



# Securities and Exchange Commission of Pakistan

## Adjudication Division

### Adjudication Department

#### Before

Amir M. Khan Afridi, Director/HOD (Adjudication-I)

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

Date of Hearing

November 25, 2021

#### **Order-Redacted Version**

Order dated December 30, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Faran Sugar Mills Limited. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show cause notice dated October 27, 2021
2. Name of Company	Faran Sugar Mills Limited
3. Name of Individual*	The proceedings were initiated against the Company i.e. Faran Sugar Mills Limited
4. Nature of Offence	Under Section 106 of the Securities Act 2015, for contravention of Section 107 therefore read with regulation 5 of the Reporting and Disclosure of (Shareholding by Directors, Executive Officer and Substantial Shareholders) Regulations, 2015.
5. Action Taken	<p>Key findings were reported in following manner:</p> <p>I have gone through the facts of the case, relevant provisions of the law and the record placed before me. Based on the aforesaid, it is evident that filling of annual return under Section 107 read with Regulation 5 of the Regulations is statutory requirement, that is required to be complied by listed companies in true letter and spirit. Moreover, the annual return is essential to determine, among others, particulars and summary of shareholding of each director, executive officer and substantial shareholder, their beneficial ownership and associated companies. It is undisputed fact that the Respondents have acknowledged delay in filing the annual return for the year 2020 as per requirements of Section 107 read with Regulation 5 of the Regulations and therefore the Respondents are liable under Section 106 of the Act. Taking cognizance of submissions of the Respondents and in terms of powers conferred under Section 106 of the Act, I hereby conclude this matter with warning to Respondents to ensure timely compliance of law in true letter and spirit in future.</p> <p>Nothing in this Order may be deemed to prejudice the operation of any provision of the the Act providing for imposition of penalties in respect of any default, omission or violation of the Ordinance of the Act.</p>
6. Penalty Imposed	Nil
7. Current Status of Order	No Appeal has been filed by the respondents.