



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

PRESS RELEASE

FOR IMMEDIATE RELEASE

No. PR/MCCD/2014-29

SECP, American Business Council compare notes on Corporate Law Reforms

KARACHI, April 3, 2014: The Securities and Exchange Commission of Pakistan (SECP) held meetings with the American Business Council (ABC) to discuss reforms in corporate laws, freshly introduced rules for code of corporate governance and other business concerns. The meeting was part of SECP's efforts to have a broad-based engagement and dialogue with various stakeholders on business issues and was held at the ABC office in Karachi.

Chairman SECP, Tahir Mahmood, Commissioner Securities Market Division Zafar Abdullah, and Commissioner Insurance Asif Arif represented the SECP while the ABC team included Saad Amanullah Khan, President ABC, and Tauqir Ahmed, Senior Vice President, along with other members of the executive committee.

The SECP Chairman gave a detailed briefing to the members of ABC about the steps being taken by SECP for the development of the new corporate law, code of corporate governance, capital market, corporate sector, insurance sector, debt market, and the NBFC sector.

He informed the meeting that the Corporate Law Review Commission (CLRC) is preparing the draft of a new companies' ordinance to repeal the existing law that will help promote small and medium size companies in the country. The new law will provide a breathing space for smaller companies in the form of lesser regulation and an encouraging regime for raising and maintaining capital for small companies, he added.

Regarding the newly introduced code of corporate governance, chairman SECP, Tahir Mahmood said that it would help the Pakistani corporates achieve acceptance in local and international markets and lead to increase in investor confidence.

During the meeting detailed deliberations were held on different aspects of the code of corporate governance, corporate law, company audits of cost accounting rules, and licensing and corporate governance for associations not for profit.

The ABC made suggestions on various reforms, including amendments to the Companies Ordinance 1984, Takeover Ordinance, cost audit, and inter-company financing. Chairman SECP assured the ABC that due consideration will be given to their recommendations as well as the recommendations received from other stakeholders.