



Corporate Supervision Department
Company Law Division

Before Ms. Amina Aziz – Director (CSD)

In the matter of

The Premier Sugar Mills & Distillery Company Limited

Number and date of SCN: CSD/ARN/351/2016-712 dated August 25, 2016

ORDER

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

This order shall dispose of the proceedings against the Chief Executive (the "respondent") of The Premier Sugar Mills & Distillery Company Limited (the "Company"). The proceedings were initiated through show cause notice (the "SCN") dated August 25, 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 notification no. SRO 634 (I)/2014 dated July 10, 2014 (the "SRO-I") directed every public company to maintain a functional website with effect from August 30, 2014 and place stipulated mandatory information thereon. Furthermore, the Commission through the notification no. SRO 684 (I)/2015 dated July 15, 2015 (the "SRO-II"), also directed all public companies to place website link of SECP's investor education portal "JamaPunji" (www.jampunji.pk) along with its logo at a prominent place on the homepage of their websites. In terms of the Commission's SRO 1222 (I)/2015 dated December 10, 2015 (the "SRO-III"), every public company was directed to maintain a functional website in English language as well as Urdu language.

3. It was noticed that the Company had, prima facie, contravened the directions of the Commission given vide the SRO-I, SRO-II and SRO-III by not maintaining a functional website. Consequently, the SCN was issued to the respondent whereof he was 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 aforesaid SROs.

4. The company submitted reply to the SCN through letter dated September 7, 2016 and stated that the Company had been maintaining its functional website, however, due to some



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uncertain reasons the website crashed and all the data was destroyed. It was further submitted that the website was again developed and requirements of the SROs were being complied with except for the requirement to maintain website in Urdu language. The respondent gave assurance for compliance with this requirement in due course.

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

In terms of the Commission's SRO-I issued in pursuance of powers conferred by section 506B 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 SRO-I 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.

The SRO-II and SRO-III further require public companies to maintain their websites in Urdu as well as English languages and place website link and logo of SECP's investor education portal JamaPunji.

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).



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6. I have gone through the facts of the case, provisions of the Ordinance, requirements of the SRO-I, and submissions made by the respondent in writing. Subsequent perusal of the Company's website reveals that it has now maintained its website and has provided information as per requirement of SRO-I, II & III. Furthermore, a copy of compliance certificate signed by the CEO has also been placed on the website. Therefore, in exercise of the powers conferred by section 495 of the Ordinance, instead of imposing penalty, I hereby conclude the proceedings with a warning to the respondent to be careful and ensure meticulous compliance with applicable laws and directions of the Commission.

Amina Aziz
Director (CSD)

Announced:
October 03, 2016
Islamabad