

*Before*

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

*In the matter of*

**Macpac Films Limited**

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Date of Hearing

September 22, 2022

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**Order-Redacted Version**

Order dated September 28, 2022, was passed by Head of Department (Adjudication-I) in the matter of Macpac Films Limited. Relevant details are given hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated July 29, 2022
2. Name of Company	Macpac Films Limited
3. Name of Individual*	The proceedings were initiated against the Company and its Board of Directors
4. Nature of Offence	Under Section 512(2) of the Companies Act, 2017 read with Regulations 6 and 27 of the Listed Companies (Code of Corporate Governance) Regulations, 2019
5. Action Taken	<p>Key findings are given as hereunder:</p> <p>I have gone through the facts of the case in light of the relevant provisions of the Act, the information available on record, and state that it is mandatory for a listed company to have at least two or one third of its members as independent directors as required under Regulations 6 of the CCG Regulations. It is also mandatory to have at least three members on the Board Audit Committee with at least one independent director and Chairman of the Board Audit Committee is required to be an independent director, and the Chairman of the Board shall not be the Chairman of the Audit Committee. In the instant case, it was observed that the Respondents failed to appoint requisite number of independent directors on its board and audit committee, however, the said defaults are now rectified and the Company has complied with Regulation 6 and 27 of the CCG Regulations. Therefore, I in terms of power conferred under Regulation 37 of the CCG Regulations read with Section 512 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 Regulations 6 and 27 of the CCG Regulations in letter and spirit, in future.</p>

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	Nothing in this Order may be deemed to prejudice the operation of any provision of the Regulations/Act providing for imposition of penalties in respect of any default, omission or violation of the Regulations/Act.
6. Penalty Imposed	Nil
7. Current Status of Order	No appeal was filed.