



# SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Company Law Division  
(Corporatization and Compliance Department)

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No. CLD/RD/CO.516/2016 -1454

November 18, 2016

## CIRCULAR NO. 35 /2016

**Subject: Exemption from requirement of National Tax Number under the Companies Ordinance, 2016**

The Companies Ordinance, 2016 ("the Ordinance") has been promulgated on 11<sup>th</sup> November, 2016. The provisions of section 153 (h) of the Ordinance provides that a person shall not be eligible for appointment as a director of a company, if he does not hold National Tax Number as per the provisions of Income Tax Ordinance, 2001 (XLIX of 2001).

2. It has been observed that the promoters desirous of forming Small Size Companies (SSC) find difficulties as National Tax Number may not be available at the time of formation of company.

3. Keeping in view of the above and in order to promote corporatization, the Commission has decided to grant a general exemption for a period of two years to all Small Size Companies as defined under the Third Schedule attached to the Ordinance including Agriculture Promotion Companies formed in terms of Section 457 of the Ordinance from the requirement of NTN as applicable in terms of Section 153 (h) of the Ordinance.

(Bushra Aslam)  
Executive Director (CCD)

### Distribution:

1. The Institute of Chartered Accountants of Pakistan, Karachi.
2. The Institute of Cost & Management Accountants of Pakistan, Karachi.
3. The Institute of Corporate Secretaries of Pakistan, Karachi.
4. Federation of Pakistan Chambers of Commerce and Industry, Karachi.
5. All Company Registration Offices.
6. Official website for information.
7. Office copy.