

**GOVERNMENT OF PAKISTAN  
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

-.-.-

*Islamabad, the 18<sup>th</sup> October, 2017*

**NOTIFICATION**

**S.R.O. 1063(I)/2017.**—In exercise of the powers conferred by section 10 of the Securities and Exchange Commission of Pakistan Act, 1997 (the Act) and in partial modification of earlier notification No. S.R.O 247(I)/2017, dated 07 April , 2017, the Securities and Exchange Commission of Pakistan (the 'Commission'), subject to such conditions and limitation as it may from time to time impose, hereby delegates the following powers and functions of the Commission to its Commissioner and officers of the Specialized Companies Division, namely:-

**POWERS AND FUNCTIONS OF THE COMMISSION DELEGATED TO COMMISSIONER  
(SPECIALIZED COMPANIES DIVISION)**

<u>S. No.</u>	<u>Relevant sections of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980</u>	<u>Nature of power/function</u>
1.	20(2)	To accord approval for making an order so as to:  (i) Appoint an administrator to take over and manage the modaraba in place of the modaraba company;  (ii) Require the modaraba company to carry out such changes in the management and procedures; and  (iii) Remove the modaraba company and appoint another modaraba company in its place to manage the modaraba.
2.	41B	To issue directive, circulars, codes, guidelines and notification.

<b><u>S. No.</u></b>	<b><u>Relevant sections of the Companies Ordinance, 1984</u></b>	<b><u>Nature of power/function</u></b>
1.	282J(2)	Power to cancel or suspend licence

<b><u>S. No.</u></b>	<b><u>Relevant sections of the Companies Act, 2017</u></b>	<b><u>Nature of power/function</u></b>
1.	80	To adjudicate appeal against refusal for registration of transfer or transmission of shares of a company.
2.	169	Power to take cognizance of contravention of section 154 to 168, if penalty involves debarment of director(s) in addition to fine.
3.	238 (1)	To require companies to submit additional statements and accounts.
4.	304	Power to perform all functions and exercise all powers of the Commission under section 304.
5.	313	Power to apply to Court to stay winding up of a company.
6.	474(1)	Power to make an order directing a company and its officers to make good the default and undo the irregularity.
7.	475	Power to direct companies to comply with the provisions or requirements of the Companies Act, 2017 during the pendency of the trial or at the time of passing final order.
8.	479 (4) &(5)	Power to impose a fine (other than fine in addition to, or in lieu of imprisonment) as provided for any offence, contravention of, or default in complying with provision of the Companies Act, 2017 which fall within the jurisdiction of Commissioner through delegation of powers.
9.	483	Power to exercise the powers as are vested in a Court under the Code of Civil Procedure, 1908 in matters specified in section 478.
10.	484	Power to issue a directive to the chief executive or other officer of the company to appear before him personally and answer the charges.
11.	499 (1)	Power to award punishment for non-compliance of the orders passed in pursuance of the power delegated.
12.	503	To accord approval subject to conditions in cases where powers of the Commission have been delegated.

**POWERS AND FUNCTIONS OF THE COMMISSION DELEGATED TO EXECUTIVE DIRECTORS,  
DIRECTORS AND REGISTRAR MODARABA**

**1. Executive Director (Specialized Companies Division)**

<b><u>S.No.</u></b>	<b><u>Relevant sections of the Companies Act, 2017</u></b>	<b><u>Nature of power/function</u></b>
1.	10 (2) (f)	To allow a name of the NBFC
2.	82(2)	To sanction issue of shares at discount.
3.	83	To allow issuance of further capital without issue of right shares.
4.	132(1)	To grant extension in period for holding AGM beyond the due date.
5.	147	To call or direct the calling of an over-due statutory meeting, annual general meeting or an extra-ordinary general meeting of an NBFC.
6.	182	To accord approval for the grant of a loan to director of the company or its holding company or any of his relative and give a guarantee or provide security in connection with the loan.
7.	221(1)	To inspect the books of accounts and other papers of a company.
8.	223 (1) & (2)	To grant extension in the period for laying the financial statements of an NBFC in the AGM beyond the due date.
9.	228 (7)	To grant exemption from provisions relating to consolidated financial statements.
10.	229(2) & (3)	To exempt a holding company or its subsidiaries to hold an AGM within the relevant calendar year under specific circumstances.
11.	246 (6), (7) & (8)	To appoint or remove auditors and to fix their remuneration in case they are not appointed by a company and its director within the prescribed period.
12.	247(8)	To appoint a qualified person as an auditor of a company in case of unqualified person appointed as auditor by the company.
13.	256&257	To appoint inspectors to investigate into the affairs of companies.

14.	264	To apply to the Court for issue of an appropriate order against management of company, on the basis of findings of Inspector.
16.	268	To cause making of an application to the Court for winding up the company and/or for an order under section 290.
17.	270	To exercise all powers of the Commission regarding expenses of investigation and to get reimbursement.
18	272	To impose restrictions on transfer of shares and debentures in certain cases and to initiate prosecution proceedings in the matter of a company.
18.	285(5)	To hear appeals against the order of registrar refusing to register any circular regarding offer of a scheme of merger/ amalgamation etc. involving the transfer of shares.
19.	319(5)	To take cognizance of any lapse, delay or other irregularity on the part of official liquidator.
20.	417(5)	To accord approval for payment of money kept under the Companies Liquidation Account.
21.	419	To make appointment of auditors and fix their remuneration, if no such appointment is made by the members or creditors.
22.	463	To accord special permission to take over or remove any original document from custody of registrar.
23.	484	To issue a directive to the chief executive or other officer of the company to appear before him personally and answer the charges.
24..	487	To direct company prosecutor to present an appeal against the order of acquittal.
25.	488	To order for payment of compensation in cases of frivolous or vexatious prosecutions.
26.	489	To direct that the whole or any part of the fine imposed shall be applied towards payment of cost of proceedings; rewarding the person on whose information the fine recovered; and payment of compensation to an aggrieved party.
27.	497	To make necessary orders and to impose penalty for wrongful withholding of property of the company.
28.	499(1)	To award punishment for non-compliance of the orders passed in pursuance of the power delegated.
29.	503	To accord approval subject to conditions in cases where powers of the Commission have been delegated.

30. Also to enforce compliance with the provisions of the Companies Act, 2017 relating to annual and quarterly accounts of NBFCs, and other provisions particularly, the following:

- (i) Section 81: Application of premium received on issue of shares”.
- (ii) Section 183: Powers of Board.
- (iii) Section 220: Books of accounts to be kept by company.
- (iv) Section 225: Contents of financial statements.
- (v) Section 227: Contents of director’s report and statement of compliance.
- (vi) Section 229: Financial year of holding company and subsidiary
- (vii) Section 237: Quarterly financial statements of listed companies.
- (viii) Section 249: Duties of auditors.

## **2. DIRECTOR (SPECIALIZED COMPANIES DIVISION)**

<b><u>S.No.</u></b>	<b><u>Relevant sections of the Companies Act, 2017</u></b>	<b><u>Nature of power/function</u></b>
1.	243(2)	To allow a company to with-hold or defer payment of dividend.
2.	269	To initiate proceedings for recovery of damages or property.
3.	503	To accord approval subject to conditions in cases where powers of the Commission have been delegated.

## **REGISTRAR MODARABA (SPECIALIZED COMPANIES DIVISION)**

<b><u>S.No.</u></b>	<b><u>Relevant sections of the Companies Act, 2017</u></b>	<b><u>Nature of power/function</u></b>
1.	10(2)(e)	To grant approval for registration of company having the words “Modaraba Management Company “or a “Modaraba” in its name
1.	243(2)	To allow a company to withhold or defer payment of dividend by a modaraba.
2.	269	To initiate proceedings for recovery of damages or property in case of modaraba.

3.	503	To accord approval subject to conditions in cases of modaraba companies and modarabas, where powers of the Commission have been delegated.
----	-----	--------------------------------------------------------------------------------------------------------------------------------------------

*The Commission shall have the authority to exercise all powers delegated above to the Commissioners and officer concurrently.*


*In case the post of the Executive Director (Specialized Companies Division) is vacant or he/she is unable to perform his/her functions or he/she is unavailable to exercise the powers and functions delegated to him/her through this notification shall stand delegated to the Commissioner who shall have the authority to exercise all powers so delegated.*

*This Notification shall not affect anything done, order made, notification issued, show cause issued, circular made, proceedings commenced, penalties imposed and/or collected, sanction granted, approval made, fee directed or collected, directions given, investigation, inspection or inquiry conducted or any other action taken or done under or pursuance above referred notifications partially superseded by this Notification shall be valid and under lawful authority.*

*Any pending proceedings under the partially superseded Notifications shall stand transfer to the delegated authority provided in this Notification forthwith who shall proceed with the matter as it stands prior to the coming into the effect of this Notification.*

---

No. SY/SECP/8/13

  
 ( Bilal Rasul )  
 Secretary to the Commission