



Corporate Supervision Department
Company Law Division

Before Ms. Amina Aziz – Director (CSD)

In the matter of

Dadabhoy Construction Technology Limited

Number and date of SCN: No. CSD/ARN/121/2015-625 dated August 23, 2016

Date of Hearing September 26, 2016

Present for Respondent Mr. Fazal Karim Dadabhoy, Authorized Representative

ORDER

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

This order shall dispose of the proceedings against the Chief Executive (the "respondent") of **Dadabhoy Construction Technology Limited** (the "Company"). The proceedings were initiated through show cause notice (the "SCN") dated August 23, 2016, issued under the provisions of section 495 read with section 476 of the Companies Ordinance, 1984 (the "Ordinance").

2. The brief facts of the case are that the Commission through the notification no. SRO 634 (I)/2014 dated July 10, 2014 (the "SRO-I") directed every public company to maintain a functional website with effect from August 30, 2014 and place stipulated mandatory information thereon. Furthermore, the Commission through the notification no. SRO 684 (I)/2015 dated July 15, 2015 (the "SRO-II"), also directed all public companies to place website link of SECP's investor education portal "JamaPunji" (www.jampunji.pk) along with its logo at a prominent place on the homepage of their websites. In terms of the Commission's SRO 1222 (I)/2015 dated December 10, 2015 (the "SRO-III"), every public company was directed to maintain a functional website in English language as well as Urdu language.

3. It was noticed that the Company had, prima facie, contravened the directions of the Commission given vide the SRO-I, SRO-II & SRO-III by not providing the complete information and by not following the sequential order in line with the requirements of the SROs. Consequently, the SCN was issued to the respondent whereof he 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 direction given vide the aforesaid SROs.

4. The company submitted reply to the SCN through letter dated September 01, 2016 and stated that the company which was maintaining their website had closed its operations and due to this they had to appoint a new company. The Company assured that the website would be compliant within three weeks.



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5. On the date of hearing, the Authorized Representative, Mr. Fazal Karim Dadabhoy appeared before the undersigned and informed that the delay was due to staff shortage and also due to appointment of a new company for maintaining their website.

6. Before proceeding further, it is necessary to advert to the following relevant provisions of Ordinance:

In terms of the Commission's SRO-I issued in pursuance of powers conferred by section 506B of the Ordinance, listed companies have been directed to maintain a functional website and provide mandatory information including placement of quarterly and annual accounts and specific information relating to: (A) profile of the company, (B) governance, (C) investors relations, (D) media, (E) election of directors, (F) investors information.

The SRO-I further provides that where a company does not comply or makes default in compliance with the requirements of the notification, every officer of the company and every other person responsible for non-compliance shall be punished in accordance with provisions of section 495 of the Ordinance.

The SRO-II and SRO-III require public companies to maintain their websites in Urdu as well as English languages and place website link and logo of SECP's investor education portal JamaPunji.

Sub-section (1) of section 495 of the Ordinance states that where any directive is given or order is issued by the Court, the officer, the Commission, the registrar or the Federal Government under any provision of this Ordinance, non-compliance thereof within the period specified in such direction or order shall render every officer of the company or other person responsible for non-compliance thereof punishable, in addition to any other liability, with fine not exceeding fifty thousand rupees and, in the case of a continuing non-compliance, to a further fine not exceeding two thousand rupees for every day after the first during which such non-compliance continues.

In terms of the Commission's notification SRO 1003 (I)/2015 dated October 15, 2015, the powers to adjudicate cases under SRO 634(I)/2014 dated July 10, 2014 read with section 495 of the Ordinance have been delegated to the Director (Corporate Supervision Department).

7. I have gone through the facts of the case, provisions of the Ordinance, requirements of the SRO-I, and submissions made by the respondent in writing and on the date of hearing. Subsequent perusal of the Company's website, www.mhdadabhoy.com reveals that it has not maintained its website and has not provided most of the information as per requirement of SRO-I, SRO-II & SRO-III, as was mentioned in the SCN. Therefore, taking cognizance of the fact, I hereby conclude the proceedings initiated under section 495 (1) of the Ordinance read with section 476 of the Ordinance, I impose a fine of Rs20, 000 on the respondent.

The aforesaid fines must be deposited in the designated bank account maintained with MCB Bank Limited in the name of the "Securities and Exchange Commission of Pakistan" within thirty days from the receipt of this order and furnish receipted bank voucher to the Commission. In case of non-deposit of the fine, proceedings for recovery of the fines as arrears of land revenue will be initiated. It may also be noted that the aforesaid fine is imposed on the respondent in his personal capacity; therefore, he is required to pay the said amount from his personal resources.



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8. Before parting with the order, I invoke the provisions of section 473 of the Ordinance and direct the Company and respondent to display/place all the relevant information on Company's website by following the sequential order of information under appropriate heads as provided in the SRO-I II & III and submit a compliance certificate as per paragraph 6 of the aforesaid SROs within one month from the date of this order.

9. It may be noted that continued non-compliance with the Commission's direction may render the respondent liable for action under sub-section (2) of section 495 of the Ordinance.

Amina Aziz
Director (CSD)

Announced:
November 09, 2016
Islamabad