



Corporate Supervision Department
Company Law Division

Before Amina Aziz – Director (CSD)

In the matter of

Safa Textile Mills Limited

Number and date of SCN: EMD/233/279/2002-1271, dated January 27, 2015
EMD/233/279/2002-1272, dated January 27, 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 January 27, 2015 issued to following chief executive and directors (“respondents”) of Safa 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. Adnan Iqbal
2	Syed Iqbal Hussain
3	Syed Tarique I Hussain
4	Mrs. Farhat Iqbal
5	Mrs. Seema Adnan
6	Mrs. Sabeen Tarique
7	Syed Marib Hussain

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 periods with the Commission within stipulated time, as per requirements of section 245 of the Ordinance:

Quarter Ended	Due Date
31-Dec-13	28-Feb-14
31-Mar-14	30-Apr-14
30-Sep-14	31-Oct-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 February 9, 2015



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

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Continuation Sheet - I -

submitted that they have filed all the quarterly accounts with the Registrar and Commission through eservices within stated time period.

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 placed on e-filed with Registrar 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 9, 2015
Islamabad