

Before

Mr. Shahzad Afzal Khan -Director/ Head of Department

In the matter of

Sakrand Sugar Mills Limited

Date of Hearing

January 23, 2023

Order-Redacted Version

Order dated February 15, 2023, was passed by Head of Department (Adjudication-I) in the matter of Sakrand Sugar Mills Limited. Relevant details are given hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated December 09, 2022
2. Name of Company	Sakrand Sugar Mills Limited
3. Name of Individual*	The proceedings were initiated against Board of Directors of the Company
4. Nature of Offence	Section 155(3) of the Companies Act, 2017 read with Sections 169 and 479 thereof
5. Action Taken	<p>Key findings are given as hereunder:</p> <p>I have gone through the facts of the case, written submissions by the Respondents and arguments made by the Authorized Representatives during the hearing proceedings. In this regard, it is stated that as per the available information, the Company submitted the Form 29 with the Commission dated May 21, 2021 regarding the cessation/resignation of Mr. Amad Uddin from the board of directors. The casual vacancies which resulted due to outgoing director was required to be filled within 90 days period. The Authorized Representative submitted that the reason for not filling casual vacancies in stipulated time was due to hectic crushing season, resignations of CFOs and other responsibilities and meetings of the management made it difficult to fill the casual vacancy within the prescribed time period. However, the said default has been rectified by the Company and casual vacancy has been filled.</p> <p>In this context, I am of the view that it is mandatory for the listed company to have least seven directors on its board and occurrence of any casual vacancy on the board is required to be filled within given 90 days period. The</p>

Respondents, however, failed to ensure compliance of the given requirements of Section 155 of the Act by not filling the casual vacancies within stipulated time period. Taking cognizance of subsequent ratification of default as per the submissions by the Respondent and in exercise of the powers conferred under the said provisions, I hereby conclude the proceeding by imposing a penalty of **Rs. 30,000/- (Rupees thirty thousand only on the Respondents** in the following manner:

S.No	Names of Respondents	Amount of Penalty
1	Mr. Jamal Akberi	5,000
2	Mr. Dinshaw H. Anklesaria	5,000
3	Mr. Abdul Naeem Quraishi	5,000
4	Mrs. Fatima Gulamali	5,000
5	Dr. Jamshed H. Anklesaria	5,000
6	Mr. Neville Mehta	5,000
Total		30,000/-

The aforesaid fine must be deposited in the designated bank account maintained with MCB Bank Limited in the name of the Securities and Exchange Commission of Pakistan within thirty days of the date of this order and furnish receipted bank vouchers to the Commission. The fine shall be paid from personal resources. In case of non-deposit of the said penalty, proceedings under law including Section 485 of the Companies Act, 2017 will be initiated for recovery of the same as arrears of land revenue.

Nothing in this Order may be deemed to prejudice the operation of any provision of the Act providing for imposition of penalties in respect of any default, omission or violation of the Act.

6. Penalty Imposed

Rs. 30,000/-

7. Current Status of Order

No appeal was filed.