

*Before*

**Abid Hussain - Executive Director/Head of Department**

*In the matter of*

**Clover Pakistan Limited**

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Date of Hearing

September 26, 2022

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**Order-Redacted Version**

Order dated October 12, 2022, was passed by Head of Department (Adjudication-I) in the matter of Clover Pakistan Limited. Relevant details are given hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated August 18, 2022
2. Name of Company	Clover Pakistan Limited
3. Name of Individual*	The proceedings were initiated against the Board of Directors of the Company
4. Nature of Offence	Under Section 166 of the Companies Act, 2017 read with Section 169 thereof
5. Action Taken	<p>Key findings are given as hereunder:</p> <p>I have gone through the facts of the case, considered the submissions made in writing as well as during the hearing proceedings in light of the aforementioned legal provisions. In this regard, it is observed that the Respondent appointed three independent directors namely Mr. Nausherwan, Mr. David Cyril Paul and Ms. Koshak Irum Fazali, on its board, who were not found registered with PICG databank. The Respondents, consequently, failed to appoint independent directors on its board from PICG databank, however, the said default is now rectified and the Company has complied with Section 166 of the Act by adding two independent directors in the data bank of PICG. Therefore, I in terms of power conferred under Section 169 of the Act hereby conclude the proceedings initiated through the SCN without imposing any monetary penalty. The Respondents are however, warned to ensure compliance with all the regulatory requirements including Section 166 of the Act in letter and spirit, in future.</p> <p>Nothing in this Order may be deemed to prejudice the operation of any provision of the Act providing for imposition of penalties on the Respondents of the Company in respect of any default, omission, violation of the Act.</p>
6. Penalty Imposed	Nil
7. Current Status of Order	No appeal was filed.