



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

*Company Law Division
(Enforcement Department)*

Before Abdul Rehman Qureshi, Commissioner (CLD)

In the matter of

M/S Quice Food Industries Limited

Date of hearing November 05, 2003

Present No one appeared

Order

This order shall dispose of the proceedings initiated against the directors of M/S Quice Food Industries Limited under Section 186 of the Companies Ordinance, 1984 (“the Ordinance”) for non-holding of election of directors of the Company as required under Section 177 of the Ordinance.

2. The facts of this case briefly stated are that the Company was required to hold its election of directors on or before December 31, 1999 under Section 177 of the Ordinance, as the last elections were held on December 31, 1996. The continuing directors, not only, failed to hold the election within the prescribed period but also did not report the impediments to the Registrar of Companies within fifteen days as required under Section 177 of the Ordinance. Consequently, a notice dated July 30, 2003 was served upon the directors of the Company to show cause as to why penalty as provided under Section 186 read with Section 476 of the Ordinance, may not be imposed and as to why they may not be debarred from continuing or becoming the director of the Company for a period of three years as provided in Section 186 of the Ordinance for the aforesaid contravention. They were also provided an opportunity of hearing on August 22, 2003.

3. The accused directors neither filed any reply nor appeared on the date fixed for hearing. The case was again fixed for October 14, 2003, which was adjourned and finally fixed for November 05, 2003 however no one appeared on the aforesaid date. In the circumstances it appears that the directors are reluctant to face the legal proceedings by pretending to keep themselves away from the legal proceedings.



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4. Taking into consideration, the relevant facts of the case, past record of compliance of statutory provisions of law and the fact that the accused have not bothered to avail the opportunity of hearing provided to them, I consider that the default was committed willfully and intentionally. The circumstances reflect the attitude of the directors respondents toward disregard of the requirements of the law. Accordingly, I impose a fine of Rs. 10,000/- on each of the directors including the Chief Executive. They are also directed to hold the over due election of directors within thirty-five days of the date of receipt of this order failing which penal action, as provided in law, will be taken against them.

5. The Chief Executive and the following directors of the company are directed to deposit the fine, amounting to Rs. 70,000/- (Rupees Seventy Thousand only), imposed upon them, as under, in the designated bank account maintained in the name of Securities and Exchange Commission of Pakistan with Habib Bank Limited within thirty days from the receipt of this order and furnish the receipted challan to the Commission: -

<u>Name of the Directors</u>	<u>Amount (Rs)</u>
Mr. Muhammad Afaq Shamsi, Chief Executive	10,000
Mr. Muhammad Faheem, Director	10,000
Mr. Muhammad Ahmed, Director	10,000
Mr. Akhtar Rasheed, Director	10,000
Mr. Shahid Darvesh, Director	10,000
Mr. Muhammad Farooq, Director	10,000
Mr. Muhammad Asim, Director	10,000
Total	70,000

(Abdul Rehman Qureshi)
Commissioner (C.L.D)

December 17, 2003
ISLAMABAD