

Securities and Exchange Commission of Pakistan
Company Law Division
Corporatization & Compliance Department

Before
Commissioner (Corporatization and Compliance Department)

In the matter of

LAHORE PARKING COMPANY LIMITED

ORDER

under Rule 25 of the Public Sector Companies (Corporate Governance) Rules 2013 read with Section 506(2) of the Companies Ordinance, 1984

Number and date of show cause notice: No.10/2016-CLD/CCD/PSC/94/2015-7318
dated March 24, 2016

Present: Ms. Lubna Altaf, Company Secretary

Date of Hearing: April 12, 2016

Place of Hearing: Lahore (through video conference)

This Order shall dispose of proceedings initiated against the Chief Executive and Directors/ Officers of Lahore Parking Company Limited (the "Company") for default made in compliance with the requirements of rule 24 of the Public Sector Companies (Corporate Governance) Rules, 2013 (the "Rules").

2. The brief facts leading to the show cause notice are that the Company, being a public sector company, was required in terms of sub-rule (1) and (2) of rule 24 of the Rules to publish, circulate and file with the Commission, a Statements of Compliance (SOC) and review report from the auditor for the year ended June 30, 2015. However, it has failed to do so for which a show cause notice dated March 24, 2016 (the "SCN") was issued calling upon the Chief Executive and other directors/ officers of the Company to explain in writing and to appear in person or through authorized representative for hearing on April 12, 2016 to clarify the position.


3. In response to the above SCN, the Company Secretary appeared on the date fixed for hearing and stated that the SOC for the year ended June 30, 2015 could not be filed due to non-completion of the audit for the year 2014-15. The Company Secretary informed that the delay in conducting the audit for the year 2014-15 was due to delay in appointment of the auditor. The Company Secretary also requested for extension of time to submit SOC for the year ended June 30, 2015. However, it has been observed that SOC for the year ended June

30, 2015 has not been filed till date. The Commission vide its letter dated January 2, 2017 has also reminded to the Chief Executive of the Company to file its overdue SOC within 07 days; however no response has been received.

4. I have gone through the relevant provisions of the Rules, and other record of the Company and observed that sub-rule (1) of rule 24 of the Rules requires that every public sector company shall publish and circulate a SOC along-with its annual report to set out the status of its compliance with the Rules, and shall also file SOC with the Commission and the registrar concerned along-with its annual report. Further, sub-rule (2) of rule 24 of the Rules requires that the company shall ensure that SOC is reviewed and certified by the external auditors, where such compliance can be objectively verified, before its publication. I have also perused rule 25 of the Rules which provide penalty for contravention of the rules.

5. Based on the above, it is apparent that the Company and its directors have violated the mandatory requirements of rule 24 of the Rules by not filing SOC for the year 2015. I, therefore, in exercise of the powers conferred under rule 25 of the Rules read with section 506(2) of the Companies Ordinance, 1984, impose a fine of Rs. 50,000/- (Rupees Fifty thousand only) on the Chief Executive of the Company. The Chief Executive is, hereby, directed to deposit the amount of penalty in the Commission's account within 30 days of the receipt of this Order and furnish original receipt/challan of the same to this office for record. In case of non-payment of penalty within the specified time, the same will be recovered under the provisions of law. The Company and its directors including its Chief Executive are also directed to submit the overdue SOC for the year 2015 within a period of 15 days of the date of this order.

6. This order is issued without prejudice to any other action(s) that may be initiated against the Company and its directors/officers responsible for the violations of the aforesaid provisions of the Rules and the Ordinance.


(Tahir Mahmood)
Commissioner (CCD)

Announced:
January 12, 2017