

Circular No. 15 Reference No. CLD/CO/Amndt/2001
Appointment of Whole Time Company Secretary.

July 08, 2003

A new section 204A has been inserted in the Companies Ordinance, 1984 through the Companies (Amendment) Ordinance, 2002 which provides that a listed company shall have a whole time secretary and a single member company shall have a secretary possessing such qualifications as may be prescribed. It is clarified for the information of all concerned that the words “whole time secretary” in relation to a public listed company means a “full time employee” designated as secretary to perform this specific assignment. The listed companies are required to appoint full time secretary and duties of secretary may not be assigned to any other officer of the company in addition to his own duties and responsibilities. However, a whole time secretary can be assigned additional job if the management considers it appropriate.

2. The objective of mandatory appointment of a whole time company secretary is to ensure compliance with statutory provisions of all corporate laws applicable to listed companies and to integrate the wide ranging duties and responsibilities associated with this important position. It is hoped that the mandatory provision about appointment of a whole time secretary will work as a driving force for good corporate governance.

3. It may be noted that a single member company is also required to have a company secretary but such company does not necessarily require a whole time secretary.

4. In order to achieve the purpose of present legislation and amendments in the Companies Ordinance, 1984 the qualification of company secretary is being prescribed and the single member company rules are under process of issuance.

(Haroon Sharif)
Executive Director (CL)

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