



Corporate Supervision Department
Company Law Division

Before Amina Aziz – Director

In the matter of

Buraq Welfare Foundation

Number and date of notice: EMD/242/I/456/2015-210 dated February 4, 2015
Date of hearings: March 31, 2015
Present: Mr. Muhammad Muzammil, Director
Mr. Muhammad Asad, representative of Mr. Muhammad
Mr. Imran ul Haq, representative of Mr. Muhammad Basit Jamil

ORDER

UNDER SECTION 244 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 Buraq Welfare Foundation (the "Company") through show cause notice ("SCN") dated February 4, 2015 issued under the provisions of section 244 read with section 476 of the Companies Ordinance 1984 (the "Ordinance").

2. The brief facts of the case are that examination of the annual audited financial statements for the years ended June 30, 2014 ("the Accounts") filed under Section 242 of the Ordinance by the Company revealed that the Company's auditors' namely Nasir Javaid Maqsood Imran, Chartered Accountants in its audit report to the members, inter alia, states that we have audited the annexed balance sheet of the Company as at June 30, 2014 and related income and expenditure account, statement of changes in fund, cash flow statement together with the notes forming part thereof. However, the financial statements filed by the Company did not contain following mandatory annexes:

- i. The directors' report for the year ended on June 30, 2014; and
- ii. The 'Cash Flow Statement', the 'Statement of Changes in Fund' and accounting policies / explanatory notes.

3. The Company through letter dated January 26, 2015 submitted the following:

- (i) The Director's Report was prepared and was attached which could not be uploaded on SECP's e-filing portal properly, however it has since been uploaded again and reconfirmed; and
- (ii) The company has prepared financial statements in accordance of International Accounting Standards (IASs) including the cash flow statement, statement of changes in equity,



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accounting policies and notes to the accounts, however, the same could not be uploaded through e-filing. It was They requested for a lenient view in the matter.

4. Consequently, the SCN was issued to the respondents for, prima facie, contravention of provisions of Section 244 of the Ordinance by not attaching / annexing to the Accounts filed under Section 242 of the Ordinance, the Directors' Report, the 'Cash Flow Statement', the 'Statement of Changes in Fund' and accounting policies / explanatory notes. In response, the Company vide letter dated February 23, 2015 agreed with the observations of the Commission and submitted that it was first year of operations of the Company and due to unfamiliarity with the uploading portal of the Commission, complete annexures could not be uploaded, however, it was an unintentional mistake. They also requested for a hearing date which was fixed for March 31, 2015 and was duly held. The respondents reiterated their earlier stance and also produced a copy of Order dated December 1, 2014 of the Registrar of Companies passed under section 242 of the Ordinance whereof a fine of Rs4,000 has been imposed on the Company in respect of non-filing/late filing of the aforesaid Accounts. They submitted complete set of Accounts with all annexures and assured in future utmost care will be taken to avoid such unintentional mistakes.

5. Having gone through the facts of the case, submission by the respondents and considering the fact that a penalty has already been imposed on the Company under section 242 of the Ordinance, in respect of the Accounts for the year ended June 30, 2014, I hereby close the proceedings initiated under section 244 of the Ordinance without any adverse order.

Amina Aziz
Director (CSD)

Announced:
April 2, 2015
Islamabad