

**Circular No. 7 Reference No. CLD/620/1/2002>  
Companies Easy Exit Scheme (CEES) and Extension in Period of Companies  
Regularisation Scheme (CRS).**

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*Apr. 01 ,2002*

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Securities and Exchange Commission of Pakistan announced Companies Regularisation Scheme (CRS) through circulars no. 08 of 2001 providing the defaulter companies an opportunity to regularize their affairs through filing overdue statutory returns with one time additional fee instead of three times additional fee and such companies are also absolved of the liabilities of penal provisions of the Companies Ordinance, 1984. Keeping in view the wide acceptance of CRS and demand from the relevant quarters, the period of CRS has been extended initially upto April 30, 2002 subject to payment of one time additional fee and then upto June 30, 2002 on payment of two times additional fee during May and June 2002.

2. The Commission has been receiving suggestions/representations that some scheme should be announced to provide an opportunity in getting names of their defaulting companies struck off the register of the companies. Therefore, the scheme titled 'Companies Easy Exit Scheme' (CEES) is hereby launched. The main characteristics of this scheme are as under: -

- a) It would be operative for a period of one month i.e. April 01, 2002 to April 30, 2002.
- b) The companies which neither have any business nor have any assets and liabilities would furnish the application for seeking to get struck off of their names from the register of companies.
- c) Rate of fee for such application would be as under: -

(1)	Private Limited Companies.	Rs. 3,500
(2)	Unlisted Public Companies, Associations u/s 42 / Guarantee Companies u/s 43	Rs. 7,500

- d) The application shall be supported with the Board resolution or a resolution of the shareholders of the company. Format of the application is provided at Annexure-I.
- e) One of the directors preferably chief executive of the company shall also furnish a declaration duly verified by an affidavit administered before Class I Magistrate that the company has no assets / liabilities and that it is not carrying on any business or any operation; and that it has no liabilities outstanding in relation to any loan(s) obtained from the banks / financial institutions, taxes, utility charges, or any obligations towards government departments or private parties. The format of declaration is given at Annexure-II.

f) The company shall also furnish a certificate from the company's auditors stating that to the best of his knowledge and belief the company has not been carrying on any business or operation; that it has no assets / liabilities and that it has no liabilities outstanding in relation to any loan(s) obtained from the banks / financial institutions, taxes, utility charges, or any obligations towards government departments or private parties. In case, the auditor of the company is a person other than a practising Chartered Accountant or a practising Cost and Management Accountant, the certificate shall be obtained from a practising Chartered Accountant or a practicing Cost and Management Accountant. The format of the certificate is given at Annexure-III.

g) On receipt of sufficient number of applications or at the end month, notices will be published in Official Gazette inviting any objection from possibly interested parties against such striking the company name off the register of companies.

h) If no objection is received and registrar is satisfied that the company is really not in operation and has no assets or liabilities, the name of the company shall be struck off the register of the companies. In case objection is received against such striking off the name of the company, the registrar concerned will examine the issue in detail and decide about the acceptance or rejection of the application after giving proper notice and hearing to the applicant company and the objecting party. A proper procedure would be conveyed to the registrars for dealing with applications.

i) If no objection is received after three months of publication of first notice, the notification would be published in Official Gazette stating that the companies names have been struck off the register of companies. Similarly cases where objections were received and after consideration were rejected, the notification for striking off their names from the register of the companies shall be published.

j) In case the objections are accepted and the applications are turned down, the companies and parties concerned would be informed accordingly.

**(M. Zafar-ul-Haq Hijazi)**  
Commissioner (CL)

### **Distribution**

1. The President, Institute of Chartered Accountants of Pakistan, Karachi.
2. The President, Institute of Cost & Management Accountants of Pakistan, Karachi.
3. The President, Federation of Pakistan Chamber of Commerce and Industry, Karachi.
4. The Presidents, All Chambers of Commerce and Industry.
5. All Officers of SEC.
6. All Company Registration Offices.

**Annexure-I**

LETTER HEAD OF COMPANY

No.

Date

To,

The Additional/Joint/Deputy/  
Assistant Registrar

\_\_\_\_\_  
\_\_\_\_\_

Subject: **APPLICATION FOR STRICKING OF NAME OF COMPANY UNDER  
SECTION 439 OF THE COMPANIES ORDINANCE, 1984.**

Dear Sir,

Please refer to "Companies Easy Exit Scheme" announced vide circular No.\_\_\_\_\_/2002 dated \_\_\_\_\_.

The Company after carefully considering all aspects has duly resolved in the meeting of directors / shareholders held on\_\_\_\_\_ to make an application seeking striking the name of our company off the register of companies under section 439 of the Companies Ordinance, 1984.

Now, therefore, the undersigned requests to take action to strike the name of the company off the register of the companies. We furnish the following details and documents for considering the application.

- i) Board of directors' resolution /shareholders' resolution dated \_\_\_\_\_as per Annexure-I.
- ii) Declaration of Chief Executive / director duly verified by an Affidavit as per Annexure-II.
- iii) Auditors' certificate/certificate from practising chartered accountant or practising cost and management accountant as per Annexure-III.

Yours faithfully,

( )  
Name & Signatures  
Chief Executive / Director

**Annexure II**

**On Stamp Paper of Requisite Value**

**DECLARATION**

I .....(Names, Father or Husband's names and addresses) do hereby solemnly affirm and state as follows: -

1. That I am the Chief Executive / director of M/s.....
2. That a resolution has been passed by the directors/shareholders of the company in their meeting held on .....to furnish application seeking striking off the name of company from the register of the companies under section 439 of the Companies Ordinance, 1984.
3. That the above named company has no assets and liabilities;
4. That the company is not carrying on any business or any operation;
5. That the company has no liabilities outstanding in relation to any loan(s) obtained from the banks, financial institutions, taxes, utility charges, or any obligations towards government departments or private parties; and
6. That the contents of the application and whatever is stated above is true and correct according to my best knowledge and belief.

**Deponent**

Place :

Date :

Verified / Attested by Class 1 Magistrate,  
Seal of Attesting officer.

**Annexure III**

**Auditors' Certificate/Certificate from practising Chartered Accountant/Cost and Management Accountant**

We have examined the books and record of M/s. .... and have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of this certificate and after due verification thereof, we certify

that M/s. .... has no assets / liabilities and that it is not carrying on any business or any operation; and that it has no liabilities outstanding in relation to any loan(s) obtained from the banks / financial institutions, taxes, utility charges, or any obligations towards government departments or private parties.

Place:

Date:

auditors)

(Signature with name of