



Securities and Exchange Commission of Pakistan

Adjudication Division
Adjudication Department

Before

Amir M. Khan Afridi HOD (Adjudication-I)

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

Date of Hearing

May 25, 2022, June 13, 2022

Order dated June 28, 2022 was passed by 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 15, 2022
2. Name of Company	Faran Sugar Mills Limited
3. Name of Individual*	The proceedings were initiated against the Company.
4. Nature of Offence	Under Section 228 of the Companies Act, 2017 read with Section 479 thereof.
5. Action Taken	<p>Key findings were reported in following manner:</p> <p>Based on the facts of the case and requirements of the Act, I have observed that the Company has acknowledged default of contravening the provisions of Section 228 of the Act and failed to provide justifiable grounds for default in compliance with law. 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, 2020 and September 30, 2021 and are liable for penal action as stipulated under the Act. Therefore, in exercise of the powers conferred under aforesaid provisions of the Act, I hereby impose a penalty of Rs 100,000/- (Rupees one hundred thousand only) on Faran Sugar Mills Limited for violating the provisions of Section 228 of the Act.</p> <p>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, violation of the Act.</p>
6. Penalty Imposed	A Penalty of Rs. 100,000/- (One Hundred thousand only) was imposed on the Respondent.
7. Current Status of Order	Appeal has been filed by the respondent.