

THIRD SCHEDULE

(Section 224 ⁶⁷and 225 of the Act)

Classification of Companies

S. No.	Classification Criteria of Company		Applicable Accounting Framework	Relevant Schedule of Companies Act
1.	Public Interest Company (PIC)			
	Sub-categories of PIC:			
	a)	Listed Company	International Financial Reporting Standards	Fourth Schedule
	⁶⁸ [b)	<p>Non-listed Company which is:</p> <p>(i) a public sector company as defined in the Act; or</p> <p>(ii) registered and/or licensed under the Administered Legislation or Rules, or regulations made thereunder, as follows, -</p> <p>a) Non-banking Finance Companies which are Asset Management Companies, Pension Fund Managers, REIT Management Companies or Deposit Taking NBFCs;</p> <p>b) Modaraba Company</p>	International Financial Reporting Standards	Fifth Schedule

⁶⁷ Inserted vide SRO 1169(I)/2017 dated 7th November, 2017.

⁶⁸ Substituted the following clause (b) vide SRO 1195(I)/2019 dated 3rd October, 2019:

“b) Non-listed Company which is:

- (i) a public sector company as defined in the Act; or
- (ii) a public utility or similar company carrying on the business of essential public service; or
- (iii) holding assets in a fiduciary capacity for a broad group of outsiders, such as a bank, insurance company, securities broker/dealer, pension fund, mutual fund or investment banking entity.
- (iv) having such number of members holding ordinary shares as may be notified; or
- (v) holding assets exceeding such value as may be notified.”

		<p>c) Insurer</p> <p>d) Securities Exchange</p> <p>e) Commodity Exchange</p> <p>f) Central Depository</p> <p>g) Clearing House; or</p> <p>(ii a)⁸⁷[Securities brokers having license as Trading and Self Clearing or Trading and Clearing category and having custody of customers assets and Professional Clearing Members; or]</p> <p>(iii) Registered, notified and/or licensed under the Banking Companies Ordinance, 1962 (LVII of 1962) or Microfinance Institutions Ordinance, 2001 (LV of 2001), as follows:</p> <p>a) Banking Company including Foreign Banking Company</p> <p>b) Microfinance Bank]</p> <p>c) Development Finance Institution (DFI)⁶⁹; or</p> <p>(iva) all companies engaged in production and sale of sugar.]</p>		
2.	Large Sized Company (LSC)			
	Sub-categories of LSC			
	a)	<p>Non-listed Company with:</p> <p>(i) paid-up capital of Rs.200 million or more; or</p> <p>(ii) ⁷⁰[turnover greater than Rs.800 Million]; or</p> <p>(iii) Employees ⁷¹[750 or more].</p>	International Financial Reporting Standards	Fifth Schedule
	b)	A Foreign Company with turnover of Rs. 1 billion or more.		
	c)	Non-listed Company licenced/formed under Section 42 / Section	International Financial	Fifth Schedule

⁶⁹ Substituted full stop by semi colon and inserted new clause vide SRO No. 614(I)/2020 dated 6th July, 2020

⁷⁰ Substituted the expression "turnover of Rs. 1 billion or more" vide SRO No. 602(I)/2022 dated 14th May, 2022.

This sub-clause (ii) of clause (a) was previously amended vide SRO 1169(I)/2017 dated 7th November, 2017 whereby the original clause "turnover or Rs. 1 billion or more" was corrected as "turnover of Rs. 1 billion or more" by substituting word "or" by "of".

⁷¹ Substituted the expression "more than 750" vide SRO 1169(I)/2017 dated 7th November, 2017.

		45 of the Act having annual gross revenue (grants/ income/ subsidies/ donations) including other income / revenue of Rs.200 million ⁷² [or more].	Reporting Standards and Accounting Standards for NPOs	
3.	Medium Sized Company (MSC)			
	Sub-categories of MSC:			
	a)	Non-listed Public Company with: (i) paid-up capital less than Rs.200 million; (ii) ⁷⁴ [turnover upto Rs.800 million]; ⁷⁵ [and] (iii) Employees ⁷⁶ [...] less than 750.	⁷³ [International Financial Reporting Standards for SMEs]	Fifth Schedule
	b)	Private Company with: (i) paid-up capital of greater than Rs. 10 million but ⁷⁷ [less than] Rs. 200 million; (ii) ⁷⁸ [turnover greater than Rs.150 million but not exceeding Rs.800 million]; ⁷⁹ [or] (iii) Employees more than 250 but less than 750.		
	c)	A Foreign Company which have turnover less than Rs. 1 billion.		

⁷² Substituted the words “and above” vide SRO 1169(I)/2017 dated 7th November, 2017.

⁷³ Substituted the words “Revised AFRS for SSEs” vide SRO 1169(I)/2017 dated 7th November, 2017.

⁷⁴ Substituted expression “turnover less than Rs. 1 billion” vide SRO No. 602(I)/2022 dated 14th May, 2022

⁷⁵ Inserted vide SRO 1169(I)/2017 dated 7th November, 2017

⁷⁶ Omitted the expression “more than 250 but” vide SRO 1169(I)/2017 dated 7th November, 2017.

⁷⁷ Substituted the words “not exceeding” vide SRO 1169(I)/2017 dated 7th November, 2017.

⁷⁸ Substituted expression “turnover greater than Rs. 100 million but less than Rs. 1 billion” vide SRO No. 602(I)/2022 dated 14th May, 2022.

This sub-clause (ii) of clause (b) was previously amended vide SRO 1169(I)/2017 dated 7th November, 2017 whereby the original clause “turnover greater than Rs. 100 million but not exceeding Rs. 1 billion” was amended as “turnover greater than Rs. 100 million but less than Rs. 1 billion” by substituting words “not exceeding” by “less than”.

⁷⁹ Inserted vide SRO 1169(I)/2017 dated 7th November, 2017.

	d)	Non-listed Company licenced/formed under Section 42 or Section 45 of the Act Which has annual gross revenue (grants/ income/ subsidies/ donations) including other income or revenue less than Rs.200 million.	⁸⁰ [International Financial Reporting Standards for SMEs and Accounting Standards for NPOs]	Fifth Schedule
⁸¹ [4].	Small Sized Company (SSC)			
		A private company having: (i) paid-up capital up to Rs. 10 million; (ii) ⁸² [turnover not exceeding Rs.150 million]; ⁸³ [and] (iii) Employees not more than 250.	Revised AFRS for SSEs	Fifth Schedule

NOTE:

1. The classification of a company shall be based on the previous year's audited financial statements.

2. The classification of a company can be changed where it does not fall under the previous criteria for two consecutive years.

3. The number of employees means the average number of persons employed by a company in that financial year calculated on monthly basis.

⁸⁴[4. Subsidiary companies of a listed company shall follow the requirements of the Fourth Schedule.]

⁸⁵[5. The Medium Sized Companies that are otherwise required to follow IFRS for SMEs and Accounting Standards for NPOs, may opt to follow the IFRS notified by the Commission for the preparation of financial statements.]

⁸⁶[6. The Small Sized Companies that are otherwise required to follow revised AFRS for SSEs may opt to follow IFRS notified by the Commission or IFRS for SMEs.]

⁸⁰ Substituted the words "Accounting Standards of NPOs" vide SRO 1169(I)/2017 dated 7th November, 2017.

⁸¹ Substituted serial number "3" vide SRO 1169(I)/2017 dated 7th November, 2017.

⁸² Substituted expression "turnover not exceeding Rs.100 million" vide SRO No. 602(I)/2022 dated 14th May, 2022

⁸³ Inserted vide SRO 1169(I)/2017 dated 7th November, 2017

⁸⁴ Inserted vide SRO 1169(I)/2017 dated 7th November, 2017

⁸⁵ Inserted vide SRO 1092(I)/2018 dated 3rd September, 2018

⁸⁶ Inserted vide SRO 1092(I)/2018 dated 3rd September, 2018

⁸⁷ Inserted vide SRO 921(I)/2024 dated 25 June, 2024