



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

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*Before*  
**Commissioner (CCD/CLD)**

*In the matter of*

**M/s. NATIONAL ICT R&D FUND**

**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	CCD/PSC/96/2015/IAN-53/23/2016-7973 Dated 28-04-2016
Present:	Mr. Muhammad Abdullah Saeed, Manger Corporate Finance
Date of Hearing:	30-05-2016
Place of Hearing:	Islamabad.

This Order shall dispose of proceedings initiated against the Chief Executive and Directors/Officers of M/s. NATIONAL ICT R&D FUND (the "Company") for default made in complying 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 under sub-rule (1) & (2) of rule 24 of the Rules to publish, circulate and file with Commission statements of compliance (SOC) and review report from the auditor for the years ended June 30, 2014 and June 30, 2015, however, it has failed to do so for which a show cause notice dated 28-04-2016 (the "SCN") was issued calling upon the Company and its directors / officers to explain in writing and also to appear in person or through authorized representative for hearing on 30-05-2016 to clarify the position,

3. In response to the above SCN, the Company, vide letter No. NICTRDF/SECP/2016/005 dated 10-05-2016 informed that the SOC for the year 2015 will be filed soon after approval of the financial statements for year 2014-15 and that the SOC for the year 2014 has already been filed with the concerned registrar and copy is attached. But copy of SOC-2014 was not found attached with the reply. Manager, Corporate Finance, of the Company appeared on

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the day of hearing and submitted the SOC for the year 2014 and committed to submit the SOC for the year 2015 by July 15, 2016, but the same has not been submitted till date of this order.

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 statement along-with its annual report to set out the status of its compliance with the Rules, and shall also file with the Commission and the registrar concerned such statement along-with its annual report. Further, sub-rule (2) of rule 24 of the Rules requires that the company shall ensure that statement of compliance 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 providing penalty for contravention of these 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 the statement of compliance for the year 2015. I therefore, in exercise of the powers conferred under rule 25 of the Rules read with 506(2) of the Companies Ordinance, 1984 (the "Ordinance") impose fine of Rs.50,000/- (Rupees fifty thousand only) on the Company. However, the Company and its directors including its Chief Executive are warned to be careful in future to ensure compliance of the mandatory provisions of the Rules.

6. The Company is, hereby, directed to deposit the amount of fine 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.

7. 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/CLD)

Announced on:  
28-10-2016