

Before Amir M. Khan Afridi - Head of Department
In the matter of Show Cause Notice issued to Data Agro Limited

Dates of Hearing:

March 21, 2022, April 8, 2022 and May 24, 2022

Order - Redacted Version

Order dated May 31, 2022 was passed by Head of Department (Adjudication-I) in the matter of Data Agro Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated February 7, 2022
2. Name of Company	Data Agro Limited
3. Name of Individual*	The proceedings were initiated against the directors including the CEO (Respondents) of the Company.
4. Nature of Offence	<p>Proceedings were initiated in terms of Section 166 of the companies Act, 2017 (the Act) read with Section 169 thereof.</p> <p>Brief facts of the case are that review of audited accounts of the Company for year ended June 30, 2021 transpired that two elected independent directors were not enrolled in the databank of individuals maintained by the Pakistan Institute of Corporate Governance (PICG) for the purpose of appointing independent directors by the companies, contrary to the requirements of sub-section (1) of Section 166 of the Act.</p>
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case and considered the submissions of the Respondents submitted through the Company and the Representative and come to the conclusion that one of the elected directors was registered with the PICG in March 2019 i.e., at the time of election of directors, however, the second independent director was not registered with PICG at the time of election of directors.</p> <p>Nevertheless, I would like to appreciate the fact that the Company made concrete efforts by registering the second independent director in the databank of the PICG in December 2021. These efforts demonstrate the Respondents' adherence to the relevant regulatory framework and may be considered as a mitigating factor to the subject violations highlighted in the SCN.</p> <p>In view of the foregoing, while taking cognizance of the submissions of the Respondents and in exercise of the powers conferred under Section 169 of the Act, I hereby conclude the proceedings without imposing any monetary penalty. The Respondents are, however, warned to ensure meticulous compliance of all the applicable laws in letter and spirit in the future.</p>
6. Penalty Imposed	No penalty imposed on the Respondents.
7. Current Status of Order	No Appeal has been filed by the Respondents.

Redacted version issued for placement on website of the Commission.