



**TRANSPARENCY  
INTERNATIONAL-PAKISTAN**

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,  
Defence Housing Authority, Karachi.  
Tel: (92-21)-35390408, 35390409, Fax: 35390410  
E-mail: ti.pakistan@gmail.com  
Website: www.transparency.org.pk  
**Advisory Committee**

24<sup>th</sup> May 2012

Mr. Muhammad Ali,  
Chairman,  
Securities and Exchange Commission of Pakistan,  
NIC Building, 63-Jinnah Avenue,  
Islamabad.

**Sub: Implementation of Supreme Court of Pakistan's order in Rental Power Plants Case, 30<sup>th</sup> March 2012 - TIP's letter dated 08<sup>th</sup> May 2012 and SECP Letter dated 22<sup>nd</sup> May 2012.**

Dear Sir,

This is with reference to the Deputy Registrar, SECP's letter No. CLD/CCD/650/30/2012-969 dated 22<sup>nd</sup> May 2012, sent in response to TI-Pakistan's letter dated 08<sup>th</sup> May 2012 on the above subject.

The Sections 18 and 19 of the SECP Act 1997 were wrongly mentioned by TI-P for action to be taken by the SECP against the companies registered with SECP and mentioned in the Supreme Court of Pakistan's Rental Power Plant Judgment of 30<sup>th</sup> March 2012.

The Deputy Registrar, SECP has asked TI-Pakistan to indicate the proper laws for action to be initiated against the companies. TI-P would like to clarify that it is the duty of SECP itself to check which law is applicable on the companies on which charges of corruption have been proved in the Supreme Court, and to decide what action should be taken against them.

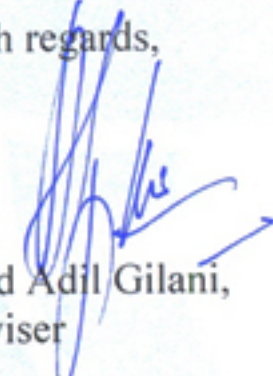
TI-Pakistan had requested SECP and other bodies, under Article 19-A of the Constitution of Pakistan, to consider taking action against these companies. According to the interpretation of Article 19-A by the Honorable Lahore High Court: "Article 19-A empowers the civil society of this country to seek information from public institutions and hold them answerable."

However, considering the request made by SECP, TI-Pakistan is of the opinion that SECP should take action under Sections 263-268 of the Companies Ordinance 1984 and firms should be held accountable for the corrupt and fraudulent practices, determined by the Supreme Court of Pakistan.

TI-Pakistan again requests the Chairman SECP to take action against the involved companies in accordance with its relevant laws and rules.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With regards,

  
Syed Adil Gilani,  
Adviser