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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

S.R.O.609(I)/2001.- The following draft of amendments in the Companies (Buy-back of Shares) Rules, 1999, which are proposed to be made in exercise of the powers conferred by section 506 of the Companies Ordinance, 1984 (XLVII of 1984), read with section 95A thereof, and clause (b) of section 43 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), is hereby published as required by sub-section (2) of section 506 of the Companies Ordinance, 1984, (XLVII of 1984), for the information of all persons likely to be affected thereby and notice is hereby given that the draft will be taken into consideration after fourteen days of its publication in the official Gazette.

Any objection or suggestion which may be received from any person in respect of the said draft before the expiry of the said period will be considered by the Securities and Exchange Commission of Pakistan:-

DRAFT AMENDMENTS

In the aforesaid Rules,-

- i. in rule 3,-
 - a. for sub-rule (1), the following shall be substituted, namely:-

"(1) Subject to and in addition to other restrictions and conditions provided in section 95A of the Ordinance, the company intending to purchase, shall have debt-equity and current ratios as under:-

(i) Debt-equity ratio 75 : 25

(ii) Current ratio 1 : 1

Provided that the Commission on application of a company may allow it to purchase its own shares even if the company has a higher debt-equity ratio if in the opinion of the Commission it is in the interest of the company and the capital market."

(b) sub-rule (2) shall be omitted; and

- a. in sub-rule (3), the words, "as certified by the auditors" shall be omitted.

- i. In rule 4, sub-rule (2) shall be omitted.

[No.F.ED/SECP/4/2000.]

(Mohammed Hayat Jasra)

Executive Director (Law)