

Before Ali Azeem Ikram, Executive Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Faran Sugar Mills Limited

Date of Hearing

May 18, 2020, July 14, 2020, September 16,
2020, October 06, 2020, October 23, 2020

Order-Redacted Version

Order dated November 03, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of Faran Sugar Mills Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated April 05, 2019
2. Name of Company	Faran Sugar Mills Limited
3. Name of Individual*	Not relevant. The proceedings were initiated against the Company i.e. Faran Sugar Mills Limited
4. Nature of Offence	In view of alleged violations under Section 228 read with Section 479 of the Companies Act, 2017
5. Action Taken	Key findings of default were reported in the following manner: I have analyzed that the Respondents have acknowledged default of contravening the provisions of Section 228 of the Act and failed to provide justifiable grounds for default in compliance with law. From the above discussion and after careful consideration of all the facts of this case, I am of the view that the provisions of Section 228 of the Act have been contravened by the Respondents for year ended September 30, 2017 and are liable for penal action as stipulated under the Act. It is also noted that Section 228 of the Act are applicable at the end of the financial year at which the holding company's financial statements are made out therefore for periods ended December 31, 2017, March 31, 2018 and June 30, 2018 these proceedings are closed with no adverse order. Therefore, in exercise of the powers conferred under aforesaid provisions of the Act, I hereby impose a penalty of Rs. 100,000 (Rupees



Securities and Exchange Commission of Pakistan
Adjudication Division
Adjudication Department-I

	<p>one hundred thousand) on Ahmed Ali Bawany, Chief Executive Officer of the Company for violating the provisions of Section 228 of the Act.</p> <p>Penalty order dated November, 2020 was passed by Executive Director (Adjudication-I).</p>
2. Penalty Imposed	A penalty of Rs. 100,000/- (one hundred thousands) was imposed on Mr. Ahmed Ali Bawany, Chief Executive Officer of the Company.
3. Current Status of Order	No Appeal has been filed by the respondents