attracts penal provisions contained in Section 224(4) of the Ordinance.

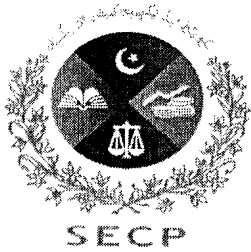
3. Section 222(2)(c) of the Ordinance stipulates the period within which the Form 32 is required to be submitted as under:-

*“where there is any change in the position or interest as aforesaid including a change in the beneficial ownership of any equity, security, within fifteen days of such change”.*

4. The Respondent failed to file returns of beneficial ownership on Form 32 with this Commission as a Director of Issuer Company for the changes taken place in her beneficial ownership during the period from January 2009 to October 2012 (the “**period**”). The Respondent was, therefore, asked vide letter dated 19/12/2012 to file the returns of beneficial ownership for the said changes in beneficial ownership.

5. In response to aforesaid letter, the Respondent, filed four returns of beneficial ownership on Form 32 on 01/01/2013, showing therein the following changes in beneficial ownership, with the delay as mentioned against each:-

Sr. No.	Date	No. of Shares	Nature	Delay in Days
1	30-10-2009	151,434	Bonus	1,144
2	28-10-2010	333,156	Bonus	781
3	28-10-2011	199,893	Bonus	416
4	30-10-2012	219,883	Bonus	48



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
Securities Market Division  
Market Supervision and Registration Department (MSRD)

\*\*\*

6. The aforesaid changes in beneficial ownership were reported to the Commission with delay ranges from 48 days to 1,444 days in contravention of Section 222(2)(c) of the Ordinance. The said contraventions of Section 222 of the Ordinance *prima facie* attract penal provisions contain in Section 224(4) of the Ordinance, which provides as under:-

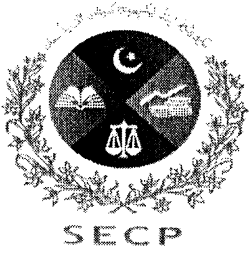
*"Whoever knowingly and wilfully contravenes or otherwise fails to comply with any provision of section 222, section 223 or section 224 shall be liable to a fine which may extend to thirty thousand rupees and in the case of a continuing contravention, non-compliance or default to a further fine which may extend to one thousand rupees for every day after the first during which such contravention, non-compliance or default continues".*

7. The Commission took cognizance of the aforesaid default and issued Notice to the Respondent under Section 224(4) of the Ordinance, calling upon her to explain through written reply along with documentary evidence, if any as to why action may not be taken against her pursuant to Section 224(4) of the Ordinance, for aforesaid contravention of Section 222 of the Ordinance. Furthermore, the Respondent was inquired if she wished to be heard in person or through authorized representative to present her stance in person.

8. The matter was responded vide letter dated 24/08/2013 by Mr. Muhammad Inayatullah Cheema, Advocate of the Supreme Court of Pakistan (**Legal Counsel**) on behalf of the Respondent. The submissions made by the Legal Counsel be summarized as under:-

- a) *The changes in beneficial ownership were duly reported to the Registrar within the stipulated time limit.*
- b) *The Respondent is an elderly lady, over 70 years of age.*
- c) *The returns for the aforesaid changes in beneficial ownership were filed promptly upon receipt of letter from the Commission.*
- d) *The Respondent contended that the delay in reporting was not intentional and requested to condone the said delay.*
- e) *The Legal Counsel ensured that the Respondent will comply with the requirement of Section 222 of the Ordinance within the prescribed time period in future.*

9. I have considered the aforesaid submissions made by the Legal Counsel on behalf of the the Respondent. The Respondent has admitted the default of late filing of the return of beneficial ownership with the contention that said default was not committed willfully and knowingly. The



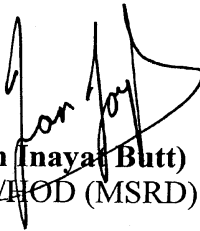
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
Securities Market Division  
Market Supervision and Registration Department (MSRD)

\*\*\*

Respondent has assured for timely filing of the returns of beneficial ownership in future and requested to condone the default in question. Moreover, the Respondent has reported the said changes in beneficial ownership to the respective Company Registration Office, within the stipulated time limit. Considering the submissions made by the Respondent, I intend to agree with the contention of the Respondent and of the view that the late filing of the under reference returns of beneficial ownership may not be willful. Therefore, a lenient view of the matter has been taken and the Respondent is hereby strictly warned to ensure timely compliance of Section 222 of the Ordinance in future.

10. This Order is issued without prejudice to any other action that the Commission/Registrar may initiate against the Respondent in accordance with the law on matter subsequently investigated or brought to the Notice of the Commission.



  
(Imran Inayat Butt)  
Director/MSRD (MSRD)

Islamabad.

Announced on September 20, 2013