



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department-I

Adjudication Division

ORDER	
Name of Company:	M/s The Searle Company Limited
Show Cause Notice No. & Date:	CSD/ARN/372/2016-331 dated April 15, 2025
Name(s) of Noticee(s):	(i) Syed Nadeem Ahmed, Director/ CEO; (ii) Mr. Zubair Razzak Palwala, Director; (iii) Mr. Adnan Asdar Ali, Director; (iv) Mr. Munis Abdullah, Director; (v) Ms. Faiza Naeem, Director; (vi) Ms. Shaista Khaliq Rehman, Director; and (vii) Mr. Muhammad Zubair Haider Sheikh, Director.
Date(s) of Hearing(s):	May 15, 2025
Case represented by:	(i) Mr. Mobeen Alam (CFO); (ii) Mr. S. Asim Raza Zaidi (Financial Controller); (iii) Mr. Zubair Razzak Palwala (Director); and (iv) Mr. Mikael Azmat Rahim (Legal Counsel from Mohsin Tayebaly & Co.). (As the Authorized Representatives)
Provision of law involved:	Circular No. 10 of 2024 dated April 17, 2024 read with Section 510 of the Companies Act, 2017
Date of Order:	May 20, 2025

This Order shall dispose of the proceedings initiated by the Securities and Exchange Commission of Pakistan (the “Commission”) through the Show Cause Notice No. CSD/ARN/372/2016-331 dated April 15, 2025 (“SCN”) against Board of Directors (“BoD”) of M/s The Searle Company Limited (the “Company”), hereinafter collectively referred to as the “Noticee(s)”, for contravention of the requirements of Circular No. 10 of 2024 dated April 17, 2024 (the “Circular”) read with Section 510 of the Companies Act, 2017 (the “Act”).

2. The Commission vide the above referred Circular, directed the BoDs of the listed companies to prepare and include, in the annual reports for the financial years ending on or after June 30, 2024, a statement on gender pay gap and also make it available on their respective website; where the violation of the Circular attracts penal action in terms of sub-section (2) of Section 510 of the Act. The relevant provisions of the Act are hereunder:

“510. Power to issue directives, circulars, guidelines.—(1) The Commission may issue such directives, prudential requirements, codes, guidelines, circulars or notifications as are necessary to carry out the purposes of this Act and the rules and regulations made under this Act.

(2) Any person, who obstructs or contravenes or does not comply with any directive, prudential requirements, codes, circulars or notifications, given under this section shall be liable to a penalty of level 3 on the standard scale.”

3. The review of the Annual Report of the Company for the year ended June 30, 2024 revealed that it has failed to include gender pay-gap disclosure in the same and has also failed to make the statement available on the Company’s website as per requirement of the Circular. In order to probe the matter, the Commission vide letter dated January 16, 2025 sought clarification from the Company with regards to the aforesaid non-compliances, for which the Company in its response vide letter dated February 13, 2025 regretted the inadvertently omission of the information and also shall ensure future compliance in respect of the same.

4. Taking cognizance of the alleged violation of law, SCN was served upon the Noticee(s) on April 15, 2025 to show the cause in writing as to why a penal action may not be taken against them for non-compliance of the requirements of the Circular. In response to SCN, Noticee No. ii vide letter dated April 24, 2025 requested

Handwritten signature and date: 20-05-2025


an extension of fifteen (15) days to submit the response to SCN which was duly granted. Later Syed Asim Raza Zaidi, Financial Controller of the Company on behalf of the Noticee(s) vide letter dated May 13, 2025 furnished the response to SCN, *inter-alia*, stating that:

- (i) *The Noticee(s) acknowledges and regrets the inadvertent omission. It was purely unintentional and not deliberate.*
- (ii) *The disclosure of Gender pay-gap has been uploaded on the Company's website demonstrating the Company's intention to ensure compliance with applicable laws on an on-going basis and to promote transparency.*
- (iii) *The Company requested to condone the SCN, considering the inadvertent nature of the omission, no detriment caused to any party and on their commitment to future compliance.*

5. In order to provide an opportunity of being heard to the Noticee(s), hearing in the matter was fixed for May 15, 2025; which was attended by Mr. Mubeen Alam (CFO), Mr. S. Asim Raza Zaidi (Financial Controller) Mr. Zubair Razzak Palwala (Director) and Mr. Mikael Azmat Rahim (Legal Counsel) as the **"Authorized Representatives"** on behalf of all the Noticee(s). The Authorized Representatives during the hearing reiterated the earlier furnished response to SCN.

6. I have gone through the Circular, relevant provisions of Section 510 the Act and considered the facts of the case, as well as written and verbal submissions made by the Noticee(s) through the Authorized Representatives. It is important to observe here that the gender pay gap is a persistent issue that requires ongoing attention from organizations, businesses and society as a whole. In simple terms, the gender pay gap is the difference in average gross hourly earnings between women and men, who are employed for similar job roles in any organization where disclosure of such information and becoming sensitized on the issue is part of an overall effort to inculcate fairness and environment of equal opportunities.

7. In light of the foregoing, the subsequent partial compliance achieved by the Company by placing the disclosure on its website and the assurance of the Authorized Representatives of taking up the matter in the next BoD meeting; the Company has shown a positive approach in respect of realizing the importance of gender pay-gap. Moreover, I have also considered the assurance provided by the Authorized Representatives on behalf of the Noticee(s) for exercising greater vigilance in adhering to the legal/ regulatory requirements in future. I, therefore, in exercise of powers conferred upon me under Section 510(2) of the Act read with S.R.O. 1545(I)/2019 dated December 6, 2019, hereby conclude the instant proceedings with a **WARNING** to the Noticee(s). The Noticee(s) are also advised to ensure meticulous compliance with all applicable laws in the future.


Sohail Qadri
Director/ HOD
Adjudication Department-I

Announced:
Dated: May 20, 2025
Islamabad