



Corporate Supervision Department
Company Law Division

Before Amina Aziz – Director (CSD)

In the matter of

Gulistan Textile Mills Limited

Number and date of SCN: CSD/ARN/196/2015-211-17, dated August 3, 2015

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 vide show cause notices dated August 3, 2015 issued to following chief executive and directors (“respondents”) of Gulistan Textile Mills Limited (“Company”) for default made in complying with the provisions of Sub-section (1) of Section 245 read with Section 476 of the Companies Ordinance, 1984 (“Ordinance”).

S.#	Names of respondents
1	Mr. Muhammad Muzafir Ali
2	Mr. Naseer Ahmed
3	Mr. Muhammad Azhar
4	Mr. Muhammad Zubair
5	Mr. Seemab Ahmed Khan
6	Mr. Muhammad Amir Iqbal
7	Mr. Muhammad Badar Munir Al Sami Alam

2. The brief facts of the case are that as per record, the Company failed to file following interim financial statements (“Quarterly Accounts”) for the following period with the Commission within stipulated time, as per requirements of section 245 of the Ordinance:

Quarter Ended	Due Date
31-Mar-14	30-Apr-14

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 in a timely manner as stipulated by the law. In response to the SCN the respondents vide letter dated August 17, 2015 submitted that they have placed the soft copy of Quarterly Accounts and communicated this fact of placement of accounts on Company website to all its shareholders and stakeholders through advertisement in newspaper. The Company also filed the subject accounts to Commission through



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

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Continuation Sheet - 1 -

e-services but delay of 13 days occurred due to printing problem and assured that they will be much more careful in future.

3. In terms of the Commission's notification SRO 1003(I)/2015 dated October 15, 2015, the powers to adjudicate cases under section 245 of the Ordinance have been delegated to Director (Corporate Supervision Department).

4. 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.

5. It is clear from the record that the Company did not file the aforesaid Quarterly Accounts in physical form with the Commission in a timely manner; however, those were uploaded on website for shareholders within prescribed time period. Therefore, considering the otherwise satisfactory compliance history of filing of accounts with the Commission, instead of imposing fine, I hereby conclude the proceedings with a warning to the respondents to be careful in future and ensure meticulous compliance with provisions of section 245 of the Ordinance.

Amina Aziz
Director (CSD)

Announced:
December 16, 2015
Islamabad