



**Securities and Exchange Commission of Pakistan**  
**COMPANY LAW DIVISION**  
**(Registration Department)**

\*\*\*\*\*

No. CLD/RD/602(1)2004

July 04, 2007

***Circular No 08 / 2007***

**Subject: Companies Easy Exit Scheme (CEES) Year 2007**

The Securities and Exchange Commission of Pakistan on continuous demand from various quarters, has decided to re-launch the scheme known as Companies Easy Exit Scheme "CEES". The Scheme provides an opportunity to the dormant unlisted public and private companies having no assets or liabilities and not carrying business, to take advantage of the exit route and get their names struck off the register of companies after fulfillment of the specified formalities. It may be mentioned that a scheme in the like manner was first introduced by the Commission in the year 2002 and again in the year 2004. The Scheme and its easy-to-follow procedure attracted for deregistration of 2,860 companies in the first phase and 1,519 in the second phase. The salient features of the scheme are as under: -

- (a) The scheme shall be operative for a period of four months i.e. from July 15, 2007 to November 15, 2007.
- (b) The companies neither having any business nor any assets or liabilities shall furnish the applications, to get their names struck off the register of Companies. However, the companies incorporated under any licensing regime or with permission or approval of any authority shall not avail exit mechanism provided under the scheme.
- (c) The application fee shall be charged as under:-
  - (i) Private limited companies Rs. 3,500/-
  - (ii) Non-listed public companies Rs. 5,000/-

- (d) The application shall be supported with the board resolution or a resolution of the shareholders of the company. Format of the application is provided as Annexure-I.
- (e) One of the directors preferably the chief executive of the company shall also be required to furnish a declaration duly verified by an affidavit administered before an Oath Commissioner that the company has no assets or liabilities and that it is not carrying on any business or any operation; and that it has no liabilities outstanding in relation to any loan obtained from the banks / financial institutions, taxes, utility charges, or any obligations towards government departments or private parties. The format of declaration is given as Annexure-II.
- (f) The company shall also furnish a certificate from the company's auditors stating that the company has not been carrying on any business or in operation; that it has no assets / liabilities and that it has no liabilities outstanding in relation to any loan obtained from the banks/financial institutions, taxes, utility charges, or any obligations towards government departments or private parties. The format of the certificate is given as Annexure-III.
- (g) On receipt of sufficient number of applications or at the end of each month, notices will be published in Official Gazette inviting any objection from possibly interested parties against striking the company name off the register of companies.
- (h) If no objection is received and registrar is satisfied that the company is not in operation and has no assets or liabilities, the name of the company shall be struck off the register of companies. In case objection is received against such striking off the name of the company, the registrar concerned will examine the issue in detail and decide about the acceptance or rejection of the application after giving proper notice and hearing to the applicant company and the objecting party.
- (i) If no objection is received within three months of publication of the first notice, the final notification shall be published in Official Gazette stating that the company names have been struck off the register of companies. Similarly, cases where objections are received and rejected after due consideration, the notification for striking off their names from the register of the companies shall be published.

- (j) In case the objections are accepted and the applications are turned down, the companies and parties concerned shall be informed accordingly.

**(Rashid I. Malik)**  
Commissioner (CL)

Distribution:-

1. The Institute of Chartered Accountants of Pakistan, Karachi,
2. The Institute of Cost and Management Accountants of Pakistan, Karachi,
3. Federation of Pakistan Chamber of Commerce and Industry, Karachi,
4. All Chambers of Commerce and Industry,
5. All Pakistan Newspapers Association of Pakistan, Karachi,
6. All Company Registration Offices,
7. Official Website for information.

**Annexure-I**

**LETTER HEAD OF COMPANY**

No.

Dated

To,

The Additional/Joint/Deputy/  
Assistant Registrar,

Company Registration Office  
\_\_\_\_\_  
\_\_\_\_\_

Subject: **APPLICATION FOR STRIKING OF NAME OF COMPANY  
UNDER THE EASY EXIT SCHEME -YEAR, 2007**

Dear Sir,

Please refer to "Companies Easy Exit Scheme" announced vide circular No.\_\_\_\_\_/2007 dated \_\_\_\_\_.

The Company after carefully considering all aspects has duly resolved in the meeting of directors / general meeting of shareholders held on\_\_\_\_\_ to make an application seeking striking the name of our company off the register of companies.

2. Now, therefore, the undersigned requests to take action to strike the name of the company off the register of the companies. We furnish the following details and documents for considering the application.

- i) Board of directors' resolution /shareholders' resolution dated \_\_\_\_\_as per Annexure- .
- ii) Declaration of Chief Executive / director duly verified by an Affidavit as per Annexure- .
- iii) Auditors' Certificate as per Annexure- .

Yours faithfully,

Name & Signatures  
Chief Executive / Director

On Stamp Paper of Requisite Value

DECLARATION

I .....(Names, Father or Husband's names and addresses) do hereby solemnly affirm and state as follows:-

1. That I am the Chief Executive / director of M/s.....  
.....
2. That a resolution has been passed by the directors/shareholders of the company in their meeting held on .....to furnish application seeking striking off the name of company from the register of the companies under Section 439 of the Companies Ordinance, 1984.
3. That the above named company has no assets and liabilities;
4. That the company is not carrying on any business or any operation;
5. That the company has no liabilities outstanding in relation to any loan obtained from the banks, financial institutions, taxes, utility charges, or any obligations towards government departments or private parties; and
6. That the contents of the application and whatever stated above is true and correct according to the best knowledge and belief.

Deponent

Place :

Date :

Verified / Attested by Class 1 Magistrate/Oath Commissioner,  
Seal of Attesting officer.

**Annexure III**

**Auditors' Certificate**

We have examined the books and record of M/s. .... and have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of this certificate and after due verification thereof, we certify that M/s. .... has no assets / liabilities and that it is not carrying on any business or any operation; and that it has no liabilities outstanding in relation to any loan(s) obtained from the banks / financial institutions, taxes, utility charges, or any obligations towards government departments or private parties.

Place:

Date:

(Signature with name of auditors)