



Corporate Supervision Department
Company Law Division

Before Abid Hussain – Executive Director (CSD)

In the matter of

D. S. Industries Limited

Number and date of SCN: CSD/ARN/233/2015-656 dated October 12, 2017

Date of hearing: October 26, 2017 & February 19, 2018

Present: Mr. Mohsin Anwar, Legal counsel
(Authorized Representative)

ORDER

UNDER SECTION 495 READ WITH SECTION 476 OF THE COMPANIES ORDINANCE, 1984

This order shall dispose of the proceedings initiated against Chief Executive (*the "Respondent"*) of D. S Industries Limited (*the "Company"*). The proceedings against the respondent were initiated through show cause notice dated October 12, 2017 (*the "SCN"*), issued under the provisions of section 495 read with section 476 of the Companies Ordinance, 1984 (*the "Ordinance"*) and S.R.O. 634(I)/2014 dated July 10, 2014 (*the "SRO-I"*).

2. The brief facts of the case are that the Commission through the SRO-I directed every public listed and public unlisted company to maintain a functional website with effect from August 30, 2014 and place stipulated mandatory information thereon. Furthermore, the Commission through S.R.O. 684 (I)/2015 dated July 15, 2016 (*the "SRO-II"*) and SRO 1222 (I)/2015 dated December 10, 2015 (*the "SRO-III"*) directed all public companies to place website link of SECP investor education portal "JamaPunji" (www.jampunji.pk) along with its logo, available on SECP's website (www.secp.gov.pk) at a prominent place on the homepage of their website and maintain the website in English language along with Urdu language respectively.

3. Review of the Company's website at address www.dsil.com.pk revealed that it was inconsistent with the requirements of the SROs. The Company vide Order dated June 6, 2017 under section 472 of the Ordinance was directed to comply with the requirements of SROs and Circular 43 of 2015.



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However, review of the website on August 11, 2017 disclosed that few deficiencies as stated below had not been removed:

- Last date on which the website was updated
- Items under the heads investor relation had not been maintained
- Online form (including website link of SECP's investor complaint section <http://www.secp.gov.pk/ComplaintForm1.asp>) has not been maintained.
- Earnings per share, P/E ratio and break up value as per the latest available yearly financial statement.
- Free float of shares of the Company.
- Compliance Certificate has not been uploaded on website.
- The Company has not maintained the requisite information in Urdu language.

4. Consequently, the SCN was issued to the respondent wherein the respondent was called upon to show cause in writing as to why penal action may not be taken against him under sub-section (1) of section 495 of the Ordinance for not complying with the Commission's directions given through SROs-I, II & III and Circular No. 43 of 2015.

5. Hearing in the matter was held on February 19, 2018; Mr. Mohsin Anwar, the legal counsel of the Company appeared before the undersigned as authorized representative. He requested for adjournment on the ground that he had received the notice on the date of hearing. However, he committed to get the website updated within few days. The Company vide letter dated February 28, 2018 informed that the website has been updated according to the requirements and contents of the SROs.

5. In terms of the Commission's notification SRO 751 (I)/2017 dated August 2, 2017, the powers to adjudicate cases under the SRO-I read with section 495 of the Ordinance have been delegated to the Executive Director (Corporate Supervision Department).

6. In accordance with SRO-I, the detailed mandatory information is required to be placed on website by a listed company under the following heads: (A) Profile of the Company, (B) Governance, (C) Investors Relations, (D) Media, (E) Election of Directors, (F) Investors Information and scanned copy of the Compliance Certificate. The review of website of the Company www.dsil.com.pk has



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revealed that the Company has made substantial compliance as most of the requisite information has been placed on its website.

7. I have gone through the facts of the case and submissions of the respondents. Keeping in view the fact that the Company has taken the corrective measures and complied with the mandatory requirements of law by updating the website. Considering the assurance by the respondent for the future compliance of law and the corrective measures taken, I am inclined to take a lenient view of the matter and hereby conclude the proceedings with a warning to the respondent.

Abid Hussain
Executive Director
Corporate Supervision Department

Announced:
March 13, 2018
Islamabad

