



THE INVESTMENT CORPORATION OF PAKISTAN ORDINANCE, 1966



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THE SCHEDULE.

THE INVESTMENT CORPORATION OF PAKISTAN ORDINANCE, 1966

¹ORDINANCE NO. IV OF 1966

[19th February, 1966]

An Ordinance to establish an Investment Corporation in Pakistan

PREAMBLE

WHEREAS it is expedient to establish an Investment Corporation to encourage and broaden the base of investments and develop the capital market in Pakistan and to provide for all matters connected therewith;

AND WHEREAS the National Assembly is not in session and the President is satisfied that circumstances exist which render immediate legislation necessary;

NOW, THEREFORE, in exercise of the powers conferred on him by clause (1) of Article 29 of the Constitution, and all other powers enabling him in that behalf, the President of Pakistan is pleased to make and promulgate the following Ordinance:—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Investment Corporation of Pakistan Ordinance, 1966.

(2) It shall extend to the whole of Pakistan and shall also apply to the business of the Corporation transacted outside Pakistan.

(3) It shall come into force at once.

2. Definitions. In this Ordinance, unless there is anything repugnant in the subject or context—

(a) “advance” means a loan for purposes of investment;

(b) “Board” means the Board of Directors of the Corporation ;

(c) “bond” means a bond of any description issued by any institution or by the ²[Federal Government] or a Provincial Government ;

(d) “Chairman” means the Chairman of the Board ;

(e) “company” means a company as defined in section 2 (2) of the Companies Act, 1913 (VII of 1913), and includes a body corporate established or incorporated under any other law for the time being in force in Pakistan;

¹ Approved by the National Assembly of Pakistan on the 16th March, 1966, see Gaz. of P., 1965, Ext., p. 137.

² Subs. by F.A.O., 1975, Art. 2 and Table for “Central Government”.

- (f) “constituent institution” means any scheduled bank or other investing institution which becomes a shareholder of the Corporation with the approval of the ¹[Federal Government];
- (g) “Corporation” means the Investment Corporation of Pakistan established under this Ordinance;
- (h) “debenture” means debenture issued by any company or institution in Pakistan in accordance with the rules for the time being applicable to the issue of debentures and includes debenture stock ;
- (i) “Deposit Account” means an account maintained by the Corporation of the cash deposits made with it for purposes of investment;
- (j) “Director” means a Director of the Corporation;
- ²[(jj) “ICP Mutual Funds” means Mutual Funds from time to time constituted, issued and managed by the Corporation, whether directly or through a subsidiary company or agency set-up by it or by any other entity or person qualified to manage Mutual Funds to whom the right to manage the Mutual Funds has been assigned by the Corporation, whether under its trusteeship or any other entity appointed or approved by it operating under any law for the time being in force and the rules or regulations made thereunder]
- (k) “institution” means an organisation established under any law for the time being in force in Pakistan for the promotion of some public object ;
- (l) “investment” means investment in the equity or debentures and other securities of any company or institution ;
- (m) “Managing Director” means the Managing Director of the Corporation and includes any person for the time being authorised to discharge the functions of the Managing Director ;
- (n) “prescribed” means prescribed by rules ;
- (o) “prospectus” means a prospectus as defined in clause (14) of section 2 of the Companies Act, 1913 (VII of 1913);
- (p) “regulations” means regulations made under this Ordinance ;
- (q) “rule” means a rule made under this Ordinance ;
- (r) “scheduled bank” has the same meaning as is assigned to it in the State Bank of Pakistan Act, 1956 (XXXIII of 1956);

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for “Central Government”.

² Subs. by Act 4 of 1999, s.9.

- (s) “securities” include any note, stock, bond, debenture, evidence of indebtedness, transferable share, investment contract, certificate of deposit for a security, a certificate of interest or participation in any profit sharing agreement ;
- (t) “share” means share of any joint stock company registered in Pakistan ;
- (u) “State Bank” means the State Bank of Pakistan ;
- (v) “underwriting” means contracting, with or without conditions, to purchase or subscribe for stocks, shares, bonds, debentures or other securities issued by any company or institution with a view to holding, selling or distributing the whole or part thereof.

3. Establishment and incorporation.—(1) As soon as may be after the coming into force of this Ordinance, the ¹[Federal Government] shall establish, by notification in the official Gazette, a Corporation to be called the Investment Corporation of Pakistan for the purposes of this Ordinance.

(2) The Corporation shall be a body corporate by the name of the Investment Corporation of Pakistan, having perpetual succession and a common seal, with power, subject to the provisions of this Ordinance, to acquire, hold and dispose of any property and shall, by the said name, sue and be sued.

(3) The Corporation shall not be deemed to be a banking company within the meaning of the Banking Companies Ordinance, 1962 (LVII of 1962).

4. Share capital.—(1) The authorised share capital of the Corporation shall be twenty crores of rupees divided into twenty lakh ordinary shares of one hundred rupees each.

(2) The paid-up share capital of the Corporation shall, in the first instance, be five crores of rupees fully paid-up, and may, with the approval of the ¹[Federal Government], be increased from time to time.

(3) Shares of the Corporation shall be offered for subscription to the constituent institutions and general public as may be decided by the ¹[Federal Government].

(4) The shares of the Corporation shall be listed on each Stock Exchange in Pakistan as the Board of Directors determines.

5. Shares deemed to be securities under certain Acts. The shares of the Corporation shall be deemed to be included among the securities enumerated in section 20 of the Trust Act, 1882 (II of 1882), and to be approved securities for the purpose of the Insurance Act, 1938 (IV of 1938), and the Banking Companies Ordinance, 1962 (LVII of 1962).

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for “Central Government”.

6. Numbering of shares. Every share of the Corporation shall be assigned a number and shall be distinguished by such number.

7. Register of shareholders. The Corporation shall maintain at its head office a register of shareholders.

8. Qualification of shareholders.—(1) No person shall be qualified to be registered as a shareholder who is not, under any law relating to contracts for the time being in force, competent to enter into a contract.

(2) If at any time after the registration of a person as a shareholder, it is found that he was not, at the time of registration, qualified to be so registered, he shall not be entitled to exercise any of the rights of a share holder otherwise than for the purpose of sale of his shares under the orders of a competent Court.

9. Notice regarding trust. The Corporation shall not enter in its register of shareholders any notice of any trust express, implied or constructive, nor be under any obligation to receive any such notice.

10. Offices, branches, etc.—(1) The head office of the Corporation shall be located at Karachi.

(2) The Corporation may establish such regional and other offices, branches and agencies as the Board may think fit.

11. Direction and superintendence.—(1) The general direction and superintendence of the affairs and business of the Corporation shall vest in a Board of Directors constituted in accordance with section 12 which may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not, by this Ordinance, expressly directed or required to be done by the Corporation in general meeting.

(2) The Board in discharging its functions shall act on commercial considerations with due regard to the investment climate and to the interests of the capital market and of its depositors and the public generally.

(3) Where the ¹[Federal Government] is satisfied that —

(a) in the public interest ; or

(b) to prevent the affairs of the Corporation being conducted in a manner detrimental to the interests of the depositors or in a manner prejudicial to the interests of the Corporation ;
or

(c) to secure the proper management of the Corporation generally ;

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for "Central Government".

it is necessary to issue directions to the Corporation generally or in any particular case, it may, from time to time, issue such directions as it deems fit, and the Corporation shall be bound to comply with such directions.

(4) The ¹[Federal Government] may, on representation made to it or on its own motion, modify or cancel any direction issued under sub-section (3) and in so modifying or cancelling any direction may impose such conditions as it thinks fit, subject to which the modification or cancellation shall have effect.

12. Board.—(1) The Board shall consist of the following Directors, namely:—

- (a) the Chairman to be appointed by the ¹[Federal Government];
- (b) four persons to be appointed by the ¹[Federal Government] of whom two shall be from amongst persons serving under the ¹[Federal Government] and two from amongst the shareholders;
- (c) five persons to be elected by the shareholders in such manner as may be laid down in the regulations ; and
- (d) the Managing Director to be appointed by the ¹[Federal Government]:

Provided that the ¹[Federal Government] may, if it so considers expedient, increase by two the number of the Directors to be appointed by it:

Provided further that in constituting the Board for the first time, the ¹[Federal Government] shall appoint five Directors in place of the Directors required to be elected under clause (c).

(2) Save as provided in sub-section (2) of section 13 in respect of the Chairman, and in sub-section (2) of section 14 in respect of the Managing Director a Director appointed by the ¹[Federal Government] shall hold office during its pleasure.

(3) A Director elected under clause (c) of sub-section (1) shall hold office for a term of three years and shall continue in office thereafter until his successor is elected and shall also be eligible for re-election:

Provided that such Director may be removed before the expiration of his term by a special resolution passed by the vote of such shareholders as hold more than half of the shares of the Corporation.

(4) A casual vacancy in the office of an elected Director shall be filled by election and the person elected to fill such vacancy shall hold office for the unexpired period of the term of his predecessor:

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for "Central Government".

Provided that it shall not be necessary to fill a vacancy for a period not exceeding three months.

13. Chairman.—(1) The appointment of the Chairman shall be honorary.

(2) Unless the ¹[Federal Government] otherwise directs, the Chairman shall hold office for term of three years and continue in office thereafter until his successor is appointed and shall be eligible for re-appointment.

(3) A casual vacancy in the office of the Chairman shall be filled by the ¹[Federal Government] and the person appointed to fill such vacancy shall, unless the ¹[Federal Government] otherwise directs, hold office for the unexpired period of the term of his predecessor.

14. Managing Director.—(1) The Managing Director shall be appointed on such salary and terms and conditions as the ¹[Federal Government] may determine.

(2) The Managing Director shall, unless the ¹[Federal Government] otherwise directs, hold office for a term of five years which the ¹[Federal Government] may, from time to time, extend.

(3) The Managing Director shall be the chief executive of the Corporation and shall subject to the provisions of this Ordinance, the rules and regulations be responsible for the management of the affairs of the Corporation. He shall be a whole-time officer and shall in addition to his functions as the chief executive exercise such powers and perform such functions as may be assigned to him by the Board:

Provided that the ¹[Federal Government] may utilise the services of the Managing Director for any other work.

15. Qualifications and disqualifications of Directors.—(1) No person shall be or shall continue to be a Director who—

- (a) is or has at any time been convicted of an offence which in the opinion of the ¹[Federal Government] is an offence involving moral turpitude;
- (b) is found to be lunatic or becomes of unsound mind;
- (c) is for the time being disqualified for membership of any elective body under any law for the time being in force ;
- (d) is a salaried official of the Corporation, other than the Managing Director ;

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for "Central Government".

- (e) is or at any time has been adjudicated an insolvent or has suspended payment or compounded with his creditors ;
- (f) without leave of absence from the Board, absents himself from all the meetings of the Board for a continuous period of six months or, if less than three meetings are held within such period, from three consecutive meetings of the Board ;
- (g) in the case of an elected Director, ceases to hold in his own right the minimum number of shares required to qualify him for election ;
- (h) ceases to represent the constituent institution which nominated him as its representative.

(2) No person shall be elected or qualified for election as Director who—

- (a) is in the service of Government ;
- (b) does not hold in his own right unencumbered shares of the Corporation of the nominal value of twenty-five thousand rupees.

16. Executive Committee.—(1) The Board shall constitute an Executive Committee consisting of the following members to assist it in the discharge of its functions under this Ordinance :—

- (a) the Managing Director ;
- (b) two Directors appointed under clause (b) (i) of sub-section (1) of section 12 ;
- (c) two Directors from amongst the remaining Directors.

(2) The members of the Executive Committee shall hold office for such period as may be laid down in the regulations;

(3) The minutes of every meeting of the Executive Committee shall be laid before the Board for information at its meeting next following the meeting of the Committee.

(4) Subject to general or special directions of the Board, the Executive Committee may deal with any matter within the competence of the Board.

17. Annual general meetings and special meetings of the shareholders.—(1) The annual general meeting of the shareholders shall be held on such date in the first week of September every year or as soon thereafter as is convenient, at such time and such place in Pakistan as may be fixed by the Board [.]¹

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(2) The Board shall submit at the annual general meeting for the consideration of shareholders a balance sheet and a statement of profit and loss of the Corporation for the financial year ending on the thirtieth day of June next preceding such meeting.

(3) The Board may convene a special meeting of the shareholders to be held at such time and place as it may fix for consideration of any matter which, in the opinion of the Board ought to be considered by the shareholders.

(4) Every shareholder shall be entitled to attend a meeting of the shareholders, but no shareholder shall be entitled to vote at any such meeting unless he—

(a) has been registered as a shareholder for a period of not less than three months prior to the date of such meeting ; and

(b) has paid all calls and other sums presently payable by him in respect of shares of the Corporation.

(5) Every shareholder entitled to vote shall, when present in person have one vote to be cast by show of hands.

(6) On a poll each shareholder entitled to vote shall have one vote for every five shares and may give his vote either personally or by proxy.

18. Meeting of the Board and the Executive Committee.—(1) No business of the Board or of the Executive Committee shall be transacted except at a meeting at which a quorum of three Directors in the case of the Board and two members in the case of the Executive Committee is present.

(2) The meetings of the Board and of the Executive Committee shall be held at such time and at such places as may be laid down in the regulations:

Provided that until regulations are made in this behalf such meetings shall be convened, in the case of the Board, by the Chairman, and in the case of Executive Committee, by the Managing Director.

¹ Subs. by the Federal Laws (Revision and Declaration) Ordinance, 1981 (27 of 1981), s. 3 and Sch., II, for colon.

² Proviso omitted *ibid*.

(3) All meetings of the Board shall be presided over by the Chairman and in his absence by the person elected by the Directors present from amongst themselves and all meetings of the Executive Committee shall be presided over by the Managing Director.

(4) At a meeting of the Board or of the Executive Committee each Director or member, as the case may be, shall have one vote, and in the case of equality of votes, the person presiding shall have a second or casting vote:

Provided that no Director or member shall vote or participate in a discussion of any matter in which he is directly or indirectly interested and it shall be the obligation of the Director or member to disclose such interest.

(5) No act or proceeding of the Board or of the Executive Committee, or of any person acting in good faith as a Director or member of the Executive Committee, shall be invalid or questioned merely on the ground of the existence of any vacancy in, or any defect in the constitution of, the Board or the Executive Committee, or of any defect in the appointment or qualification of the Director or member, as the case may be.

19. Fees for attending meetings. A Director shall be paid such fees for attending meetings of the Board or Executive Committee as may be prescribed.

20. Appointment of officers, advisers, etc. The Corporation may appoint such officers, advisers, consultants, agents and servants as it considers necessary for the efficient performance of its functions.

21. Declaration of fidelity and secrecy. Every Director, member of the Executive Committee, adviser, auditor, consultant, agent, officer or servant of the Corporation shall, before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the Schedule.

22. Indemnity of Directors.—(1) Every Director shall be indemnified by the Corporation against all losses and expenses reasonably incurred by him in the discharge of his duties except such as are caused by his own willful act, negligence or default.

(2) A Director shall not be personally responsible for the acts of any other Director or of any officer or servant of the Corporation for any loss or expense resulting to the Corporation by reason of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Corporation, or by the wrongful act of any person under liability to the Corporation, or by anything done by him in good faith in the discharge of his duties.

23. Business which the Corporation is authorised to transact. The Corporation may carry on, transact or do the several kinds of business and acts hereinafter specified, namely:—

- (1) underwriting, managing and distributing the issue to of stocks, shares, bonds, debentures and other securities either directly or through or jointly with one or more of its constituent institutions or other investment or financial institutions ;
- (2) opening and maintaining of Investors' Deposit Accounts;
- (3) making advances for purchase of shares and investment in such other securities as may be approved in each case ;
- (4) purchasing and selling shares to the Investors' Deposit Account holders over the counter ;
- (5) engaging in the business of investing and reinvesting in and the owning and holding of securities ¹[and of discounting of debentures and other securities];
- (6) merchandising of shares ;
- (7) facilitating investments by selling new floatations of existing or new companies without underwriting obligations ;
- (8) helping generally in broadening the base of investments and encouraging investments in sound projects ¹[whether by issuing ICP Mutual Funds or otherwise] ;
- (9) managing investment portfolios on behalf of individuals or institutions ;
- (10) providing professional counsel regarding investments ;
- (11) promoting industrial development in Pakistan ;
- (12) being a member of a Stock Exchange in Pakistan;
- (13) acting in any manner as a principal or agent in matters relating to investment in securities ;
- (14) for purposes of, and in matters relating to, its business or objects;

¹ Added by the Investment Corporation of Pakistan (Amdt.) Ordinance, 1971 (12 of 1971), s. 3.

- (a) to purchase or otherwise acquire, own, sell, transfer and exchange any tangible or intangible, movable or immovable property and any rights, title or interest in such property absolutely, temporarily or on hire or by hire-purchase or on instalment or on such other terms and conditions as may be approved by the Board ;
- (b) to accept and furnish any undertaking or commercial guarantee for the performance of any obligation or the fulfilment of any contract or the repayment of any money ;
- (c) to accept and furnish any lien, charge, hypothecation or mortgage on any movable or immovable property or any promissory note or bill of exchange ;
- (d) to enter into agreements and contracts and execute such documents as may be considered necessary or expedient ;
- ¹[(e) to be and act as trustees in respect of ICP Mutual Funds and any debentures, debenture stock or other securities or obligations and to execute any trusts ;]
- ²[(f) to assign, transfer to or enter into any contractual arrangements with any person or entity regarding rights and obligations pertaining to management, trusteeship of custodianship of ICP Mutual Funds.]
- (15) to appoint attorneys and agents ;
- (16) to receive and pay commission, fees and brokerage in connection with its business ;
- (17) to sell and realise all property whether movable or immovable which may in any way come into possession of the Corporation in satisfaction or part satisfaction of its claims ; and
- (18) generally do all such acts and things as may be necessary or incidental or subsidiary to the transacting of any of the aforesaid business or acts including proceedings in courts of law.

24. Borrowing powers.—(1) With the prior approval of the ³[Federal Government], the Corporation may, for its purposes, raise finances by—

- (a) issue and sale of bonds and debentures carrying interest at such rates as may be approved by the ³[Federal Government] ; and
- (b) borrowing monies from commercial banks and other institutions and sources with or without the pledge of shares held in its portfolios.

¹ Added by the Investment Corporation of Pakistan (Amdt.) Ordinance, 1971 (12 of 1971), s. 3.

² Added by Act 4 of 1999, s. 9.

³ Subs. by F.A.O., 1975, Art. 2 and Table for "Central Government".

(2) The bonds and the debentures of the Corporation may be guaranteed by the ¹[Federal Government] as to the repayment of the principal and payment of interest at such rate as may be fixed by the ¹[Federal Government] at the time the bonds and debentures are issued.

25. Special powers. The Corporation's commission, brokerage, fees and other charges for the underwriting and placement of any issue shall, notwithstanding anything contained in any other law be determined by the Corporation after negotiations.

26. Power to impose conditions. For the purpose of transacting any business under this Ordinance with any person, the Corporation may impose such conditions as it may consider necessary or expedient for protecting its interests including provisions to the effect that the proceeds of any issue underwritten by it or accepted by it for placement or any other financial assistance is put to such use by the person as may have been agreed between the Corporation and the person, and any condition so imposed shall notwithstanding anything contained in any other law for the time being in force be valid and enforceable.

27. Disposal of profit.—(1) The Corporation shall establish a Reserve Fund to which shall be credited such amount out of its net annual profit as the Board may determine.

(2) After deducting the amount under sub-section (1) and making necessary provisions for depreciation of assets and such other matters as are usually provided for by investment companies and institutions or are considered expedient in their interest the Corporation may, out of the surplus remaining from that net annual profit, declare such dividends as may be approved by the Board.

28. Auditors.—(1) The accounts of the Corporation shall be audited by not less than two chartered accountants within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961), appointed from amongst those approved in this behalf by the ¹[Federal Government] by the shareholders at the general meeting on such remuneration to be paid by the Corporation as the shareholders may fix.

(2) Every auditor appointed under sub-section (1) shall be given a copy of the annual balance-sheet of the Corporation and shall examine it together with the accounts and vouchers relating thereto, and shall have a list delivered to him of all books kept by the Corporation and shall at all reasonable times have access to the books, accounts and other documents of the Corporation, and may in relation to such accounts examine any Director or officer of the Corporation.

(3) The auditors shall report to the shareholders upon the annual balance sheet and accounts, and in their report they shall state whether in their opinion the balance-sheet contained all necessary particulars and is properly drawn up so as to exhibit a true and correct view of the state of affairs of the Corporation, and in case they have called for any explanation or information from the Board, whether it has been given and whether it is satisfactory.

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for "Central Government".

(4) The ¹[Federal Government] may, at any time, issue directions to the auditors requiring them to report to it upon the adequacy of measures taken by the Corporation for protection of its shareholders and creditors or upon the sufficiency of their procedure in auditing the affairs of the Corporation and may, at any time, enlarge or extend the scope of the audit or direct that a different procedure in audit be adopted or that any other examination be made by the auditors if in its opinion the public interest so requires.

(5) The Corporation shall furnish to each shareholder at least fifteen days before the date of the general meeting a copy of the audited balance sheet together with a copy of the profit and loss account for the year and a report on the working of the Corporation during the year.

29. Return. The Corporation shall furnish to the ¹[Federal Government] within three months of the close of the financial year an audited statement in the prescribed form of its assets and liabilities as they stand at the close of that year together with a profit and loss account for the year and a report on the working of the Corporation during the year, and shall also publish the said statement, account and report in the official Gazette.

30. Power to call for payment before agreed period.—(1) Notwithstanding any agreement to the contrary, the Corporation may, by notice, require any person to which it has made advance or which is otherwise liable to make any payment on any specified date or dates forthwith to repay the advance or make the payment aforesaid immediately in full, if—

- (a) it appears to the Board that information false or misleading in any material particular has been given in the application for the advance or the creation of the aforesaid pecuniary liability ; or
- (b) the person has failed to comply with the terms of any agreement with the Corporation; or
- (c) there is a reasonable apprehension that the person is unable to pay its debts and liabilities or may go into liquidation ; or
- (d) the property pledged, mortgaged, hypothecated or assigned to the Corporation, as security for the advance or the said pecuniary liability, is not insured or kept insured by the person to the satisfaction of the Corporation or has, in the opinion of the Board, depreciated in value and further security to the satisfaction of the Board is not given.

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for "Central Government".

(2) On the giving of such notice the entire advance or the aforesaid deferred pecuniary liability shall become immediately due and realisable.

(3) Notwithstanding the provisions of any agreement of managing agency and subject to conditions prescribed in this behalf the Corporation may take over through an appointed agent the management of any company in which it has acquired majority shareholding, if the affairs of the company are, in the opinion of the Board, not being conducted in a satisfactory manner and if the share capital of the enterprise has been impaired.

31. Recovery of Corporation's dues. Without prejudice to the right of the Corporation to recover its dues in any other manner all sums due to the Corporation shall be recoverable as arrears of land revenue:

Provided that no sum shall be so recovered unless fifteen days notice has first been given by the Corporation to the debtor that the sum will be so recovered.

32. Delegation of powers.—(1) The Board may for the purposes of ensuring efficient functioning of the Corporation and facilitating transaction of its business, delegate to the Managing Director subject to such conditions and limitations, if any, as may be specified in this behalf, such of its powers and duties under this Ordinance as it may deem necessary.

(2) The Managing Director may for the purpose of facilitating the transaction of the Corporation's business delegate to the officers of the Corporation, subject to such conditions and limitations if any as may be specified in that behalf, such of his powers and duties under this Ordinance or the rules and regulations as may be necessary.

33. Offences.—(1) Whoever, without the consent in writing of the Corporation, uses the name of the Corporation in any prospectus or advertisement shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

(2) Whoever being a Chairman, Director, adviser, auditor, officer or servant of the Corporation contravenes his declaration of fidelity and secrecy shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

(3) No court shall take cognizance of any offence punishable under this Ordinance except upon a complaint in writing signed by an officer of the Corporation duly authorised in this behalf by the Corporation.

34. Liquidation of Corporation. No provision of law relating to the winding up of companies or banks shall apply to the Corporation and the Corporation shall not be wound up save by order of the ¹[Federal Government] and in such manners as it may direct.

35. Power of Federal Government to make rules. The ¹[Federal Government] may make rules for carrying out the purposes of this Ordinance and publish them in the official Gazette.

36. Power of the Board to make regulations.—(1) The Board may make regulations to provide for all matters not required to be provided for by rules and for which provision is necessary or expedient for carrying out the purposes of this Ordinance.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for—

- (a) the holding and conduct of elections under this Ordinance, including the final decision of doubts or disputes regarding the validity of any election;
- (b) the manner in which and the conditions subject to which the first allotment of the shares of the Corporation shall be made ;
- (c) the maintenance of the register of shareholders, the manner in which and the conditions subject to which shares may be held and transferred, suspension and the manner of suspension of transfer of shares and all matters relating to the rights and duties of shareholders ;
- ²[(cc) the constitution, issue, trusteeship and management of ICP Mutual Funds and transferability of Mutual Fund certificates ;]
- (d) the manner in which the general meetings shall be convened and the procedure to be followed thereat;
- (e) the calling of the meeting of the Board and the Executive Committee, fees for attending the meetings thereof and the conduct of business thereat ;
- (f) the manner and terms of issue and redemption of bonds and debentures by the Corporation;
- (g) the conditions subject to which the Corporation may make investments in shares and securities, underwrite issues of stocks, shares, bonds, debentures, make advances and enter into guarantee arrangements and any business relating to investments as principal or agent ;

¹ Subs. by F.A.O., 1975, Art. 2 and Table, for "Central Government".

² Ins. by the Investment Corporation of Pakistan (Amdt.) Ordinance, 1971 (12 of 1971), s. 4.

- (h)** the manner and conditions subject to which the Corporation can borrow and raise finances ;
- (i)** the form of returns and statements required to be prepared under this Ordinance ;
- (j)** the duties and conduct of officers and servants and agents of the Corporation ; the recruitment of officers and staff of the Corporation; the terms and conditions of their service, the constitution and management of provident or other funds for the officers and staff of the Corporation and all matters connected with any of these things ;
- (k)** the disclosure of interest, direct or indirect, of any Director or any member of the Executive Committee in any business under the consideration of the Corporation ;
- (l)** taking over the management of, and managing the affairs of any person committing a breach of its agreement with the Corporation ;
- (m)** generally for the efficient conduct of the affairs of the Corporation.

(3) All regulations made under this section shall come into force on the date specified in each case.

(4) Where any provisions of a regulation is inconsistent with any provision of the rule, the provision of the rule shall prevail.

SCHEDULE

(See section 21)

DECLARATION OF FIDELITY AND SECRECY

I,..... hereby declare that I will faithfully, truly and to the best of my judgment skill and ability, execute and perform the duties required of me as a Director, member of a Committee, Officer, employee, consultant, adviser, agent or auditor (as the case may be) of the Investment Corporation of Pakistan and which properly relate to any office or position in the said Corporation held by me.

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the Corporation nor will I allow any such person to inspect or have access to any books or documents belonging or in the possession of the Corporation and relating to the business of the Corporation.

Signature.....

Signed before me

Signature.....

Designation.....

Dated.....
