



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

Before
Commissioner (Company Law Division)

In the matter of

M/s. SSGC LPG (PVT.) LIMITED

ORDER

under Rule 25 of the Public Sector Companies (Corporate Governance) Rules 2013 read with Section 506(2) of the Companies Ordinance, 1984 and section 509 of the Companies Ordinance, 2016

Number and date of show cause notice	No. CCD/PSC/183/2015/IAN-83/53/2016-7943 Dated 28-4-2016.
Present:	Mr. Ghalib Jalees and Mr. Shoaib Ahmed Company Secretary
Date of Hearing:	13-06-2016
Place of Hearing:	Islamabad-Karachi.

This Order shall dispose of proceedings initiated against the Chief Executive and Directors/Officers of M/s. SSGC LPG (PVT.) LIMITED (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 28-4-2016 (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 13-6-2016 to clarify the position,

3. In response to the above SCN, the Company informed vide its letter No. nil dated 05.05.2016 informed that the Annual General Meeting (AGM) for year 2014 has been held and SOC for year 2014 with review report of the auditors will be submitted in due course of time. The AGM for laying annual accounts as on 30.6.2015 was held on 25.4.2016 as per

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direction under section 170 of the Companies Ordinance, 1984. The SOC for year 2015 will be filed with annual accounts as on 30.6.2015. The Company Secretary appeared on the date of hearing and made the same arguments and also requested to withdraw the SCN. In response to a reminder through email, the company informed that the SOCs will be filed after being reviewed by the auditors.

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 SOCs for the years 2014 & 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 and section 509 of the Companies Ordinance, 2016, impose fine of Rs.100,000/- (Rupees one hundred thousand only) on the Company. However, the Company and its directors including its Chief Executive are warned to be careful and ensure compliance of the mandatory provisions of the Rules in future

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. In case of non-payment of fine within the specified time, the same will be recovered under the provisions of law.

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:
21.11.2016

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