



Corporate Supervision Department
Company Law Division

Before Tahir Mahmood – Commissioner (Company Law Division)

In the matter of

Quice Food Industries Limited

Number and date of notice: ARN/165/2015-1810-6 dated June 4, 2015

ORDER

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

This order shall dispose of the proceedings initiated against the directors including the Chief Executive (the "respondents") of Quice Food Industries Limited (the "Company") through show cause notice ("SCN") dated June 4, 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 in terms of Commission's notification no. 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.

3. Based on an investor's complaint, the website of the Company www.quice.com.pk was reviewed and it was found that the Company had not provided most of the mandatory information on its website including, inter alia, the latest annual accounts for the year ended June 30, 2014 and latest quarterly accounts for the quarter ended March 30, 2015 as well as accounts for the last three quarters. Moreover, complete information required to be disclosed under the headings (A) through to (F), as mentioned in the preceding paragraph, was not made available by the Company on its website.



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4. Consequently the SCN was issued to the respondents as they, prima facie, contravened the provision of sub-section (1) of section 495 of the Ordinance as they failed to comply with the Commission's directions given through notification no. SRO 634(I)/2014 dated July 10, 2014. In response to the SCN, the respondents submitted reply vide letter dated June 18, 2015 and submitted as under:

The Company has maintained its website and necessary information including the latest accounts which were being uploaded on it. At that time the Company's website was outsourced and the agency that was running the website misplaced the domain, therefore, the Company could not modify it. Now the Company has its own domain and concerned staff has been directed to upload the required information and documents which will be achieved in near future.

The respondents gave assurance for future compliance stated that the default was unintentional and may be condoned.

5. Subsequently, the case was fixed for hearing on September 14, 2015 through hearing notice dated August 21, 2015, in response to which the respondents through the letter dated August 29, 2015 submitted that the problems that caused the non-compliance had been mentioned in their earlier letter. They further submitted that the Company's website was well updated and contained the latest accounts as well as accounts for the previous years. The case was against fixed for hearings on October 22, 2015 and December 1, 2015. However, the respondents through letter dated November 27, 2015 stated that they have already explained their point of view in writing and that was all they could have presented in a hearing. They requested to set aside the proceedings based on their written submissions.

6. Latest review of Company's website as of December 2, 2015 reveals that it has made available the latest Annual Report including financial statements for the year ended June 30, 2015 as well as for previous two years. The Company has also provided Quarterly Accounts for the quarter ended March 31, 2015 and previous three quarters. However, Quarterly Accounts for the quarter ended September 30, 2015 have not been made available. Moreover, the Company also has not provided complete information on its website as required under the headings (A) through to (F) of the notification SRO 634(I)/2014. It has also been observed that the Company has provided the logo and website link of the Commission's investor education portal JamaPunji on its website



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in compliance with requirements of Commission's notification SRO 684(I)/2015 dated July 15, 2015. It is evident that the Company has made considerable progress to comply with the requirements of the Commission's SRO 634(I)/2014 and SRO 684(I)/2015. However, the Company has still to provide complete information in terms of SRO 634(I)/2014 mentioned including, inter alia, the information required to be made available under the headings (A) to (F) of the said notification.

7. Keeping in view the facts of the case, submissions made by the Company and considerable progress by the Company regarding compliance with the Commission's notifications, I hereby conclude the proceedings with a stern warning to the respondents to be careful in future and ensure meticulous compliance with applicable legal provisions.

Moreover, the Company is hereby directed to comply with the requirements of SRO 634(I)/2014 dated July 10, 2014 by making available all the remaining information and documents on its website, as per requirements of the aforesaid notification, within thirty days from the receipt of this order. The Company is further directed to submit a compliance certificate duly signed by the chief executive of the in terms of para 6 of the SRO 634(I)/2014 within forty five days from the date of this order.

Amina Aziz
Director (CSD)

Announced:
December 2, 2015
Islamabad