



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

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SECP to transform regulatory culture in Pakistan: Tahir Mahmood

Chairman SECP holds meeting with PBC members

Karachi, April 7, 2014: Chairman, Securities and Exchange Commission of Pakistan (SECP) Tahir Mahmood said that the SECP is reviewing and amending a number of regulations and rules such as, Insurance Ordinance 2000, Securities Act 1969, SECP Act 1997, Companies Ordinance 1984 and rules for Real Estate Investment Trusts (REITs). The goal behind this exercise is to have smooth, efficient and speedy processes, and to lay down a scheme of regulation that is fair, open, and transparent.

He was meeting a delegation of Pakistan Business Council (PBC) led by, Chairman Bashir Ali Muhammad. SECP Commissioner, Securities Market Division, Mr. Zafar Abdullah and Commissioner, Insurance, Mr. Asif Arif also attended the meeting.

Chairman SECP briefed the PBC delegates about the future roadmap of the SECP, especially with regard to legal, fiscal and regulatory reforms. Under the new companies' ordinance, smaller companies will be encouraged through less cumbersome regulation while making it easier for larger companies to raise and maintain capital.

The delegation was informed that the SECP is considering doing away with many archaic concepts such as authorized capital, restrictions on raising capital and also considering introducing the concept of no par value shares, treasury shares, share warrants, partly paid shares etc., which once approved will be a major step in the liberalization of how companies raise Capital. SECP is also focusing on issues related to minority shareholders' protection, minority buyout and representation of minority shareholders on the boards of companies.

The SECP Chairman hoped that the proposed amendments in regulatory laws as envisioned by the SECP will help promote economic growth and prosperity in Pakistan and requested the PBC members for their suggestions on the proposed legislation.