



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
COMPANY LAW DIVISION
Registration Department

No. CLD/RD/602(8)2009 - 1075

Islamabad, the July 1, 2010

CIRCULAR NO. 13 / 2010

Subject: Re-launching of Companies Regularization Scheme (CRS)

The Companies Ordinance, 1984 (the 'Ordinance') provides for a number of statutory returns which the companies are required to file with the registrar within the specified period together with payment of prescribed amount of filing fee. Section 469 of the Ordinance particularly lays down that where any documents required or authorized by or under the provisions of the Ordinance to be filed or registered with the registrar within a specified period is presented after the expiry of such period, the registrar may, on payment of such additional fee as may be prescribed by the Securities and Exchanges Commission of Pakistan (the 'Commission') not exceeding three times the amount of specified fee, accept the same so that the acceptance of the document by the registrar shall not absolve the defaulting company or other person concerned of any liability arising from the default, delay in filing or other failure to comply with the requirements of the Ordinance.

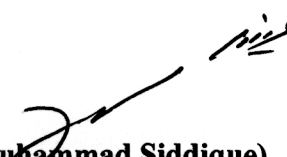
2. It has been noticed that a number of companies have defaulted in filing the statutory returns within the prescribed period and apart from other penalties for violating the specific provisions of the Ordinance, which include heavy amounts of fines and prosecution of the defaulting directors/officers, the companies are also liable to pay additional fee not exceeding three times the amount of the specified fee payable. It has been felt that most of the companies have become defaulter for fear of payment of heavy amount of additional filing fee, apart from other penalties. In order to provide relief to the management of companies, the Commission had launched an amnesty scheme namely, 'Companies Regularization Scheme' (the 'Scheme') in the year 2002, under which an opportunity was provided to the defaulter companies to file their overdue statutory returns, with one time additional fee, instead of three times additional fee, and also absolved such companies of liabilities arising from the delay in filing of returns. The scheme was re-launched in the year 2009 which remained operative from 15th May, 2009 to 31st July, 2009. Thousands of companies availed the benefits of the said schemes and got their defaults regularized.

3. The Commission is pleased to re-launch the 'Companies Regularization Scheme' for three months commencing from July 1, 2010. Salient features of the Scheme are as under:-

- (1) The companies taking benefit of the scheme shall be entitled to get their overdue returns and annual accounts accepted on payment of **normal filing fee plus one-half of the normal filing fee as additional filing fee**, in the first month of the scheme i.e., from 1.7.2010 to 31.7.2010; on payment of **normal filing fee plus one time additional filing fee**, in the second month of the scheme i.e., from 1.8.2010 to 31.8.2010; and on payment of **normal filing fee plus two times additional filing fee**, in the third month of the scheme i.e., from 1.9.2010 to 30.9.2010.

- (2) The scheme shall be applicable to non-listed public companies, private companies, associations not for profit, trade organizations, companies limited by guarantee and foreign companies i.e., companies established outside Pakistan but having place of business in Pakistan;
- (3) The scheme shall be applicable to documents which are filed in the relevant Company Registration Office after the expiry of the period within which it was required or authorized to be filed or registered with the registrar concerned, not being particulars or documents requiring registration under section 121, 122, 123, 124, 129, 131 or 132 of the Ordinance.
- (4) No cognizance of the default due to delay in filing of statutory returns/accounts shall be taken in respect of the returns/accounts filed under this scheme.
- (5) The scheme would remain operative, for a period of three months from 1st July, 2010 to 30th September, 2010, and shall apply to the defaults committed upto 30th June, 2010.
- (6) The documents would be filed physically as it would be difficult to file series of returns through eServices.

4. All the non-listed public companies, private companies, associations not for profit, trade organizations, companies limited by guarantee and foreign companies are advised in their own interest to avail of the opportunity to regularize their statutory record by filing the overdue returns/annual accounts as soon as possible but not later than 30th September, 2010 and to get themselves absolved from their guilt due to late filing of statutory returns in violation of statutory provisions of the Ordinance. After closure of the scheme, necessary legal action shall be initiated against the non-compliant companies.


(Muhammad Siddique)
Registrar of Companies

Distribution:

1. The President, Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi-75600.
2. The President, Institute of Cost & Management Accountants of Pakistan, Gulshan-e-Iqbal, Karachi- 75300.
3. The President, Institute of Corporate Secretaries of Pakistan, 683-C, Allama Iqbal Road, Off: Tariq Road, Block 2, PECHS, Karachi.
4. The President, Federation of Pakistan Chambers of Commerce and Industry, Shahrah-e-Firdousi, Main Clifton, Karachi.
5. The President, All Chambers of Commerce & Industry.
6. All Pakistan Newspapers Association of Pakistan, Karachi,
7. All Company Registration Offices,
8. Official Website for information.