**CONVERSION OF COMPANY STATUS FROM SINGLE MEMBER COPANY TO PRIVATE COMPANY**

**Relevant provisions: Rule 4 of the Single Member company Rules 2003**

**Mode of documents submission**: Both online and offline

**STEP 1**

The proposal for conversion of status of single member company into private company is firstly discussed and approved by the Board of Directors.

**STEP 2**

21 days’ notice accompanied with the proposed special resolution is issued for convening the general meeting of shareholders of the company.

**STEP 3**

Resolution for conversion of the status from Single Member Company into Private Company and alteration in Articles of Association is placed before the members which is carried as special resolution. There is significant difference in the Articles of both the types of companies. Therefore; the resolution not only meant for removal of word “(SMC)” from the name of the company, but would also to substitute new articles for a private company.

**STEP 4**

The company has to increase its directors and shareholders to minimum number i.e. 2 required for private company within 15 days of the passing of special resolution under section 174 (i) (b) of the Ordinance.

**STEP 5**

The company has to file the under-mentioned documents with the registrar concerned:-

a) Form 26 within 15 days of passing of special resolution.

b) Amended copy of Memorandum and Articles of Association.

c) Circular u/s 86(3) (if further shares are offered to the existing members)

d) Form - 3 (in case if further allotment of shares is made).

e) Form - 29 (for the appointment of additional director, within 14 days of the date of appointment).

f) Bank challan evidencing the deposit of filing fee of all the aforesaid documents in any of the designated branches of MCB.

**STEP 6**

The registrar concerned issues a filing certificate regarding conversion of single member company into private company and a filing certificate.

**STEP 7**

The Company may obtain a certified copy of the Memorandum and Articles of Association on payment of copying fee of Rs.250/- for the application submitted online and 500/- in physical form, and the requisite court fee stamps.

**STEP 8**

Change of status is recorded in all letterheads, bills, invoices, seal etc. Copies of the Memorandum and Articles of Association are also recorded with the alteration.

Please note detailed guide for change of company kind process may be accessed at link:

[**http://www.secp.gov.pk/media-center/guide-books/**](http://www.secp.gov.pk/media-center/guide-books/)

The detailed process for filing application for change of company kind online through eservices may be accessed at link: [**https://eservices.secp.gov.pk/eServices/**](https://eservices.secp.gov.pk/eServices/)

The schedule of fees may be accessed at link:

[**http://www.secp.gov.pk/company-formation/fee-calculator/schedule-of-feesixth-schedule/**](http://www.secp.gov.pk/company-formation/fee-calculator/schedule-of-feesixth-schedule/)

The prescribed Forms may be accessed at link**:** <http://www.secp.gov.pk/company-formation/formsapplications-schedule-of-filling-of-returns/statutory-forms/>