Monday II 11 March 2013

PART II

Statutory Notification (S.R.O)

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Islamabad, March 11, 2013

NOTIFICATION

SRO 194 (I)/2013.- In exercise of the powers conferred by section 505 of the Companies Ordinance, 1984 (XLVII of 1984), read with clause (c) of section 43 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997) and SRO 698 (I) 86 dated 2nd July, 1986, the Securities and Exchange Commission of Pakistan is pleased to direct that the Tables A and C to the First Schedule of the said Ordinance, shall be amended as follows, namely:-

AMENDMENTS

1. In Table A,-

   (i) in regulation 63, after the word "Dividends" the words and comma "in cash, and/or in specie" shall be inserted;

   (ii) in regulation 51,-

   (a) the words "It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from Pakistan" shall be omitted; and

   (b) after the regulation 51, amended as aforesaid, the words "Notice sent to a director through e-mail whether such director is in Pakistan or outside Pakistan shall be a valid notice." shall be inserted;

   (iii) after the regulation 51, amended as aforesaid, the following new regulation 51A shall be inserted, namely:-

"51A. The directors may hold their meetings through tele/video conferencing in emergent situation where it is not possible for them to be physically present at the venue of the meeting, provided that the minutes of such meeting are approved and signed subsequently by all directors who participated in such meeting, requirements of the requisite quorum and other legal formalities relating to holding of such meetings have been observed and tele / video recording of the proceedings of the meetings are kept for the purpose of the record.";

(iv) after regulation 83 a new regulation 83A shall be inserted, namely:-

"DISPUTE RESOLUTION

83A. In the event that a dispute, claim or controversy arises between the company, its management or its shareholders, or between the shareholders inter-se, or the directors inter se, all steps shall be taken to settle the dispute and resolve the issue through mediation by an accredited mediator before taking recourse to formal dispute resolution such as arbitration or litigation.".

2. In Table C,-

(i) After regulation 22, a new regulation 22A shall be inserted, namely:-

"ELECTION OF DIRECTORS

22A. (1) The directors of the company shall be elected in accordance with provisions of sub sections (1) to (4) of section 178 of the Ordinance, in the following manner:

(a) The directors of the company shall be elected by the members of the company in general meeting;

(b) A member shall have such number of votes as is equal to number of directors to be elected;

(c) A member may give all his votes to a single candidate or divide them between more than one of the candidates in such a manner as he may choose; and

(d) The candidate who gets the highest number of votes shall be declared elected as director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of directors to be elected has been so elected.

(2) If the numbers of persons who offer them to be elected are not more than the number of directors fixed by the directors under sub-section (1) of section 178, all persons who offer them shall be deemed to have been elected as directors.";

(ii) after regulation 24 a new regulation 24A shall be inserted, namely:-

"24A The directors may hold their meetings through tele / video conferencing in emergent situation where it is not possible for them to be physically present at the venue of the meeting, provided that the minutes of such meeting are approved and signed subsequently by all directors who participated in such meeting, requirements of the requisite quorum and other legal formalities relating to holding of such meetings have been observed and tele / video recording of the proceedings of the meetings are kept for the purpose of the record.";

(iii) after regulation 28 a new regulation 28A shall be inserted, namely:-

"28A. Notice sent to the directors through e-mail whether such director is in Pakistan or outside Pakistan shall be a valid notice."; and

(iv) after regulation 30 a new regulation 30A shall be inserted, namely:-

"DISPUTE RESOLUTION

30A. In the event that a dispute, claim or controversy arises between the company, its management or its shareholders, or between the shareholders inter-se, or the directors inter se, all steps may be taken to settle the dispute and resolve the issue through mediation by an accredited mediator before taking recourse to formal dispute resolution such as arbitration or litigation.".

No. CLD/RD/29/Amnd/1st Sch./2004

Bushra 11/3/13

(BUSHRA ASLAM)
Secretary to the Commission