



Corporate Supervision Department  
Company Law Division

Before Ms. Amina Aziz – Director (CSD)

In the matter of

**AKD Capital Limited**

Number and date of SCN: CSD/ARN/84/2015-2374 dated January 12, 2016  
Date of Hearing: February 4, 2016  
Present for Respondent: Mr. Asghar Ali Anjum, 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 AKD Capital Limited (the “Company”). The proceedings against the respondent were initiated through show cause notice (the “SCN”) dated January 12, 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 SRO 634 (I)/2014 dated July 10, 2014 (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 SRO 684 (I)/2015 dated July 15, 2016 (the “SRO-II”), also directed all public companies to place website link of SECP investor education portal “JamaPunji” ([www.jampunji.pk](http://www.jampunji.pk)) along with its logo, available on SECP’s website ([www.secp.gov.pk](http://www.secp.gov.pk)) at a prominent place on the homepage of their website.

3. It was noticed that the Company had, prima facie, contravened the directions of the Commission given in the SRO-I & II by not maintaining a functional website. Consequently, a show cause notice (“SCN”) was issued to the respondent whereof they were 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 SRO-I & II along with fixing hearing for January 22, 2016. No one appeared on the dated of hearing. The Company vide its letter dated January 22, 2016 received by the Commission on January 25, 2016 intimated that the time of attending hearing was 10:00 a.m. on January 22, 2016 but due to typo error in the consent letter about time of attending the hearing, we were late and could not attend the same in time. The Company vide its another letter dated January 28, 2016 received by the Commission on February 1, 2016 intimated that it has complied with relevant paras of the SRO-I. Hearing in the matter was re-fixed on February 4, 2016.

4. On the date of hearing, Mr. Asghar Ali Anjum (the “Authorized Representative”) appeared before me and submitted his arguments. He stated the reason of delay in maintenance of website was due to the fact that the Company is not operational and it has minimum resources and limited employees. He was questioned about the information which was still not placed on website of the Company. The authorized representative pledged that complete information in accordance with SRO-I & II will be placed within 15 days.

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



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In terms of the Commission's SRO 634(I)/2014 dated July 10, 2014 issued in pursuance of powers conferred by section 506 B 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 aforesaid notification, inter alia, requires listed companies to place on their website:

- Latest annual accounts at least twenty one days before holding of the annual general meeting ("AGM") and annual accounts and reports adopted by shareholders within seven days after the AGM; and
- Interim accounts i.e. latest available quarterly accounts as well as accounts for the last three quarters.

The SRO 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.

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).

6. The review of website of the Company [www.adkcapital.com](http://www.adkcapital.com) has revealed that the Company has not placed the following mandatory information:

S. No.	Heading of SRO-I	Deficient Information
1	A) Profile of Company	i) Registration number and NTN;
2	B) Governance	i) Profile of Board of Directors; and ii) Shareholding Pattern
3	C) Investor Relations	No heading & no information provided.
4	D) Media	Not opening on clicking.
5	F) Investor Information	i) Symbol of the company assigned by the stock exchange and website links of stock exchange where the company is listed; ii) Financial highlights for previous five years; iii) Interim accounts i.e. latest available accounts as well as for the last three quarters; iv) As per the latest available yearly financial statement: Earnings per share, P/E ratio and breakup value; and v) Rating of Company and instruments (if any)
<b>Compliance certificate not placed at website as well as not submitted to the Commission.</b>		





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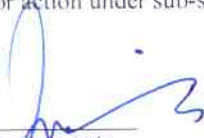
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7. I have gone through the facts of the case, provisions of the Ordinance, requirements of the SRO-I and arguments put forth by the respondent. I am of the view that the respondent had not complied with the Commission's direction given vide the SRO-I. However, I take cognizance of the fact that after initiation of the subject proceedings, the Company has maintained a functional website and has provided some of the requisite information thereon and considering pledge of the Authorized Representative to place all the mandatory information on website of the Company within 15 days from the date of hearing. I therefore, in exercise of the powers conferred by the SRO-I and Section 495 of the Ordinance, instead of imposing penalty, I hereby conclude the proceedings with a warning to the respondent to be careful in future.

Before parting with the order, I invoke the provision of section 473 of the Ordinance and direct the respondent to place all the mandatory information on the Company's website and fulfill other requirements in terms of SRO-I and submit a compliance certificate within 15 days from the date of receipt of this order.

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:**  
February 10, 2016  
Islamabad