

**Circular No. 30 - Reference No. CLD/ENF/D(A/C)/17/2003**  
**Attendance of Directors in the Board Meetings through Video Conferencing**

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*December 31, 2003*

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A few listed companies particularly the multinationals have approached this Commission to allow holding of the Board of Directors' meetings through video conferencing as and when some members of their Board are not available in the country. This Commission, in view of this practical problem, feels that holding of Board meetings through video conferencing would facilitate the companies whose directors sometimes find it difficult to travel to Pakistan for participating in the meetings due to their busy schedules. This would also ease pressure on the directors of companies who have to attend quarterly Board's meetings and audit committee's meetings as per the requirements of the Companies Ordinance, 1984 and the Code of Corporate Governance. Besides, the use of modern technologies would also be cost effective and would ensure participation of almost all the directors in such meetings. This would also help in achieving the objectives of good Corporate Governance. It has, therefore, been decided to allow the listed companies to hold their Board's meetings through video conferencing where it is not possible for the directors to be physical present at the venue of the meeting. The listed companies are, however, advised to avail this facility only in emergent situations and the requirements of the requisite quorum and other legal formalities relating to holding of such meetings must be observed strictly. It would also be the responsibility of the company's secretary to secure the video recording of the proceedings of the meetings and keep it in his custody along with the other relevant record.

**(Imran Bashir)**

Director (Enforcement)

Distribution:

1. Chief Executives of all listed companies
2. Chief Executives of Stock Exchanges, Karachi/ Lahore/ Islamabad

3. The President, Institute of Chartered Accountants of Pakistan
4. The President, Institute of Cost and Management Accountants of Pakistan
5. Press Information Department, Islamabad
6. Associated Press of Pakistan
7. All officers of the Commission