



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

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*Before*  
**Commissioner (Corporatization and Compliance Department)**

*In the matter of*

**M/s. 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. CLD/CCD/PSC/3/2015-IAN-8/2017-3656 dated January 23, 2017.

Present: Ms. Lubna Altaf, Company Secretary.

Date of Hearing: January 31, 2017

Place of Hearing: Lahore (through video conference).

This Order shall dispose of proceedings initiated against the Chief Executive and Directors/Officers of M/s. 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, 2016. However, it has failed to do so for which a show cause notice dated January 23, 2017 (the "SCN") was issued calling upon the Company and its directors/officers to explain in writing and to appear in person or through authorized representative for hearing on January 31, 2017 to clarify the position.

3. In response to the above SCN, the Company vide letter dated January 24, 2017 stated that the SOC for the year ended June 30, 2016 could not be filed because the audit of the Company for the year 2015-16 is yet to be conducted. The Company also informed that the delay in conducting the audit for the year 2015-16 is due to delay in appointment of the auditor and requested for extension of time to submit SOC for the year ended June 30, 2016. The Company Secretary also appeared on the date fixed for hearing and reiterated the above stated position. It has been observed that the filing of SOC is a standalone requirement

mandatory under rule 24(1) of the Rules and any violation there against is cognizable under rule 25 ibid, whereas, failure to file annual audited accounts is subject to penal action under the relevant provisions of the Companies Ordinance, 1984.

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 with the rules 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 including its Chief Executive have violated the mandatory requirements of rule 24 of the Rules by not filing SOC for the year 2016. 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 only. 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 2016 without any further delay.

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 Mubin)**  
Commissioner (CCD)

Announced:  
February 2, 2017