



Corporate Supervision Department
Company Law Division

Before Ms. Amina Aziz – Director (CSD)

In the matter of

S.G. Fibre Limited

Number and date of SCN: CSD/ARN/258/2016-163-69 dated July 26, 2016
Date of Hearing: December 02, 2016
Present for Respondent: Mr. M. Javed Panni, Authorized Representative

ORDER

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

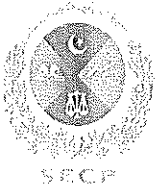
This order shall dispose of the proceedings initiated against the following directors including the chief executive officer (together referred to as "respondents") of S.G. Fibre Limited Limited (the "Company"):

- | | | | |
|---|----------------------|---|------------------------|
| 1 | Mr. Asim Ahmed | 5 | Mr. Sohail Ahmed |
| 2 | Mst. Zubaida Khatoun | 6 | Mr. Hidayat Ali Shar |
| 3 | Mrs. Ghazala Ahmed | 7 | Mr. M. Khurram Khawaja |
| 4 | Mrs. Tania Asim | | |

The proceedings against the respondents were initiated through show cause notice (the "SCN") dated July 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
30-Sep-14	31-Oct-14
31-Dec-14	28-Feb-15
31-Mar-15	30-Apr-15
30-Sep-15	31-Oct-15
31-Dec-15	29-Feb-16
31-Mar-16	30-Apr-16



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Corporate Supervision Department
Company Law Division

Continuation Sheet - 1 -

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 December 02, 2016 submitted that the company is closed for more than seven years and has no working staff to handle the office work. They also stated that the responsible person had by oversight, forgotten to submit the relevant accounts to the Commission, however the accounts were regularly submitted to the PSX. The company also sent the physical copies of the accounts along with the reply.

4. In hearing held on December 02, 2016, Mr. M. Javed Panni, Authorized Representative of the Respondents, appeared before the undersigned and submitted that the company filed the accounts with the PSX but due to oversight could not submit them to the Commission.

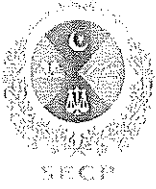
5. Having gone through the relevant record and facts of the case, it is clear that the Company did not file physical copies of the aforesaid Quarterly Accounts in time with the Commission but circulated those accounts to the shareholders and also filed with the PSX in time. It is to be noted that according to section 245(1)(b) of the Ordinance, 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. It is important to highlight here that the Ordinance has been repealed while promulgating Companies Ordinance, 2016 ("Ordinance 2016"). However, provisions of Section 509(1)(f) of the Ordinance 2016 clearly provides that pending proceedings shall be concluded as provided in the Ordinance :

"509. Repeal and savings. — (1) The Companies Ordinance, 1984 (XLVII of 1984), hereinafter called as repealed Ordinance, shall stand repealed, except Part VIII A consisting of sections 282A to 282N, from the date of coming into force of this Ordinance and the provisions of the said Part VIII A along with all related or connected provisions of the repealed Ordinance shall be applicable *mutatis mutandis* to Non-banking Finance Companies in a manner as if the repealed Ordinance has not been repealed:

Provided that repeal of the repealed Ordinance shall not-

(f) affect any inspection, investigation, prosecution, legal proceeding or remedy in respect of any obligation, liability, penalty, forfeiture or punishment as aforesaid, and any such inspection, investigation, prosecution, legal proceedings or remedy may be made, continued or enforced and any such penalty, forfeiture or punishment may be imposed, as if this Ordinance has not been passed".



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Corporate Supervision Department
Company Law Division

Continuation Sheet - 2 -

7. Considering the submissions of the respondents and the fact that the Company filed the Quarterly Accounts with the PSX and also that the company is moving towards revival of its operations, 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 15, 2016
Islamabad