



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Press Release
For immediate Release
September 3, 2016

Dar to chair SECP's seminar on Companies Bill

ISLAMABAD, September 3: The Securities and Exchange Commission of Pakistan (SECP) is organizing a national level seminar on the draft Companies Bill, 2016, on Monday, September 5, at a hotel in Karachi. The event shall be chaired by Senator Mohammad Ishaq Dar, the Minister for Finance.

Mr. Zafar Hijazi, the SECP chairman, Mr. Saeed Ahmed, deputy governor, State Bank, Hafiz Muhammad Yousuf, the ICAP president, Mr. Masood Naqvi, a well-known chartered accountant and former ICAP president, shall highlight the salient features of the draft Companies Bill, and give their insights on the changes being proposed through it. After its approval by the parliament, the Bill will replace the Companies Ordinance, 1984. It has been drafted after a long process of consultations with experts and stakeholders.

In 2005, the then SECP chairman, Dr. Tariq Hassan, constituted a Company Law Review Commission (CLRC). This Review Commission was headed by Mr. Justice Ajmal Mian, a former Chief Justice of Pakistan. It was asked to examine the new developments that had taken place in the other jurisdictions and to suggest suitable amendments. The commission deliberated on various concepts from time to time and circulated the materials among its members to arrive at a final draft. However, due to multiple reasons, the new draft law could not be given a final shape. There was a need for a concerted effort to finalize all the good work that had been done.

The SECP formed an in-house committee in April 2015, which completed its work in October and first draft was presented to the Finance Minister in November, 2015 when the SECP chairman, along with his team made a presentation to him regarding the main aspects of the draft Bill and highlighted the need of having a new company law. The Minister was delighted to know that the SECP had the complete understanding of the issues and problems of the corporate sector and has the vision to foresee and resolve the problems and prioritized the facilitation perspective regarding the corporate sector and made vibrant improvements in the draft Bill for facilitating the investors and the corporate sector in general.

It is much appreciated that the facilitative measures incorporated in the draft Bill would make a very positive impact on the economy and would attract investments from local and foreign investors.

The draft Bill also envisions introduction of various regulatory regimes, which would strengthen the supervisory and adjudicatory ambit of the SECP and in turn work towards a better corporate culture for promoting the business environment of Pakistan. Furthermore, the draft Bill has done away with unnecessary requirements previously enforced through the Companies Ordinance, 1984 in order to attract business ventures.

In the said meeting the Finance Minister advised the SECP to post the draft Bill on its website and initiate comprehensive consultative sessions across major cities with chartered accountants, professionals, businessmen, corporate consultants, lawyers, cost and management accountants, professional institutes and bodies, chambers of commerce and other interests in order to have maximum feedback of the stakeholders and the general public.

The SECP received feedback concerning the draft Bill not only from within the country but also from abroad. This feedback ensures the interest taken in the draft Bill and which helped SECP to make a comprehensive review of the provisions introduced through the initial draft and further incorporation of new suggestions in line with the feedback received.

The seminar is expected to be attended by leading professionals related with the corporate sector, eminent lawyers, chartered accountants, cost and management accountants, office bearers of chambers of commerce and industries, businessmen and representatives of professional and trade bodies and the business institutes. This seminar is a continuation of extensive consultation held by the SECP across the country with the professionals, chartered accountants, lawyers and business community through numerous consultative sessions, seminars, meetings, held during the last 8 months in various cities.