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THE COMPANIES (GENERAL PROVISIONS AND FORMS) RULES, 1985

S.R.O. 1235(1)/85.- In exercise of the powers conferred by section 506 of the Companies Ordinance, 1984 (XLVII of 1984), the Federal Government is pleased to make the following rules, the same having been published previously as required by the said section, namely:-

1. Short title and commencement. - (1) These rules may be called the Companies (General Provisions and Forms) Rules, 1985.

(2) They shall come into force at once.

2. Definitions. - (1) In these rules, unless there is anything repugnant in the subject or context,-

(i) “**application**” includes an application, petition or appeal;

(ii) “**charge**” includes a mortgage, an interest created in consequence of an agreement for redeemable capital, term finance, participation term certificate, musharika, lease or hire, hire-purchase or any other similar interest in the assets of a company;

¹[(**ia**) “**electronic document**” includes information, forms, records, vouchers, registers, orders, returns, applications, documents, paper, statements, quarterly accounts, annual accounts, communications or transactions in electronic forms;

- (iib) **“e-service”** means any service or means provided by the Commission for the lodging or filing of electronic documents;]
- (iii) **“form”** means a form set out in any of the schedules to the Ordinance or heretoannexed;
- (iv) **“Ordinance”** means the Companies Ordinance, 1984 (XLVII of 1984);
- (v) **“registrar concerned”** means the registrar in charge of the registration office in which the company is registered or in whose territorial jurisdiction the registered office, or, where a company is to be registered, the proposed registered office, is situate;
- (vi) **“responsible officer”** in relation to a company, means-
 - (a) the chief executive of the company;
 - (b) a director of the company;
 - (c) the secretary of the company;
 - (d) any other officer of the company who is declared by the ²[Commission] in writing as a responsible officer of the company for the purposes of these rules;
 - (e) in the case of a company in relation to which an administrator has been appointed under sub-section (1) of section 295, the administrator of such company; or
 - (f) in the case of a company in liquidation, the liquidator of such company.
- (vii) **“Schedule”** means a schedule to the Ordinance;
- (viii) **“seal”** means the common seal of the company; and
- (ix) **“section”** means a section of the Ordinance.

(2) All other terms and expressions used but not defined in these rules shall have the same meaning as assigned to them in the Ordinance.

²Substituted for the word “Authority” by Notification SRO 687(I)/2003, dated July 7, 2003.

³[**2A. Additional particulars to be specified by a subscriber.**-In addition to the particulars to be added as contained in clause (c) of sub-section (1) of section 19 and clause (c) of sub-section (1) of section 27, a subscriber shall specify his national identity card number or in the case of foreign national, his passport number:

Provided that in case of a person other than a natural person, the address of its registered office or principal office shall be specified and the authorized representative signing the documents shall also add his particulars as stated in this rule.]

3. Application for confirmation of alteration of memorandum under section 21.- (1) An application for confirmation of the alteration of any of the provisions of the memorandum of the company under sub-section (2) of section 21 shall be submitted to the ⁴[Commission] by a responsible officer not later than sixty days from the date on which the special resolution seeking such alteration was passed.

(2) The application shall contain the following information correct as on the day immediately preceding the day of the passing of the special resolution and signed by a responsible officer, namely:

- (i) name and address of the company;
- (ii) number and date of incorporation;
- (iii) subscribed and paid-up capital;
- (iv) redeemable capital;
- (v) business actually being carried on and the clause in the memorandum justifying it;⁵[and]

⁶[(vi)] reasons for the proposed alteration ⁷[.]

³Inserted by Notification S.R.O.1003 (I)/2003, dated the 29th October, 2003

⁴Substituted for the word " Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵Added by Notification SRO. 687(I)/2003, dated the 7th July,2003

⁶Renumbered clause (vii) as clause (vi) by Notification SRO. 687(I)/2003, dated the 7th July, 2003.

⁸[]

(3) The following documents correct as on the day immediately preceding the day of the passing of the special resolution and certified by a responsible officer shall be submitted along with the application, namely:

- (i) a copy of the memorandum and the articles;
- (ii) a copy of the special resolution;
- (iii) minutes of the meeting at which the special resolution was adopted;
- (iv) particulars of dissenting shareholders or creditors together with their objections;
- (v) a copy of the latest audited balance sheet;
- ⁹[(vi) statement in comparative form showing the existing provisions of the memorandum as are proposed to be altered and the provisions as would appear after the proposed alterations have been made, indicating the clause of sub-section (1) of section 21 under which each alteration is considered permissible by the company along with brief reasons explaining how it considers it permissible;
- (vii) pattern of holding of its shares in Form 34;
- (viii) names and addresses of each of its creditors to whom an amount exceeding fifty thousand rupees is due with the amount mentioned against each along with their consent to the alteration; and
- (ix) names and addresses of the persons likely to be affected along with their consent to the alteration.]

4. Registration of memorandum, etc., under section 30.- (1) The memorandum and the articles filed under sub-section (1) of section 30, shall be properly stamped as required by the Stamp Act, 1899 (II of 1899), and shall be accompanied by three copies thereof duly subscribed and witnessed along with

⁷Full stop substituted for semi colon by Notification SRO. 687(I)/2003, dated the 7th July, 2003.

⁸Clauses (vi), (vii), (viii), (ix) and (x) omitted by Notification SRO. 687(I)/2003, dated the 7th July, 2003.

⁹Clauses (vi) to (ix) added by Notification S.R.O. 687 (I)/2003, dated the 7th July, 2003.

the declaration made under sub-section (2) of that section.

(2) The declaration required to be made under sub-section (2) of section 30 shall be made in form 1 by a person engaged in the formation of the company who is-

- (i) an advocate, entitled to appear before any High Court in Pakistan or the Supreme Court; or
- (ii) a member of the Institute of Chartered Accountants of Pakistan or the Institute of Cost and Management Accountants of Pakistan practicing in Pakistan; or
- (iii) a person named in the articles as a director or other officer of the company.

(3) The registrar may require any person who makes a declaration under sub-section (2) of section 30 or is a promoter or director of the proposed company or is a witness to the signatures of the subscribers to the memorandum to furnish such information, clarification or document as he may deem necessary to satisfy himself for purposes of sub-section (3) of that section.

5. Enquiries as to availability of company names for registration under sections 37 and 38.-The promoters of a company desirous of having a company registered, or a responsible officer of a company intending to change its name, may make an application to the registrar concerned asking for information as to whether the proposed name is or is not available for adoption, and the registrar shall, subject to the provisions of sub-section (4) of section 37 and of section 38, furnish the information ordinarily within ¹⁰[two] days of the receipt of the application.

6. Application for grant of a licence under section 42 in case of charitable and other associations.- (1) The promoters or members of an association desirous of obtaining a licence under section 42 shall make an

¹⁰Substituted for the word "ten" by Notification S.R.O. 687(I)/2003, dated the 7th July, 2003.

application to the ¹¹[Commission] in writing duly signed by them or by any person authorized by the association in this behalf.

- (2) The application shall be accompanied by-
 - (a) three copies of the draft memorandum and the articles of the proposed association;
 - (b) a list of promoters of the association with their occupations and addresses;
 - (c) a declaration by a person specified in sub-rule (2) of rule 4 to the effect that he has scrutinized the application and the accompanying documents, and that he is satisfied that the same are drawn up in conformity with the provisions of the Ordinance and fulfill the conditions for the grant of licence laid therein and these rules;
 - (d) the names of companies, associations and other institutions in which the promoters of the proposed association hold any office stating the office held in each case;
 - (e) if the association is already in existence, a copy each of the audited balance-sheet, income and expenditure account and the annual report on the working of the association for the financial year immediately preceding the date of the application;
 - (f) an estimate of the future annual income and expenditure of the proposed company, specifying the sources of income and objects of expenditure; and
 - (g) a brief statement of the work already done by the association or proposed to be done after its being granted the licence and registration.

(3) The ¹²[Commission] on being satisfied, after such enquiry and after obtaining such further information as it may consider necessary, that it shall be in the public interest so to do, may grant the licence applied for subject to such conditions as it may deem fit to impose.

- (4) In particular and without prejudice to the generality of the power

¹¹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

¹²Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

of the ¹³[Commission] under section 42 and sub-rule (3), a licence shall be granted subject, besides others, to the following conditions,namely:-

- (i) the association shall be formed as a publiccompany;
- (ii) payment of remuneration for services or otherwise to its members, whether holding an office in the company or not, shall be prohibited;
- (iii) no change in the memorandum and the articles shall be made except with the prior approval of the¹⁴[Commission];
- (iv) the limit of liability of its members shall not be less than a reasonable amount having regard to all the circumstances of the case;and
- (v) patronage of any government or authority, express or implied, shall not be claimed unless such government or authority has signified its consent thereto inwriting.

(5) The conditions imposed under sub-rule (4) shall be included in the memorandum.

7. Conversion of a public company into a private company under section 44.- Where the alteration of the articles of a company has the effect of converting a public company into a private company, the company shall, not later than sixty days from the date on which the special resolution seeking such alteration was passed, make an application in Form 2 to the ¹⁵[Commission] for its approval under section44.

8. Service of documents on public functionaries. - An application or any document submitted to the ¹⁶[Commission] or the registrar in pursuance to or for the purposes of any of the provisions of the Ordinance shall, unless otherwise proved, be deemed to have been received or delivered to it or him on the day on which it is received by its or hisoffice.

¹³Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

¹⁴Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

¹⁵Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

¹⁶Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

9. Mode of submission of returns and applications to the¹⁷[Commission].—A document, statement, return, report, communication or application required to be submitted to the¹⁸[Commission] or a Stock Exchange, may be sent to the¹⁹[Commission] or the Stock Exchange at its headquarters by registered post or by delivery either in person or through an agent, against an acknowledgment of receipt.

²⁰9A. Mode of submission of documents to the Commission or the Registrar.—Any document required to be filed or lodged with the Commission or the Registrar under the Ordinance may be submitted electronically.

9B. Supply of additional information.—Any additional information required to be submitted along with any form to be filed under the Ordinance may also be submitted through electronic means.

9C. Authentication of forms.— Any form prescribed under these rules shall be authenticated by the companies by affixing electronic signature or advanced electronic signature, as defined under the Electronic Transactions Ordinance, 2002, (LI of 2002).

9D. Filing of electronic documents.—The filing of electronic documents with the Commission or the registrar, as the case may be, shall be made from the date of launching of any E-Services Project of the Commission (hereinafter referred to as the effective date), provided that for a period to be determined by the Commission from time to time, the submission of documents in paper form shall be permissible.

9E. Filing of additional documents in scanned form.— From the effective date specified under rule 9D, the company shall file any additional document required to be submitted to the Commission or the registrar under the

¹⁷Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

¹⁸Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

¹⁹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

²⁰Inserted through SRO 10(I)/2007, dated January 5, 2007.

Ordinance, in a scanned form.

9F. Mode of payment.- The fee for the filing of documents may be paid through any of the acceptable methods of payment specified by the Commission from time to time.

9G. Electronic filing of documents.-(1) The Commission may provide e-service for the electronic filing or lodging of documents required under the Ordinance to be filed or lodged with the Commission or the registrar.

(2) A copy of or an extract from any document electronically filed or lodged with the Commission or the registrar under these rules or supplied or issued by the Commission or the registrar and certified to be a true copy thereof or extract therefrom under the hand and seal of an officer of the Commission or the registrar, shall be admissible in evidence in any proceedings as of equal validity as the original document.

(3) Where a document is electronically filed or lodged with the Commission or the registrar, the Commission or the registrar shall not be liable for any loss or damage suffered by any person by reason of any error or omission of whatever nature arising or appearing in any document obtained by any person under the e-service referred under these rules, if such error or omission was made in good faith and in the ordinary course of the discharge of the duties of the Commission or the registrar or occurred or arose as a result of any defect or breakdown in the service or in the equipment used for the provisions of the e-service.]

10. Circulation of reports and notices by companies.- Unless otherwise provided by the Ordinance or these rules, any report, notice, statement, circular or other document required under the Ordinance or any rule made there under to be circulated, transmitted or forwarded to the members debenture-holders or creditors shall, unless it is delivered to the addressee personally against an acknowledgement or is sent by registered post, be sent,

transmitted or forwarded by post under certificate of posting ²¹[or through a courierservice].

11. Submission of prospectus for approval of the ²²[Commission] undersection57.---Anapplicationforapprovalofapropectusofalisted

²¹Inserted by Notification S.R.O. 687(1)/2003 dated 7th July, 2003

²²Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

company or of a company which proposes to make an application to a stock exchange for the listing of its securities, submitted to the ²³[Commission] under sub-section (1) of section 57, shall be accompanied by three copies of the prospectus along with such certificates or other documents as are required to be appended thereto, and an affidavit affirming, among other things, that all the information in the prospectus and all other documents filed in connection with it is true and correct.

12. Verification of copies of contracts for purposes of section 73.--

Copies of contracts required to be filed with the registrar under sub-section (1) of section 73 shall be verified--

- (i) by an affidavit of a responsible officer that these are true copies; or
- (ii) by a certification of the public officer having custody of the original document.

²⁴[12A. Transfer of Shares.- (1) Notwithstanding anything contained in the articles of association of the company, any member of a private company desirous to sell or transfer any of his shares in the company shall, by a notice in writing, notify the company of the number of shares to be sold or transferred and the offer price per share:

Provided that the provision of this sub-rule shall not apply to,-

- (i) the transfer of qualification shares which are required to be held by the director under section 209 of the Ordinance; or
- (ii) the shares, which are required to be transferred by operation of law.

(2) If in the opinion of the directors, the price of the shares so offered is materially higher than their fair value, they shall, within seven days from the date of receipt of the aforementioned notice from the seller, ask the seller to revise the price of such shares within seven days thereof, failing which the offer shall be deemed to be withdrawn.

²³Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

²⁴Inserted by Notification S.R.O. 464(1)/2016 dated May 30, 2016.

(3) If the seller disagrees to revise the share price, the directors shall, at the cost of the company, proceed towards determination of fair value of the said shares from a firm of Chartered Accountants within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961), not being the auditors of the company, having satisfactory Quality Control Review (QCR) rating by the Institute of Chartered Accountants of Pakistan, who shall submit share valuation report to the company and the Company shall forthwith send a copy of the same to the seller:

Provided that if the fair value so determined is not acceptable to the seller, he shall communicate the same to the company within seven days from the date of receipt of the share valuation report, failing which the offer made by the seller member shall be deemed to be withdrawn:

Explanation: The expression 'fair value' shall have the same meaning as defined in International Accounting and Financial Reporting Standards applicable in Pakistan.

(4) The directors shall, at the offered price or at such fair value as determined under sub-rule (3), as the case may, offer such shares to the existing members in proportion, as nearly as the circumstances admit, to the existing shares held by them.

(5) The offer for sale of shares to the existing members shall be made by the company through a notice in writing specifying the number of shares each member is entitled to, the price per share and time period, being not less than seven days and not more than fifteen days from the date of receipt of the notice.

(6) The notice to the existing members under this rule shall be delivered in the manner provided under section 50 of the Ordinance and rule 10 of these rules:

Provided that where the notice is dispatched through registered post or courier service, the envelope containing the notice shall be marked as "Offer for sale of shares".

(7) If the offer for sale of shares by the company is not accepted by any

member, it shall be the responsibility of such member to send a letter of decline containing his signature and thumb impression, to the company within the period provided in the offer letter.

(8) If no letter of decline is received by the company within the time provided in the offer letter, the company shall send a reminder letter allowing further time not being less than seven days, advising such member to provide the said decline, failing which the offer will be deemed to be declined.

(9) The company shall maintain the record of all the communication, regarding offer for shares, made with the members.

(10) The acceptance to the offer for shares shall only be made through banking channel including but not limited to pay order or bank draft.

(11) If the whole or any part of the shares so offered are not accepted and paid for, the company may offer them to such other persons as the directors may deem fit:

Provided that where the whole or any part of the offered shares are transferred to such other person, the minutes of directors' meeting approving the said transfer, shall contain a statement to the effect that such shares were first offered to the existing members of the company through an offer letter but they declined the said offer or did not exercise their first right, as the case may be.

(12) If the whole or any part of the shares offered are not accepted and paid for by the members, and the directors also failed to transfer shares to such other person under sub-rule (11), within sixty days from the date of receipt of original offer notice or revised offer notice, as the case may be, as mentioned under sub-rule (1) and sub-rule (2), the seller may transfer such number of shares not accepted and paid for to any other person as he may desire.

12B. Share transfer return to be filed with the registrar.- All the transfer of

shares accepted by a private company or public unlisted company shall be notified to the registrar on Form 3A within fifteen days from the date of registration of such transfer by the company:

Provided that in case of a private company the return under this rule shall be accompanied with a copy of the following, namely:-

- (i) minutes of directors' meeting as referred to under the proviso to sub-rule (11) of rule 12A; and
- (ii) proof of delivery of notice to the members as referred to under sub-rule (6) or reminder, if any under sub-rule (8) of rule 12A.
- (iii) declining letters, if any, as referred to under sub-rule (7) of rule 12A, where applicable.

12C.Further Allotment of Shares.-(1) Circular under sub-section (3) of section 86 of the Ordinance on Form 3B shall be sent to all the members at least fifteen days before the last date of acceptance of the offer:

Provided that where the Circular is dispatched through registered post or courier service, the envelope containing the Circular shall be marked as "Offer for new shares":

Provided further that the circular shall be delivered to the existing members in the manner provided under section 50 of the Ordinance and rule 10 of these rules.

(2) Acceptance to the offer of new shares shall only be made through the banking channel including but not limited to pay order or bank draft.

(3) In case where disproportionate or no allotment has been made to any member of,-

- (i) a private company; or
- (ii) a public unlisted company, except those to which first and second proviso of sub-section (1) of section 86 are applicable;

the registrar may before recording the return filed pursuant to sub-section (1) of section 73 of the Ordinance, enquire the factual position from the member to whom disproportionate or no allotment, as the case may be, has been made and shall proceed accordingly.]

13. Verification of copies for purposes of sections 121, 122, 123 and 129.-- A copy of every instrument or deed creating or evidencing any charge and required to be filed with the registrar in pursuance of section 121, 122, 123 or 129 shall be verified as follows,namely:

- (i) Where the instrument or deed relates, whether wholly or partly, to property situate in Pakistan, the copy shall be verified in the manner provided in rule 12;and
- (ii) Where the instrument or deed relates solely to property situate outside Pakistan, the copy shall be verified by an affidavit of a responsible officer of the company, or of a person interested in the mortgage or charge on behalf of any person other than the company, stating that it is a truecopy.

14. Application for extension in the period for holding annual generalmeetingandlayingbalance-sheet,etc.,thereinundersection158or

233. --- (1) An application for the grant of an extension in the time for--

- (i) holding any annual general meeting, not being the first such meeting, pursuant to the proviso to sub-section (1) of section 158;or
- (ii) laying before the annual general meeting a balance-sheet and profit and loss account or, in the case of a company not trading for profit, an income and expenditure account, pursuant to the proviso to sub section (1) of section233;

shall, in the case of a listed company, be submitted to the ²⁵[Commission] and, in any other case, to the registrar concerned not less than thirty days before the last date on which such general meeting is required to be held under the said section:

Provided that the registrar concerned or the ²⁶[Commission], as the case may be, may for special reasons to be recorded, entertain an application which is submitted less than thirty days before the last date on which the annual general meeting is required to be held under the said sections.

- (2) The application aforesaid shall state-

²⁵Substituted for the word " Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

²⁶Substituted for the word " Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

- (i) the registration number, name and address of the company;
- (ii) the date on which the last general meeting was held and the financial year for which the balance-sheet, profit and loss account and other statements and reports relating to accounts were laid at such meeting;
- (iii) the date up to which the annual general meeting is required to be held under and for the purposes of the said sections and the date up to which the balance-sheet and profit and loss account, and other statements and reports relating to accounts are required to be laid therein;
- (iv) reasons for not being able to hold the annual general meeting or laying the balance-sheet and profit and loss account at the general meeting by the date mentioned in clause (iii) and justification for extension in the period to the extent applied for; and
- (v) when the delay is attributed to non-completion of books of accounts or non-finalization of audit, the exact state of books of accounts with reasons for non-completion of such books or for non-finalization of the audit, as the case may be, such information being accompanied by a certificate of the company's auditor as to the state of its accounts, reasons for delay in completion of audit and the minimum time required for the purpose; and
- (vi) shall be accompanied by a copy of the last audited balance-sheet and profit and loss account.

²⁷**14A. Approval of capital expenditure etc. by the directors.**- The amount of capital expenditure to be incurred on any single item and the amount of book value for the disposal of a fixed asset, for the purpose of clause (j) of sub-section (2) of section 196, shall be exceeding one million rupees and one hundred thousand rupees respectively.

²⁸**14B. Qualifications of company secretary.**- (1) The directors of a

²⁷Rules 14A, 14B and 14C inserted by Notification S.R.O. 1003 (I)/2003, dated the 29th October, 2003.

²⁸Rule 14B substituted by Notification SRO 223(I)/2005, dated March 09, 2005. It was originally inserted by Notification S.R.O.1003 (I)/2003, dated the 29th October, 2003, as follows:

“14B. Qualifications of company secretary. The following shall be the qualifications of company secretary to be appointed in terms of section 204A namely:

- (a) a member of a recognized body of professional accountants;
- (b) a member of a recognized body of corporate/chartered secretaries;

public listed company shall take reasonable steps to ensure that the company secretary is a person who appears to them to have the requisite knowledge and experience to discharge his functions as company secretary, and who is:

- (a) a member of,-
 - (i) a recognized body of professional accountants;or
 - (ii) a recognized body of corporate or chartered secretaries;or
- (b) a person holding a master degree in business administration or commerce or being a law graduate from a university recognized by the Higher Education Commission and having at least two years relevant experience ²⁹[;or]
- ³⁰[(c) a retired government servant in BS-19 or equivalent or above with at least fifteen years service:]

Provided that a person already engaged by a public listed company as company secretary before the 26thOctober, 2002, may continue in that capacity if he has an experience of not less than five years in that position.

(2) The company secretary of a single member company shall be a person holding a bachelor degree from a university recognized by the Higher Education Commission.

14C. Particulars of directors and officers, etc.- (1) The following shall be the particulars of directors and officers, including the chief executive, managing agent, secretary, chief accountant, auditors and legal adviser, for the purpose of sub-section (1) of section 205, namely:--

- (a) in the case of an individual, his present name in full, his father's name, in the case of a married woman or a widow, the name of her husband or deceased husband, his national identity card number and

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- (c) a person holding a masters degree in Business Administration or Commerce or being a Law Graduate from a university recognized by Higher Education Commission and having at least two years relevant experience:

Provided that a person already engaged by a company as secretary before the 26thOctober, 2002 may continue in that capacity if he has an experience of not less than five years in that position."

²⁹Substituted for colon by SRO 1014(I)/2005, dated September 28, 2005.

³⁰Inserted by Notification SRO 1014(I)/2005, dated September 28, 2005.

in case of foreign national passport number, his usual residential address, nationality and, if that nationality is not the nationality of origin, nationality of origin and his business occupation, if any, and if he holds any other directorship or other office the particulars of such directorship or office;

- (b) in the case of a person other than natural person, its name and address of registered or principal office, and particulars as stated in clause (a) of each of its directors or office bearers;and
- (c) in the case of a firm, the full name, address and particulars as stated in clause (a) of each partner, and the date on which each became a partner.]

³¹[(2) In case of resignation of a director, the Form-29 shall be supported by the resignation letter containing signature and thumb impression of the resigning director along with a copy of his computerized national identity card.

(3) In case of removal of a director under section 181 of the Ordinance, the Form-29 filed with the registrar, notifying such removal, shall be supported by a copy of minutes of general meeting, in which resolution for removal of the director was passed, inter alia, containing the following information;

- (i) total number of members of the company;
- (ii) members present in person or through proxy;
- (iii) minimum number of votes required against the resolution; and
- (iv) number of votes casted against the resolution.]

15. Copy of resolution, etc., referred to in section 208 to be filed with the ³²[Commission] and registrar. - A copy of every resolution passed pursuant to section 208 together with the information and documents specified in Form 30 shall be filed with the ³³[Commission] and the registrar concerned in the case of a listed company, and with the registrar concerned in the case of any other company to which section 208 applies, within fifteen days from the passing of the said resolution.

³¹Inserted by Notification S.R.O. 464(1)/2016 dated May 30, 2016.

³²Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

³³Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

16. Computation of amount to be tendered to a listed company by certain beneficial owners under section 224. - (1) Any gain made from the purchase and sale, or sale and purchase, of a listed security within a period of less than six months, which is required to be reported to the ³⁴[Commission] and the registrar, and to be tendered to the company under section 224 shall be computed in the following manner,namely:--

- (a) the purchase at lowest rates shall be matched against the sales at highest rates prevailing within the six months, and the recoverable amount calculated with respect to every individual transaction by reference to the difference between the purchase price and the sale price of any purchase and sale, or sale and purchase disregarding any other transactions, that is to say, the lowest in rate and highest out rate of the purchases and sales or the sales and purchases shall be matched;and
- (b) the purchases and sales shall be matched as aforesaid so long as the securities involved in the purchase and sale are of the same class and of the same listed company ³⁵[and for this purpose the shares shall be deemed asfungibles.]

³⁶[(2) For the purpose of sub-rule (1), distribution of bonus shares and allotment of right shares by a listed company to an existing shareholder either on the basis of his entitlement or on account of purchase of right allotment letters from market shall not constitute a purchase.]

(3) Any loss arising out of any transaction in a listed security shall not be setoff against the gain arising out of such security computed in the manner aforesaid:

³⁴Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

³⁵Inserted by Notification No. SRO 596(I)/2001, dated August 21, 2001.

³⁶Substituted by Notification No. SRO 596(I)/2001, dated August 21, 2001 for the following:

"(2) For the purpose of sub-rule (1) mere offer by a listed company to its existing shareholders for right shares and sale of the letter of right shall not be a purchase or sale, but the acceptance of the offer of right and subsequent acquisition of shares as also purchase of right allotment letters from the market shall be a purchase for the said purpose."

Provided that the amount of brokerage, stamp duty and other expenditure actually paid or incurred in making the gain may be deducted by the person by whom it is to be reported or tendered subject to production of such documentary evidence in support of the payment having been made or expenditure having been incurred as may be acceptable to the company.

17. Number of copies of accounts and reports to be filed with³⁷[Commission], etc. -- For the purposes of sub-section (5) of section 233, sub-section (1) of section 242 or sub-section (1) of section 245, as the case may be, there shall be filed,-

- (a) in the case of a listed company, with the registrar concerned and the³⁸[Commission] five copies of the annual or half-yearly accounts and balance-sheet and other reports referred to in the aforementioned provisions of the Ordinance;and
- (b) in the case of a public company which is not a listed company, with the registrar concerned, five copies of the annual accounts and balance-sheet and other reports referred to in section242.

³⁹[17A. Auditor's Report on the accounts of a company.]—The auditors' report on the accounts and books of accounts and balance-sheet and profit and loss account of a company required by section 255 shall be in FORM 35-A;

17B. Auditors' report on the accounts of a banking company.—The Auditors' Report on the accounts and books of accounts and balance-sheet and profit and loss account of a banking company required by section 255 shall be in FORM 35-B;]

⁴⁰[17C. Auditors' report on consolidated financial statements.]— The auditors' report on consolidated financial statements required by sub-section (3) of section 237 shall be in Form 35-C and review report on the subsidiary accounts as required by sub-section (4) of section 237 shall be in Form35-D.]

³⁷Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

³⁸Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

³⁹Inserted by Notification S.R.O.897 (I)/86, dated September 28, 1986.

⁴⁰Inserted by Notification SRO. 1003 (I)/2003, dated the 29th October, 2003.

18. Application under section 263. - (1) Every application for investigation into the affairs of a company under clause (a) or clause (b) of section 263 shall specify-

- (a) the name and address of the registered office of the company whose affairs are sought to be investigated;
- (b) the names and addresses of the applicants, and, in the case of a company having a share capital, also the total number of shares of the company held by each of them together with the amount paid up thereon;
- (c) if the company has a share capital, the issued and paid-up capital of the company and the nominal or face value of the shares or, if the company has no share capital, the total number of its members;
- (d) the precise and specific reasons for requesting the investigation with particulars of alleged irregularities; and
- (e) whether the applicants agree to give security for payment of the costs of investigation and the ceiling of the amount up to which they so agree.

(2) Every such application shall be accompanied by such documentary evidence in support of the reasons for requesting the investigation and the alleged irregularities as is reasonably open to the applicants.

(3) Every such application shall be signed by the applicants and shall be verified by their affidavit stating, inter-alia, the paragraphs of the application which contain statements true to their knowledge and the paragraphs of the application which contain statements true to the best of their information and belief.

(4) The ⁴¹[Commission] may, before passing any order on the application, require the applicants or any one or more of them to produce such further documentary or other evidence as the ⁴²[Commission] may consider

⁴¹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁴²Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

necessary-

- (a) for the purpose of satisfying itself as to the veracity of the allegations made in the application; or
- (b) for ascertaining any information which, in the opinion of the ⁴³[Commission], is necessary for enabling it to pass orders on the application; or
- (c) for ascertaining the eligibility of applicants or any one or more of them to make the application.

19. Fee payable under section 269. --- The fee payable for furnishing a copy of the Inspector's report in pursuance of clause (b) of sub-section (2) of section 269 shall be the fee as is payable to the registrar under the Sixth Schedule for the supply of a certified copy or extract of any document or register kept by the registrar.

20. Authentication of copy of Inspector's report under section 278. --- A copy of the report of an inspector or inspectors, shall, for the purposes of section 278, be authenticated either-

- (a) by a responsible officer under the seal of the company whose affairs have been investigated; or
- (b) by a certificate of the ⁴⁴[Commission] or the registrar having custody of the report.

21. Manner of giving notice under section 289. -- (1) A notice required to be given by a transferee company-

- (a) to any dissenting shareholder of the transferor company in pursuance of sub-section (1) of section 289; or
- (b) to any shareholder of the transferor company who has not assented to the scheme or contract in pursuance of clause (a) of sub-section (2) of that section;

⁴³Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁴⁴Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

shall be given in the manner provided in section 50 and rule 10 for the service of documents by a company on a member thereof.

(2) While making or issuing any offer or issuing any circular containing any recommendation from the directors of the transferor company to the members of that company to accept such offer, the company shall furnish to them the information specified in form 37 in addition to the statement referred to in clause (b) of sub section (5) of section 289.

22 Certification of documents for the purposes of section 451. --- (1) A copy of any charter, statute, memorandum, articles or other instrument, constituting or defining the constitution of a foreign company required to be filed with the registrar under clause a of sub-section (1) of section 451 shall be duly certified to be a true copy by-

- (a) the public officer in the country where the company is incorporated to whose custody the original is committed; or
- (b) a Notary public of the country where the company is incorporated; or
- (c) an affidavit of a responsible officer of the company in the country where the company is incorporated.

(2) The signature and seal of the official referred to in clause (a) of sub-rule (1) or the certificate of the Notary Public referred to in clause (b) of that sub-rule shall be authenticated by a Pakistan diplomatic consular or consulate officer.

(3) The certificate of the officer of the company referred to in clause (c) of sub-rule (1) shall be signed before a Pakistan diplomatic consular or consulate officer.

23 Certification of translation under sections 451, 452 and 453 and number of copies of balance-sheet, etc., to be filed with registrar under section 453. --- (1) The translation into English or Urdu of documents required to be filed with the registrar in pursuance of section 451, 452 or 453 shall be certified to be

correct translation of the original in the manner provided in sub-rule (2) or sub-rule (3), as the case may require.

(2) Where any such translation is made outside Pakistan, it shall be authenticated by the signature and seal, if any, of---

(a) the public officer in the country where the company is incorporated to whose custody the original is committed; or

(b) a Notary Public of the country where the company is incorporated:

Provided that signature or seal of the person so certifying shall be authenticated by a Pakistan diplomatic consular or consulate officer.

(3) Where such translation is made within Pakistan, it shall be authenticated by an affidavit of any person having, in the opinion of the registrar, an adequate knowledge of the language of the original and of English or Urdu, as the case may be.

(4) For purposes of sub-section (1) of section 453, there shall be filed with the registrar concerned five copies of the balance-sheet and profit and loss account referred to therein.

24. Maximum fees to be charged by companies. --- The fee to be charged by a company under sections 136, 150, 471 or any other provision of the Ordinance for inspection of any document or register or for the supply of any copy thereof to a person, other than a creditor or member of the company, shall not exceed the fee specified in the Sixth Schedule for the inspection of a document or register or for the supply of a certified copy of an extract of any document or register kept by the registrar.

25. Persons authorised to represent in proceedings under sections 476, 477 and 484. --- (1) Except as otherwise provided in the Ordinance, the following persons shall be entitled to appear before the Federal Government or the

⁴⁵[Commission] or the registrar in any proceedings under sub-section (3) of section 476 or sub-section (1) of section 477 or section 484, namely:-

(a) If the proceedings are against a company,---

⁴⁶[(i) the chief executive of the company;or]

(ii) any other person who could make a declaration under sub- rule (2) of rule 4 and who is authorised in writing by the company for the purpose;⁴⁷[or]

⁴⁸[(iii) secretary of the company;or]

(iv) such other person who possesses the qualification specified by the Commission;and]

(b) if the proceedings are against an officer of a company or some other individual allegedly responsible for the offence,---

(i) the officer or person so alleged;or

(ii) unless otherwise required by the Federal government, the ⁴⁹[Commission] or the registrar, any other person who could make a declaration under sub-rule (2) of rule 4, duly authorised in writing by the said officer or person for the purpose of the proceedings.

(2) Where a person authorised under sub-section (ii) of clause (a) or (b) of sub-rule (1) proposes to appear on behalf of a company or any other person in any proceedings, the written authority entitling him so to do shall be furnished to the Federal government, the ⁵⁰[Commission] or the registrar as the case may be, prior to the proceedings.

26. Forms prescribed under section 504. --- (1) The forms hereto annexed shall be used in all matters to which the forms relate.

⁴⁵Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁴⁶Substituted by Notification S.R.O. 687 (I)/2003, dated the 7th July, 2003, for the following:-
"(i) a responsible officer of the company; or"

⁴⁷Substituted for the word "and" by Notification S.R.O.687 (I)/2003, dated the 7th July, 2003.

⁴⁸Added by Notification S.R.O.687 (I)/2003, dated the 7th July,2003

⁴⁹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵⁰Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

(2) For the purpose of sub-rule (1), any form in the Schedules shall be deemed annexed to these rules.

27. Translation of documents other than those under Part XIV of the Ordinance. -- If any document or portion of any document required to be filed or registered with the registrar or containing any fact required to be recorded by him in pursuance of any provision contained in any part of the Ordinance (except Part XIV) is not in English language or in Urdu language, a translation of that document or portion either in English language or in Urdu language certified in the manner provided in sub-rule (3) of rule 23 to be correct translation thereof, shall be attached to each copy of the document which is furnished to the registrar.

28. Signing and authentication of applications, documents, etc. --- All applications and documents filed with or sent to the Federal Government, the ⁵¹[Commission] or the registrar, by or on behalf of the company, shall, unless otherwise required by any provision of the Ordinance or these rules, be signed and verified by a responsible officer or, in the case of any individual entitled to submit an application, by such individual, and the Federal Government, the ⁵²[Commission] or the registrar, as the case may be, may require such documentary proof with respect to the status, designation or entitlement of the person or individual making or authenticating application as it or he may deem necessary.

29. Prescribed particulars. -- The particulars contained in the forms are hereby prescribed as the particulars, if any, required under the relevant provision or provisions of the Ordinance.

30. Mode of submission of applications, etc. - Every application made to the registrar, the ⁵³[Commission] or the Federal Government shall, in addition to complying with any other requirement of the Ordinance or the rules, be-

⁵¹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵²Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵³Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

- (i) duly signed and verified by an affidavit by the ⁵⁴[applicant indicating complete name and address] and, in the case of a company, signed and verified by an affidavit by a responsible officer of the company;
- (ii) neatly and legibly written, typed or printed, setting out precisely the facts, grounds and claims or relief applied for in serially numbered paragraphs and specifying the relevant provisions of the Ordinance under which action or relief is applied for;
- (iii) accompanied by documents referred to in the application or relied upon and, in the case of an appeal against any order or decision, by a certified copy of such order or decision;
- (iv) accompanied by one spare copy, duly signed, dated and verified and accompanied by copies of the documents as aforesaid; and
- (v) accompanied by the original ⁵⁵[bank challan or draft] for the fee paid for the application.

31. Interpretation of the requirements of the Schedules and forms.- For the application and interpretation of the requirements of the schedules or forms, unless the subject or context otherwise requires, the following shall apply, namely:

- (a) if an information is required to be disclosed and, in the application of the provision to a company, there is no information which could be so disclosed, an express statement giving the factual position would be required to be made instead of the information to be stated;
- (b) if a certain information is required to be disclosed "if practicable", "if determinable", "as near thereto as circumstances admit" or under some other similar expression, and it is not practicable for a company to disclose or provide information as required, the precise reasons as to why it is not practicable to provide the information or it is not possible to determine the required information or the circumstances which necessitate deviation from the actual requirements shall be included instead of the information required to be stated.

32. Copies of applications to various authorities, etc., to be forwarded to others.- A copy of every application together with a copy of each of the

⁵⁴Substituted for the words "person making it" by Notification S.R.O. 687 (I)/2003, dated the 7th July, 2003.

⁵⁵Substituted for the words "receipt of the treasury or bank", by Notification S.R.O. 687 (I)/2003, dated the 7th July, 2003.

documents enclosed therewith shall be forwarded by the applicant,-

- (i) in the case of an application made to the Federal Government, to the ⁵⁶[Commission] and the registrar concerned;
- (ii) in the case of an application made to the ⁵⁷[Commission] or the registrar who is head of the organisation for the registration of companies in Pakistan, to the registrar concerned;

and this fact shall be stated in the application

33. Mode of furnishing of returns to the ⁵⁸[Commission].- Any person required by or under any provision of the Ordinance or these rules to furnish any document, statement, return or report to the ⁵⁹[Commission] shall deliver it, either in person or through an agent, against receipt, to the ⁶⁰[Commission] or send it to the ⁶¹[Commission] by registered post at its Headquarters at Islamabad.

34. Payment of fees, etc.- Except as otherwise provided in the Ordinance, all fees, charges and other sums payable, paid or realized under the Ordinance or any rules or regulations made or notification issued there under or under any order of the Federal Government, the ⁶²[Commission] or the registrar under the Ordinance or the rules shall be accounted for to the ⁶³[Commission] and deposited with a designated bank branch specified by the Commission for the purpose and the original receipt thereof shall be furnished to the Commission] officer or the registrar concerned, as the case may be, along with the document or application for which the same is payable or the other communication intimating payment.

⁵⁶Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵⁷Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵⁸Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁵⁹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁶⁰Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁶¹Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁶²Substituted for the word "Authority" by Notification SRO 687(I)/2003, dated July 7, 2003.

⁶³Substituted for the words "Federal Government in the State Bank of Pakistan or in any other bank acting as agent of the State Bank of Pakistan or a Government Treasury for credit to the head of Account '1200- Receipts from Civil Administration and Other Functions, 1210-Receipts from General Administration 1213-Economic Regulation - Receipts under the Companies Ordinance' and the original receipts thereof shall be furnished to the Federal Government, the Authority" by Notification SRO 687(I)/2003, dated July 07, 2003.

35. ⁶⁴[**35. Penalty for contravention of these rules.**- Whoever fails or refuses to comply with, or contravenes any provision of these rules, or knowingly and willfully authorises or permits such failure, refusal or contravention shall, in addition to any other liability under the Ordinance, be also punishable with fine and, in the case of continuing failure, to a further fine, as provided in sub-section (2) of section 506.]

36. Powers of the Federal Government to relax rules.— Where the Federal Government is satisfied that it is not practicable or necessary to comply with the requirements of rule 22, 23 or 27 in any particular case or class of cases, the Federal Government may, for reasons to be recorded, relax the rule in the case of such company or class of companies subject to such conditions, if any, as may be imposed by the Federal Government in that behalf.

37. Repeal. - The Companies Rules, 1941 are hereby repealed.

⁶⁴Substituted by Notification SRO 687(I)/2003, dated July 07, 2003 for the following:

“35. Penalty for contravention of these rules.-Whoever fails or refuses to comply with, or contravenes any provision of these rules, or knowingly and wilfullyauthorises or permits such failure, refusal or contravention shall, in addition to any other liability under the Ordinance, be also punishable with fine not exceeding two thousands rupees, and, in case of continuing failure, to a further fine, not exceeding one hundred rupees for every day during which the defaultcontinues.”

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