



Corporate Supervision Department  
Company Law Division

Before Amina Aziz – Director (CSD)

In the matter of

**Jauharabad Sugar Mills Limited**

Number and date of SCN: CSD/ARN/153/2015-1112 dated October 26, 2015

Date of Company's reply: November 13, 2015

Reply submitted on behalf of the respondents Mr. M. Javed Panni, Chief Executive  
MJ Panni & Associates, Corporate and Capital Market  
Consultants ("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 and Directors (the "respondents") of Jauharabad Sugar Mills Limited (the "Company"). The proceedings against the respondents were initiated through show cause notice (the "SCN") dated October 26, 2015 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 SRO 634 (I)/2014 dated July 10, 2014 (the "Notification") issued in pursuance of power conferred by section 506B of the Ordinance, directed every public listed and public unlisted company to maintain a functional website with effect from August 30, 2014 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 and (F) investors information.

3. On reviewing of website of the Company as per its website address 'www.jsml.com.pk' it was observed that the Company is not maintaining its functional website which disclosed the fact 'website is coming soon'. Consequently, the SCN was issued to the respondents whereof they were called upon to show cause in writing within fourteen days from the date of the notice as to why penal action may not be taken against them under sub-section (1) of section 495 of the Ordinance for not complying with the Commission's direction given in the Notification. The case was also fixed for hearing for November 10, 2015. Mr. M. Javed

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# SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

## Corporate Supervision Department Company Law Division

Continuation Sheet - 1 -

Panni, Chief Executive, MJ Panni & Associates (hereinafter called the "Authorized Representative") vide his letter dated November 9, 2015 requested that hearing in the matter may be fixed after consideration of their written reply which will be filed within this week. The Authorized Representative respondent vide his letter dated November 13, 2015 submitted the following reply on behalf of the respondents:

*"That the name of the Company was changed from 'Kohinoor Sugar Mills Limited' to 'Jauharabad Sugar Mills Limited' in August 2014. The Company has been maintaining its website in old domain namely 'ksml.com.pk'. In light of SECP directives it was decided by the management to re-develop the website. A new domain titled 'jsml.com.pk' has been purchased as the old domain was not renewed due to fee structure of the service provider. The new website is being development in accordance with the requirements laid down by the Commission. The management of the Company assures the Commission that the website will be operational by the first week of December, 2015. In light of the above submission, it is evident that the default/delay has not been willful. It is prayed that the Company may be allowed additional time upto first week of December 2015 to have the website in place".*

4. The aforementioned reply submitted by the Authorized Representative of the respondents has been considered and the Company's website was reviewed. The following information were found deficient on the website of the Company:

- (i) Profile of Board of Directors;
- (ii) Contact detail of person designated for assisting and handling investor grievances;
- (iii) Last date on which website was updated;
- (iv) Information with regard to line items under heading 'election of directors';
- (v) Information with regard to earning per share, P/E ratio and break up value;
- (vi) Rating of company; and
- (vii) Compliance certificate signed by the chief executive officer of the company has not been placed on the website as well as the same has not been submitted to the Commission in compliance with paragraph 6 of the Notification.

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



# SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Corporate Supervision Department  
Company Law Division

Continuation Sheet - 2 -

5. In accordance with the Notification, 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.jsml.com.pk' has revealed that the Company has made substantial compliance as most of the requisite information has been placed on its website. However, the deficiencies observed have been highlighted in preceding paragraph of this order.

6. I have gone through the facts of the case, provisions of the Ordinance, requirements of the Notification and written reply submitted by the Authorized Representative on behalf of the respondents. I am of the view that even though there are minor observations as highlighted in paragraph 4 of this order, the Company has substantially complied with the requirements of the Notification. Therefore, taking cognizance of the fact, I hereby conclude the proceedings initiated under section 495 (1) of the Ordinance with a warning to the respondents to be careful and ensure meticulous compliance with applicable laws and directions of the Commission within prescribed time.

Before parting with the order, I invoke the provision of section 473 of the Ordinance and direct the respondents to place the deficient information highlighted in paragraph 4 of the order under appropriate heads and also place related mandatory information in compliance with SRO 684 (I)/2015 dated July 15, 2015 & SRO 1222 (I)/2015 dated December 10, 2015 within 30 days from the date of receipt of this order and submit a compliance certificate in term of paragraph 6 of the Notification. The Company is also advised to keep the website updated in future.

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.

**Amira Aziz**  
Director  
Corporate Supervision Department

**Announced:**  
January 6, 2017  
Islamabad

