

PROCEDURE FOR FORMATION / LICENCING / INCORPORATION OF NGO

STEP 1 AVAILABILITY OF NAME

Obtain name availability of proposed association accompanied with original paid bank challan of Rs. 500 for offline application. In case of online application, fee is Rs.200/-

STEP 2 APPLICATION TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP) FOR GRANT OF LICENCE UNDER SECTION 42

The following documents are required to be submitted with the Commission.

- i. Application for grant of license addressed to Commissioner CLD.
- ii. Original paid bank Challan of Rs. 25,000/- as licensing fee in the designated bank branches.
- iii. Copy of name availability letter (as obtained from Company Registration Office-CRO)
- iv. Documents required under the Companies (General Provisions and Forms) Rules, 1985 (Rules).
 - a. Draft Memorandum and Articles of the proposed association required under Rule 6(2)(a)
 - b. List of promoters of the association with their occupations and addresses [Rule 6(2)(b)]; (Specimen attached as Annexure I)
 - c. 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 Companies Act, 2017 and fulfill the conditions for the grant of licence [Rule 6(2)(c)]; (Specimen attached as Annexure II)
 - d. the names of companies, associations and other institutions in which the promoters of the proposed association hold any office (such as chief executive, directorship etc.) stating the office held in each case [Rule 6(2)(d)]; (Specimen attached as Annexure III)
 - 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 [Rule 6(2)(e)]
 - f. an estimate of the future annual income and expenditure of the proposed association, specifying the sources of income and objects related expenditure etc. [Rule 6(2)(f)] (Specimen attached as Annexure IV) accompanied with letters of intents from local /foreign donors with addresses of donors and year wise donations.

In case of foreign promoter / donor, the following additional (five sets of each) documents needs to be provided:

- Draft Memorandum of Association
- Copies of Computerized National Identity Cards (CNICs) of all Pakistani members and in case of foreigners, copy(ies) of passport(s);

- Resume of all promoters
 - Estimated Income and expenditure statement, names of foreign donors along with letters of intents from foreign donors and year wise amount of donation, 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. [Rule 6(2)(g)] (Specimen attached as Annexure V)
- v. Conditions of license be mentioned in the Memorandum of Association as stated in Rule 6(4)
- vi. Power of Attorney on Stamp Paper of appropriate value made by all the promoters in favour of a person to present the application before the Commission on their behalf, and to make other amendments, additions, corrections etc in the documents and also to collect the licence from SECP. (Specimen attached as Annexure VI)
- vii. An Affidavit / undertaking from each promoter to the effect that they have sufficient skills, expertise and resources for the attainment of objects of the proposed association. Moreover, the said undertaking should indicate that each promoter shall contribute a reasonable amount (e.g. Rs. 200,000/-) as start-up donation having regard to the circumstances of the case. The amount shall be deposited in the company's account within a period of six months of the date of its incorporation which shall not be refundable to the promoters, directly or indirectly through any means, affidavit affirming correctness of contents of the application, affirming that promoters are not defaulters of loans etc. (Specimen attached as Annexure VII)
- viii. Resume of all promoters (Specimen attached as Annexure VIII)
- ix. Photocopies of CNICs [copy(ies) of passport(s), in case of foreign promoter(s)]

Step 3. REGISTRATION OF ASSOCIATION AS A COMPANY

Within 90 days after grant of license, the proposed association shall submit the following documents with the concerned CRO:

- i. Form 1 (declaration of applicant for incorporation)
- ii. Form 21 (Notice of situation of registered office or any change therein)
- iii. Form 27 (List of persons consenting to act as directors)
- iv. Form 28 (Consent to act as directors)
- v. Form 29 (Details/ particulars of directors)
- vi. Copy of Memorandum & Articles of Association
- vii. Online fee of Rs. 25,000/- and documents filing fee is Rs.250/- per document.
- viii. Copy of License
- ix. Copies of CNICs and in case of foreigner(s), copy(ies) of passport(s)

LIST OF PROMOTERS OF M/S **(PROPOSED)***[Section 42 and rule 6(2)(b)]*

Name of Promoter	Occupation	Address

Signatures: _____

Name: _____

[To be signed by the person presenting documents]

[To be made on stamp paper duly verified by an Oath Commissioner]

**DECLARATION OF COMPLIANCE
WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2017
AND THE COMPANIES (GENERAL PROVISIONS AND FORMS) RULES,
1985**

[Section 42 and rule 6(2)(c)]

I, Mr./Miss/Mrs. _____ son/daughter/widow of
do solemnly and sincerely declare:-

(i) that I [am an Advocate entitled to appear before a High Court / Supreme Court / a Chartered Accountant / a Cost and Management Accountant practicing in Pakistan and am engaged in the formation of the proposed association, namely, /] am a person named in the Articles of Association as a director/officer of the proposed association, namely, .; and

(ii) that I have scrutinized the application and the accompanying documents, and that I am satisfied that the same are drawn up in conformity with the provisions of the Companies Act, 2017 and fulfill the conditions for the grant of licence laid therein and the Companies (General Provisions and Forms) Rules, 1985.

Signature:
Full Name (in Block Letters),
Designation, NIC Number,
and Full Address

Date:

Place:

Witness to the signature:

Signature:
Full Name, Father's/ Husband's
Name (in Block Letters)
NIC Number, Occupation
and Full Address

Attested by an
Oath
Commissioner

[under his
Stamp]

OFFICES HELD BY PROMOTERS OF M/S (PROPOSED)
IN OTHER COMPANIES, ASSOCIATIONS, AND INSTITUTIONS, ETC.

[Section 42 and rule 6(2)(d)]

Name of Promoter	Office(s) Held	Name(s) of other companies /associations/institutions

Signatures: _____

Name: _____

[To be signed by the person presenting documents]

Estimated Future Annual Income and Expenditure Statement**of****M/S****(Proposed)***[Section 42 and rule 6(2)(f)]*

(Amounts in Pak Rupees)

INCOME	Notes	Year 1	Year 2	Year 3
Local donations and grants		0,000,000	0,000,000	0,000,000
Donations and Grants - Foreign		0,000,000	0,000,000	0,000,000
Member's donations – Start-up		0,000,000	0	0
Member's donations – Other		0,000,000	0000,000	0,000,000
Other sources, specify, if any		0,000,000	0,000,000	0,000,000
Previous year's surplus (deficit) B/F		000,000	000,000	0,000,000
Total		0,000,000	0,000,000	0,000,000
EXPENDITURE		Year 1	Year 2	Year 3
Registration and Legal fee		000,000	0	0
Object related projects: Specify (name of) project 1		000,000	000,000	000,000
Specify (name of) project 2, if any		0,000,000	0,000,000	0,000,000
Specify (name of) project 2, if any		000,000	0,000,000	0,000,000
Specify (name of) project 3, if any, etc.		000,000	0,000,000	0,000,000
Administrative and operational expenditures		000,000	000,000	000,000
Total Expenditures		0,000,000	0,000,000	0,000,000
Income over Expenditures Surplus (if any)				

Note 1: Details of above referred Notes should give full disclosure about the above estimates with year wise break-ups, alongwith sufficiently descriptive explanations.

Note 2: Letters of Intent from Local / Foreign Donors identifying year-wise donations should be furnished.

Signature _____

Name _____

**BRIEF STATEMENT OF THE WORK ALREADY DONE BY THE
ASSOCIATION OR PROPOSED TO BE DONE AFTER ITS BEING GRANTED
THE LICENCE AND REGISTRATION UNDER SECTION 42 OF THE
COMPANIES ACT, 2017**

*[As required under Rule 6(2)(g) of the Companies (General Provisions
and Forms) Rules, 1985]*

“ _____ ” **(Proposed)**

Work already done (salient features of work/projects, etc), if any:

- 1.
- 2.
- 3.

Work Proposed to be done (salient features of work/projects, etc) after grant
of licence:

- 1.
- 2.
- 3.

Signature _____

Name _____

[To be signed by the person presenting documents]

[To be made on stamp paper of an appropriate value duly verified by Notary Public]

Power of Attorney / Authority Letter

We, the following persons, being promoters/subscribers of the (proposed) company, namely, M/s _____ do hereby appoint and authorize Mr./Miss/Mrs. _____ son/daughter/wife of _____ resident of _____ whose signatures are given below, to present us before the Securities and Exchange Commission of Pakistan to submit application/ papers for license under section 42 of the Companies Act, 2017, and to make necessary amendments required by the SECP, to collect license, and to sign and give necessary explanation on our behalf in relation to the above and the allied matters.

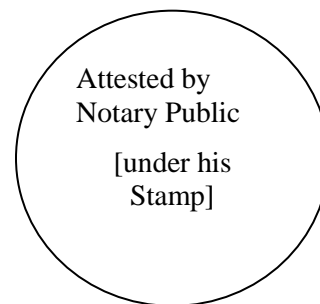
Sr.	Name of Promoter	Signature

Signature:
 [Authorized Representative]
 Full Name with NIC Number

witness to the signatures:

Signature:
 Full Name, NIC Number,
 Father's/ Husband's Name,
 Occupation and Full Address

Date: Place:



ANNEXURE-VII

[To be made on stamp paper duly verified by an Oath Commissioner]

AFFIDAVIT / UNDERTAKING

I, Mr./Miss/Mrs. _____ son/daughter/wife
_____ of _____ resident of
_____ promoter/subscriber of
_____, (proposed) do hereby, solemnly affirm and
testify that:

1. The contents of the application for grant of license under section 42 of the Companies Act, 2017 to the proposed Association are true and correct to the best of my knowledge and belief and declare that:

a) I have not been associated with any money laundering or terrorist financing activities and neither have approved receipt of nor received such monies and likewise neither have approved disbursement of nor disbursed such monies in any manner for money laundering or terrorist financing purposes;

b) I have not been associated with any illegal banking business, deposit taking or financial dealings;

c) I and the companies, firms, sole proprietorship etc. where I am chief executive, director (other than nominee director), owner or partner etc has no overdue payment of any financial institution;

d) neither I nor companies in which I am a director or major shareholder have defaulted in paying taxes as on the date of application;

e) I have not been a sponsor, director or chief executive of a defaulting cooperative finance society or finance company;

f) I have never been convicted of fraud or breach of trust or of an offend involving moral turpitude or removed from services for misconduct;

g) I have neither been adjudged an insolvent nor have defaulted in making payments to my creditors; and

h) the funds raised shall be spent for objects of the proposed association and for other lawful purposes.

i) I am fully aware of the contents of the application for grant of license under section 42 of the Companies Act, 2017 and whatsoever stated in the application and accompanied documents is true and nothing has been concealed in the application.

2. I, Further do hereby undertake on oath that:

I, have sufficient skills, expertise and resources for the attainment of object(s) of the proposed association and shall contribute an amount of Rs. _____ /- as start up donation and the said amount shall be deposited in the company's account within a period of six months of the date of its incorporation which shall be used for the attainment of company's object(s) and shall not be refundable to the promoter, directly or indirectly through any means.

DEPONENT

Witness to above:

(Signature)

Signature _____

Dated:

Name _____

CNIC No. _____

Address _____

Attested by an
Oath
Commissioner

[under his
Stamp]

RESUME

[To be used in application for grant of license under section 42 of the Companies Act, 2017]

Promoter's Name: _____

Nationality: _____

NIC (Computerized)/
Passport No. (in case of
foreigner) _____

Old NIC No. _____

National Tax Number: _____

Date of Birth / Age: _____

Father's/Husband's Name: _____

Postal Address: _____

Permanent Address: _____

Email / Telephone / Fax No. _____

Educational Qualifications: _____

Experience Details (with dates, period, organizations, nature of projects/work responsibilities):

A. Now working as (describing offices held at the moment and related work responsibilities):

B. Previous Experience relating to Main Objects of the Association now being formed:

1. _____

2. _____

3. _____

C. Other Experience:

1. _____

2. _____

3. _____

Signature: _____

Name: _____

[To be signed by the promoter himself /herself or the authorized person presenting documents]

Note: If needed, the space for experience detail may be expanded or extra pages annexed.