

Notification No. SRO 660(I)/2001

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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

S.R.O.660(I)/2001.- 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), the Securities and Exchange Commission of Pakistan with the approval of the Federal Government is pleased to direct that the following further amendments shall be made in the Companies (Buy-back of Shares) Rules, 1999, the same having been previously published as required by sub-section (2) of the said section 506, namely:-

In the aforesaid Rules,-

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

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

(i) Debt-equity ratio . . . 75:25

(ii) Current ratio #9; 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
 - c. in sub-rule (3), the words, "as certified by the auditors" shall be omitted.
 - ii. in rule 4, sub-rule (2) shall be omitted.

(Mohammed Hayat Jasra)
Executive Director (Law)