

Before
Amir M Khan Afridi, Director/Head of Department (Adjudication-I)

In the matter of Show Cause Notice issued to Quice Food Industries Limited

Dates of Hearing	January 18, 2020; February 01, 2021; February 17, 2021; April 27, 2021; June 03, 2021
------------------	---

Order-Redacted Version

Order dated July 06, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Quice Food Industries Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 12, 2020
2. Name of Company	Quice Food Industries Limited (the Company)
3. Name of Individual*	The proceedings were initiated against directors of the Company.
4. Nature of Offence	Violations of Under Section 183 of the Companies Act 2017 read with Section 479 thereof
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have observed that the Respondents have failed to provide written response or avail numerous hearing opportunities provided to justify their stance regarding violation of the provisions of Section 183 of the Act. Therefore, I am constrained to conclude the proceedings based on the information available on record.</p> <p>I have gone through the fact of the case and observed that provisions of Section 183 of the Act require a company to obtain prior authorization of the members in general meeting either specifically or by way of an authorization to sell, lease or otherwise dispose of the undertakings or sizable part thereof. The Company has disposed off sizeable part of its P&M without taking shareholders' approval which violation of subsection (3) of Section 183 of the Act.</p> <p>From the above discussion and after careful consideration of all the facts of the case, I am of the view that provisions of sub-section (3) of Section 183 of the Act have been contravened and for this</p>

	<p>contravention, the Respondents are liable under the sub-section (6) of Section 183 of the Act. In exercise of the powers conferred under the said provision.</p> <p>Penalty order dated July 06, 2021 was passed by Director/HoD (Adjudication-I).</p>
6. Penalty Imposed	A Penalty of Rs.200,000/- was imposed on all the respondents.
7. Current Status of Order	No Appeal has been filed by the respondents.