

Notification No. S.R.O. 1003(I)/2003

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NOTIFICATION

S.R.O. 1003(1)/2003.- In exercise of the powers conferred by section 506 of the Companies Ordinance, 1984 (XLVII of 1984), read with clause (b) of section 43 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), the Securities and Exchange Commission of Pakistan, is pleased to direct that the following amendments shall be made in the Companies (General Provisions and Forms) Rules, 1985, the same having been published previously as required by the sub section (1) of the said section 506, namely:-

In the aforesaid Rules,

(1), after rule 2, the following new rule shall be inserted, namely:-

2A. Additional particulars to be specified by a subscriber.- In addition to the particulars to be added as contained in clause (c) of sub-section (1) of section 19 and clause (c) of sub-section (1) of section 27, a subscriber shall specify his national identity card number or in the case of foreign national, his passport number:

Provided that in case of a person other than a natural person, the address of its registered office or principal office shall be specified and the authorized representative signing the documents shall also add his particulars as stated in this rule.”;

(2), after rule 14, the following new rules shall be inserted, namely:

14A. Approval of capital expenditure etc. by the directors.- The amount of capital expenditure to be incurred on any single item and the amount of book value for the disposal of a fixed asset, for the purpose of clause (j) of sub-section (2) of section 196, shall be exceeding one million rupees, and one hundred thousand rupees respectively.

14B. Qualifications of company secretary.- The following shall be the qualifications of company secretary to be appointed in terms of section 204A namely:-

- (a) a member of a recognized body of professional accountants;
- (b) a member of a recognized body of corporate/chartered secretaries;
- (c) a person holding a masters degree in Business Administration or Commerce or being a Law Graduate from a university recognized by Higher Education Commission and having at least two years relevant experience:

Provided that a person already engaged by a company as secretary before the 26th October, 2002 may continue in that capacity if he has an experience of not less than five years in that position.

14C. Particulars of directors and officers, etc.- (1) The following shall be the particulars of directors and officers, including the chief executive, managing agent, secretary, chief accountant, auditors and legal adviser, for the purpose of sub-section (1) of section 205, namely:-

(a) in the case of an individual, his present name in full, his father's name, in the case of a married woman or a widow, the name of her husband or deceased husband, his national identity card number and in case of foreign national passport number, his usual residential address, nationality and, if that nationality is not the nationality of origin, nationality of origin and his business occupation, if any, and if he holds any other directorship or other office the particulars of such directorship or office;

(b) in the case of a person other than natural person, its name and address of registered or principal office, and particulars as stated in clause (a) of each of its directors or office bearers; and

(c) in the case of a firm, the full name, address and particulars as stated in clause (a) of each partner, and the date on which each became a partner.”.

(3) after rule 17B, the following new rule shall be inserted, namely:-

“17C. Auditors’ report on consolidated financial statements.- The auditors’ report on consolidated financial statements required by sub-section (3) of section 237 shall be in Form 35-C and review report on the subsidiary accounts as required by sub-section (4) of section 237 shall be in Form 35-D.”; and

(4) in the forms, after Form 35B, the following in forms shall be inserted namely:-

FORM 35C

[See rule 17C]

AUDITORS’ REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

We have audited the annexed consolidated financial statements comprising consolidated Balance Sheet of _____ and its subsidiary companies as at _____ and the related consolidated Profit and Loss Account, consolidated Cash Flow Statement and consolidated Statement of Changes in Equity together with the notes forming part thereof, for the year then ended. We have also expressed separate opinions on the financial statements of _____ and its subsidiary companies except for _____ and _____ which were audited by other firm(s) of auditors whose report(s) has/have been furnished to us and our opinion, in so far as it relates to the amounts included for such company(ies), is based solely on the report(s) of such other auditors. These financial statements are the responsibility of the Holding Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was conducted in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements present fairly the financial position of _____ and its subsidiary companies as at _____ and the results of their operations for the year then ended.

Signature

(Name(s) of Auditors)

Date _____

Place _____

Note.- Where any of the matter referred to in the Auditors' Report is answered in the negative or with a qualification, the report shall state the reason for such answers alongwith the factual position to the best of the auditor's information.

FORM 35D

[See rule 17C]

REVIEW REPORT ON INTERIM FINANCIAL STATEMENTS OF SUBSIDIARY

We have reviewed the accompanying Balance Sheet of _____ as at _____, and the related Profit and Loss Account, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof, for the _____ months then ended. These financial statements are the responsibility of the company's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the International Standard on Auditing applicable to review engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquires of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with approved accounting standards.

Signature

(Name(s) of Auditors)

Date _____

Place _____

Notes: Where any of the matter referred to in the Auditors' Report is answered in the negative or with a qualification, the report shall state the reason for such answers alongwith the factual position to the best of the auditor's information.

(Mohammed Hayat Jasra)
Executive Director (Company Law)

[F. No. 602(180)/RCP/2000]