



Corporate Supervision Department
Company Law Division

Before Ms. Amina Aziz – Director (CSD)

In the matter of

Arshad Energy Limited (Formerly Ideal Energy Limited)

Number and date of SCN: CSD/ARN/363/2016-1051-21 dated September 26, 2016
Date of Hearing: October 28, 2016
Present for Respondent: Mr. Muhammad Afzal, Authorized Representative

ORDER

**UNDER SUB-SECTION (3) OF SECTION 245 READ WITH SECTION 476 OF THE
COMPANIES ORDINANCE, 1984**

This order shall dispose of the proceedings initiated against the following directors including the chief executive officer (together referred to as "respondents") of **Arshad Energy Limited (Formerly Ideal Energy Limited)** (the "Company"):

- | | | | |
|---|--------------------------|---|----------------------|
| 1 | Mr. Nisar Ahmad Sheikh | 5 | Mrs. Shahida Arshad |
| 2 | Mr. Muhammad Arshad | 6 | Mrs. Naureen Shahzad |
| 3 | Mr. Shahzad Ahmad Sheikh | 7 | Ms. Resham Shahzad |
| 4 | Mr. Shehryar Arshad | | |

The proceedings against the respondents were initiated through show cause notice (the "SCN") dated September 26, 2016 under the provisions of section 245 read with section 476 of the Companies Ordinance, 1984 (the "Ordinance").

2. The brief facts of the case are that as per record, the Company did not file the interim financial statements ("Quarterly Accounts") for the following periods in physical form with the Commission, as per requirements of section 245 of the Ordinance:

Quarter Ended	Due On
31-Mar-16	30-Apr-16

Consequently, the SCN was issued to the respondents whereof they were called upon to show cause in writing as to why penal action may not be taken against them under sub-section (3) of section 245 of the Ordinance for not filing the aforesaid Quarterly Accounts.

3. In response to the SCN, the respondents vide letter dated October 27, 2016 submitted that the Quarterly Accounts were e- filed in due time on 28 April 2016. They were of the view that physical filing was not mandatory however when they came to know about this, they sent the physical copies dated October 19, 2016 along with the filing fee.



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

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4. In hearing held on October 28, 2016, Mr. Muhammad Afzal, Authorized Representative of the Respondents, appeared before the undersigned and submitted that the delay was unintentional as they were not aware of the physical submission of accounts with the Commission along with e-filing.

5. Having gone through the facts of the case and relevant record, it is clear that the Company did not file the aforesaid Quarterly Accounts in time with the Commission in physical form, but those were filed with the Registrar in time. It is to be noted that according to section 245(1)(b) of the Companies Ordinance 1984, listed companies are required to file the quarterly accounts with the registrar and the Commission. In connection with this it is important to note that the applicable legal framework, i.e. section 245 of the Ordinance requires separate filing of Quarterly Accounts with the Commission and the Registrar of Companies. In respect of filing of Quarterly Accounts with the Registrar, e-filing mode has been adopted; however, it does not currently cater for filing of accounts with the Commission. As such, companies are still required to file their quarterly and annual accounts in physical form at the Commission's head office. This fact has been amply clarified by the Commission through a press release dated January 2, 2014.

6. Considering the submissions of the respondents and the fact that the Company filed the Quarterly Accounts with the Registrar in a timely manner, instead of imposing fine, I hereby conclude the proceedings without any adverse order and advise the respondents to be careful and ensure meticulous compliance with applicable laws and directions of the Commission.

Amina Aziz
Director (CSD)

Announced:
November 29, 2016
Islamabad