



Corporate Supervision Department  
Company Law Division

Before Amina Aziz – Director (CSD)

In the matter of

**Khyber Textile Mills Limited**

Number and date of SCN: CSD/ARN/214/2015-3911 dated April 4, 2016  
Date of hearing: April 15, 2016  
Present for Respondent: Mr. Sadaqat Khan, Company Secretary  
(the “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 Khyber Textile Mills Limited (the “Company”). The proceedings against the respondent were initiated through show cause notice (the “SCN”) dated April 4, 2016, issued under the provisions of section 495 read with section 476 of the Companies Ordinance, 1984 (the “Ordinance”) and S.R.O. 634(I)/2014 dated July 10, 2014 (the “SRO-I”).

2. The brief facts of the case are that the Commission through 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 S.R.O. 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. On reviewing of website of the Company, it was observed that the Company has not placed the following mandatory information in compliance with the SRO-I & II:

- Not placed website link of SECP Investor Education Portal ‘JamaPunji’ ([www.jamapunji.com](http://www.jamapunji.com)) along with its logo in contrary to the requirements of the SRO-II;
- Names of directors have been provided without their profile under sub-heading “Profile of Board of Directors” of heading “Governance”;
- No information has been provided under sub-heading “Shareholding pattern” of heading “Governance”;
- No information with regard to online form/contact details of person designated for assisting and handling investor grievances has been provided under heading “Investor Relation” of SRO-I.



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- No information about Election of Directors.
- Annual reports 2011 to 2014 have been shown placed on website but on clicking, the window exhibits that “Not Found” – “Apologies, but the page you requested could not be found. Perhaps searching will help.”;
- No interim accounts have been placed under sub-heading “Interim accounts” of heading “Investor Information”;
- Information regarding -Financial highlights, Earning per share, P/E ratio and breakup value and free float of shares of company have not been provided whereas only such sub-heads has been provided under heading “Investor Information”;
- Scanned copy of the compliance certificate has not been placed on its website as well as not submitted to the Commission ,

4. 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 in the SRO-I &II along with fixing the dated of hearing for April 15, 2016.

5. On the date of hearing Mr. Sadaqat Khan, Company Secretary (the “Authorized Representatives”) appeared before me and he was questioned about maintenance of website as per directions given by the Commission through SRO-I & II. He informed that all the mandatory information has been placed on website of the Company and the same was updated on April 8, 2016. He also submitted Company’s letter dated April 14, 2016 which contents are reproduced as under:

*“We have been updating our website over the last few weeks, however due to technical issues with our website provider we had problems uploading relevant financial information and reports. However, we are pleased to inform you that the technical issues have been fixed and all relevant required data is available on the website. We have placed all the mandatory information on our website in accordance with requirements of SRO 634 (I)/2014 dated July 10, 2014 and SRO 684 (I)/2015 dated July 15, 2015”*

6. The Company’s website was reviewed and observed that the Company has updated and maintained its functional website by placing mandatory information as per SRO-I and SRO-II.

In terms of the Commission’s notification SRO 1003 (I)/2015 dated October 15, 2015, the powers to adjudicate cases under the SRO-I read with section 495 of the Ordinance have been delegated to the Director (Corporate Supervision Department). The provisions of sub-section (1) of section 495 of the Ordinance are reproduced as under:

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*"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."*

7. In accordance with SRO-I, the detailed mandatory information is required to be placed on website by a listed company under the following heads: (A) Profile of the Company, (B) Governance, (C) Investors Relations, (D) Media, (E) Election of Directors, (F) Investors Information and scanned copy of the Compliance Certificate. Furthermore, placement of Jamapunji Logo on Company's homepage along with access to Jamapunji portal is mandatory as per SRO-II. The review of website of the Company has revealed that the Company has made compliance with the provisions of SRO-I and other SRO-II as it has updated and maintained functional website by placing the mandatory information but the said compliance has not been made within the timeline prescribed under the aforesaid SROs.

8. I have gone through the facts of the case, provisions of the Ordinance, requirements of the SRO-I & II and written reply of the Company, I am of the view that the Company has substantially complied with the requirements of the aforementioned SROs. Therefore, taking cognizance of the fact, I hereby conclude the proceedings initiated under section 495 (1) of the Ordinance with a warning to the respondent to be careful in future and ensure meticulous compliance with applicable laws and directions of the Commission within prescribed time.

**Amna Aziz**  
Director (CSD)

**Announced:**  
May 31, 2016  
Islamabad