



GUIDELINES FOR NAME RESERVATION

OF

COMPANIES & LLPs

Disclaimer

These Guidelines have been developed with the intent to facilitate entrepreneurs and promoters while applying for company/LLP name reservation. The Guidelines do not constitute legal advice, and readers are encouraged to seek professional advice, if required, as it is the responsibility of the persons who are subject to provisions of the law to determine their obligations/responsibilities under the applicable law. Examples in these Guidelines are purely for illustration purposes; they are not exhaustive and are not intended to impose or imply particular rules or requirements. The Commission gives no guarantee and assumes no liability for any error or omissions of information and no one can use the given information for any claim, demand or cause of action.

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1. Preamble

Over the years, a paradigm shift has been witnessed in the businesses due to rapid technological & societal advancements. Recognizing its importance, Securities and Exchange Commission of Pakistan (SECP), as a frontline regulator of the corporate sector, is actively working towards creating an enabling business ecosystem and encouraging entrepreneurship culture in Pakistan.

Having an own registered business is like a dream come true for an entrepreneur who has a unique business idea. The journey to step into the corporate world starts from conceiving the idea of business name.

Keeping pace with the modern age and the needs of the business community, SECP has introduced various digital reforms and as of now process of company incorporation is end to end digitized.

The guidelines have been devised for facilitation of the entrepreneurs/investors who intends to become part of the corporate sector by registering their business with SECP either as a Company or Limited Liability Partnership (LLP).

These Guidelines would not only provide valuable insights to grab the understanding of relevant laws and regulations but also comprehensive & complete knowledge of process for incorporation of a company/LLP including its name reservation.

2. Legal Framework for Reservation of Name:

The Guidelines will enable the applicant to reserve name of the business in line with the criteria given in the Companies Act, 2017 (the “Act”) read with Companies Regulations, 2024 (the “Regulations”) for companies and Limited Liability Partnership Act, 2017 (“the LLP Act”) read with Limited Liability Partnership Regulations, 2018 (the “LLP Regulations”) for LLPs.

Following sections of the Act and Regulations shall be applicable: -

For Companies:

Section 10 & 26 of the Act read with Regulation 5 of the Regulations (*Annexure-I*).

For LLPs:

Section 6 of the LLP Act read with Regulations 4 of the LLP Regulations.

For Foreign Companies:

Section 442 of the Companies Act, 2017 and regulation 4 of the Regulations.

3. Criteria for Name Availability with Illustrations:

A. Identical, Resembling or Similar Names:

The proposed company name shall not be identical with or resemble or similar to the name of a registered company/ LLP or reserved company/ LLP name. The criteria identifying the same is as follows:

- (a) The singular or plural form of words and short and full form of a word shall not make any difference while comparing company names, e.g. ;
 - Green Technology (Pvt) Ltd. is same as Greens Technology (Pvt) Ltd, Greens Technologies Ltd, Green Tech (Pvt) Ltd.
- (b) The spacing between letters, punctuation marks and special characters used in company name shall not make any difference while comparing the company names, e.g. ;
 - ABC (Pvt) Ltd. is same as A.B.C. (Pvt) Ltd. and A B C (Pvt) Ltd.
 - TeamWork (Pvt) Ltd. is same as Team@Work (Pvt) Ltd. and Team-Work (Pvt) Ltd.
- (c) The use of words with different tenses, as a verb or a noun in company name shall not make any difference, e.g. ;
 - Ascend Solutions (Pvt) Ltd. is same as Ascended Solutions (Pvt) Ltd. and Ascending Solutions (Pvt) Ltd.
 - Speak English Solutions (Pvt) Limited is same as Spoken English Solutions (Pvt) Limited.
 - Advise Solutions (Pvt) Ltd is same as Advice Solutions (Pvt) Ltd.
- (d) The use of words with different spellings but similar sounds/phonics do not make company names different, e.g. ;

- Chemtech (Pvt) Ltd. is same as Chemtec (Pvt) Ltd., Chemtek (Pvt) Ltd., Cemtech (Pvt) Ltd., Cemtek (Pvt) Ltd., Kemtech (Pvt) Ltd., and Kemtek (Pvt) Ltd.
 - Bee Kay Ltd is same as BK Ltd, Be Kay Ltd., B Kay Ltd., Bee K Ltd., B.K. Ltd. and Beee Kay Ltd.
 - Access Tourism (Pvt) Ltd, Xcess Tourism (Pvt) Ltd and Excess Tourism (Pvt) Ltd are same.
- (e) The use of host names such as ‘www’ or a domain extension such as ‘net’, ‘dot’ or ‘com’ in company names do not make any difference, e.g.
- Ultra Solutions (Pvt) Ltd. is same as Ultrasolutions.com (Pvt) Ltd.
- (f) The difference of order of words in the company names does not make them distinctive, e.g.;
- Ravi Builders and Contractors (Pvt) Ltd. is same as Ravi Contractors and Builders (Pvt) Ltd.
- (g) The use of the definite or indefinite article (a, an, the) in company names does not make any difference, e.g.;
- Congenial Tours Ltd. is same as A Congenial Tours Ltd. and The Congenial Tours Ltd.
- (h) Proposed name may not be allowed, in case of renowned entities/ companies where it depicts deception, if the words used in a company name are in different languages but having the same meaning, or is the transliteration of the name of an existing company or LLP, e.g.;
- Agricultural Development Bank of Pakistan and Zarai Taraqati Bank Limited.
 - Idara-e-Shumariat (Statistics Bureau),
 - Aalmi Maaliyati Idara (World Bank)

For the purpose renowned entities include:

- **International Organizations:** Global institutions such as the United Nations or World Bank etc.
 - **Well-Established Companies:** Entities with significant market presence.
 - **Registered Trademarks:** Trademarks with notable goodwill and legal protection.
- (i) Words related to real estate development/ construction, the different forms of a word in company names does not make distinction; e.g.;
- Noor Constructor (Pvt) Ltd is same as Noor Construction (Pvt) Ltd
 - Noor Real Estate (Pvt.) Limited is same as Noor Realtors (Pvt.) Ltd and Noor Realty (Pvt.) Ltd.
 - Noor Real Estate (Pvt.) Ltd and Noor Estate (Pvt.) Ltd are same.

- (j) If first word, being a dictionary word, of the company names is same, the same shall be considered different with addition of another word in the company's name having same principle line of business; e.g;
- Green (Pvt) Ltd and Green Flower (Pvt.) Ltd having same principal line of business shall be considered different.
- (k) Use of word Pakistan /Pak/Pk may be allowed as suffix or prefix in the company name. However, where words 'of Pakistan' is used as suffix in company name, documentary proof of connection with govt. needs to be provided.
- (l) The non-dictionary word in an existing company name may be allowed to another company having common shareholding subject to provision of board resolution from the existing company.

B. Inappropriate Names:

- (a) The company name shall not be inappropriate. The criteria identifying the same is as follows;
- The company name is said to be inappropriate if it contains word(s) that does not match with principal line of business/ commensurate with objects of the company;
 - use of derogatory language and any other such word(s) which appears to be improper are not allowed in a company name.
- (b) The use of word security (other than security services providing company or IT security), capital (other than its use in a company name gives impression of a brokerage house), Modaraba (other than its use in a Modaraba Company) shall not be allowed.

C. Unusual Words in Names:

The words such as Gmbh, PTE, FZE/FZC, SEZ, Sdn., S.A., Inc., incorporated, LLC, garrison, notary, advocate, treasury, revenue, customs, profit, crime etc., shall not be allowed to a local company, until proper justification is submitted to the satisfaction of registrar. Whereas, the words such as Gmbh, PTE, FZE/FZC, SEZ, Sdn., S.A., Inc., incorporated and LLC can be allowed to the foreign companies which intend to establish branch office /liaison office after approval of BOI.

D. Deceptive Names:

A company name is said to be deceptive, if;

- (a) It contains famous business name/ trade name.
- (b) It is identical to multinational companies/ international brands.
- (c) It has resemblance with federal or provincial govt./govt. projects/ international projects/ army or navy or air force related names or their projects or operations / national or international organizations.

In case of using names of national heroes/ famous personalities, either NOC from the personality may be provided or justification to the satisfaction of the registrar.

E. Other Grounds:

- (a) While processing application for name reservation, resemblance with the name of companies/brand/trademark registered with Intellectual Property Organization (IPO) shall be considered.
- (b) A company may be incorporated as subsidiary/ wholly-owned subsidiary of a company registered outside Pakistan. Further, the name of a company registered outside Pakistan may be allowed for a local company if NOC from that company is provided. Any other document/ justification/ clarification may be sought by registrar, where needed.
- (c) Any other ground as may be specified from time to time keeping in view different scenarios/ events/ instructions of the Commission.

4. Tips for Successful Approval of Company/LLP Name:

- (a) Before applying for name reservation, you are advised to conduct necessary due diligence to reduce the risk of rejection or a subsequent name complaint being filed against your company/LLP name.
- (b) It is best to choose a unique name and reserve it as soon as possible, so you can be sure your desired name will not be reserved by someone else.
- (c) In order to maximize the chances of name approval, company name search through the link <https://eservices.secp.gov.pk/eServices/NameSearch.jsp> may be undertaken to minimize the possibility of applying for a company name characterizing:
 - Company names with similar pronunciations (phonetically same names);
 - Variations of the proposed name (especially useful for names with initials);
 - Similar company names, but in different sequence or name format;
 - Words with similar meanings;
 - Similar names dealing with a similar trade, or in a similar industry.

However, if the name search does not return the desired results, and the proposed company name is already reserved or registered, add some words to differentiate the proposed name from the registered company. While considering the words ensure not to use identical words.

The aforesaid due diligence will help to avoid the risk of future complaints or potential litigation against company name.

As soon as you find the desired name matching the criteria as per the applicable provisions of law, regulations and the guidelines, you may reserve the name with SECP to be sure that your chosen company name will not be taken by another company/person.

5. Criteria to be Followed by the Registrar in Dealing with Complaints Related to Names Allowed by the Registrar:

- A mere similarity between two company names alone is not sufficient ground for the registrar to entertain a name complaint application.
- The registrar may take following considerations while deciding upon a complaint for change of name of a company:

- Whether the business name closely resembles the complaining business name;
- Whether the companies' business activities are in the same or similar fields;
- Whether there is any financial detriment caused to the complaining party from the use of its business name;
- Whether actual evidence of confusion in mistaking a business name is provided to the Registrar (e.g. documentary evidence such as emails, letters from customers or members of the public showing that such confusion has occurred).

6. Procedure for Company Name Approval:

- You can file your name reservation application online through eZfile with SECP, after conducting due diligence to ensure that the proposed name is in line with the provisions of law, regulations and these guidelines.
- Name of the company can be reserved either:
 - Online
 - Offline
- For online name reservation, create user ID by signup to eZfile at <https://leap.secp.gov.pk/#/user/login>
- Fill application form by providing priority wise three proposed names (one mandatory and two others are optional) along with meaning/ significance of name in case of using abbreviations/ unknown words along with their relevance with objects of the company. Then, select appropriate business sector and principal line of business as per objects/ proposed name(s) as per section 26 of the Act. Submit the case to the SECP and pay the requisite fee of Rs 1,000/-
- In case of already existing company with similar name, please attach board resolution duly signed by all directors for setting up sister concern. In case of existing association of person (AoP)/ business of same name, provide documentary evidence of existing business/AoP along with consent letter for setting up proposed company with same management duly signed by all owners.
- For offline name reservation, fill name reservation application APP-1, attach original challan of Rs.2,000/- being application fee and send the documents to SECP. APP-1 is available at <https://www.secp.gov.pk/company-formation/formsapplications-schedule-of-filing-of-returns/statutory-forms/>
- Bank challan form can be downloaded at <https://leap.secp.gov.pk/#/offline-application-helper>
- Your name reservation application will be approved within four (4) working hours.
- Depending upon the type of business activity the proposed company is going to undertake, some name applications need to be accompanied by requisite NOC/approval of the concerned authorities. If not accompanied, the name approval process may take longer.
- Once approved, the company name is reserved for up to 60 days and LLP name for 30 days. If you do not incorporate the company/LLP within this period, the name reservation will expire. Otherwise, your company/LLP can be registered subject to completion of necessary requirements for its incorporation.
- If the proposed company/LLP name is not allowed, reasons for rejection shall be given.
- An appeal can be filed, if so desire, under section 10(6) of the Act. If name is allowed in appeal, file fresh name reservation application alongwith the copy of order passed by the Registrar of Companies.

- Where it is found that a name is reserved under section 10(4) of the Act by furnishing false or incorrect information, such reservation shall be cancelled and in case the company has been incorporated, it shall be directed to change its name. The person making such application shall be liable to a penalty as mentioned in law.

7. Procedure for Appeal to Registrar of Companies:

- If the applied name is refused by the registrar concerned, an appeal may be filed within thirty (30) days of the rejection letter to the Registrar of Companies in terms of the provisions of section 10 (6) of the Act.
- The applicant shall apply for appeal before Registrar of Companies by making an application along with an affidavit to the effect of correctness of content of application and paying prescribed fee. The Registrar of Companies shall decide on the appeal by making an order accordingly.

8. Procedure for Extension in Name Reservation:

Please note that there is no extension in reservation of name. However, an applicant may apply afresh for reservation of previously allowed name again for prescribed period after lapse of time. The same may be allowed, if available as per relevant provisions of law.

9. Procedure of Name Reservation for Change of Existing Company Name:

For change of name of existing company, application shall be submitted through change of name module of existing company in eServices. After approval of name, process for change of name shall be filed with the concerned Company Registration Office (CRO) along with the following documents:

- Application for change of name
- Form 26/special resolution
- Extract of special resolution Amended Memorandum & Articles of Association
- Consent of Creditors (if required)
- Name availability letter
- Copy of NOC/permission /letter of intent of competent authority (if applicable)
- Original paid challan in case of manual submission

Note: Provisions related to name availability criteria are equally applicable on Limited Liability Partnerships registered under Limited Liability Partnership Act, 2017 read with Limited Liability Partnership Regulations, 2018.

Provisions with respect to Names of Companies

i Section 10 of the Act provides that: -

Prohibition of certain names. — (1) No company shall be registered by a name which contains such word or expression, as may be notified by the Commission or in the opinion of the registrar is—

- (a) identical with or resemble or similar to the name of a company; or
- (b) inappropriate; or
- (c) undesirable; or
- (d) deceptive; or
- (e) designed to exploit or offend religious susceptibilities of the people; or
- (f) any other ground as may be specified.

(2) Except with prior approval in writing of the Commission, no company shall be registered by a name which contains any word suggesting or calculated to suggest—

- (a) the patronage of any past or present Pakistani or foreign head of state;
- (b) any connection with the Federal Government or a Provincial Government or any department or authority or statutory body of any such Government;
- (c) any connection with any corporation set up by or under any Federal or Provincial law;
- (d) the patronage of, or any connection with, any foreign Government or any international organisation;
- (e) establishing a *modaraba* management company or to float a *modaraba*; or
- (f) any other business requiring licence from the Commission.

(3) Whenever a question arises as to whether or not the name of a company is in violation of the foregoing provisions of this section, decision of the Commission shall be final.

(4) A person may make an application, in such form and manner and accompanied by such fee as may be specified, to the registrar for reservation of a name set out in the application for a period not exceeding sixty days.

(5) Where it is found that a name was reserved under sub-section (4), by furnishing false or incorrect information, such reservation shall be cancelled and in case

the company has been incorporated, it shall be directed to change its name. The person making application under sub-section (4) shall be liable to a penalty not exceeding level 1 on the standard scale.

(6) If the name applied for under sub-section (4) is refused by the registrar, the aggrieved person may within thirty days of the order of refusal prefer an appeal to the Commission.

(7) An order of the Commission under sub-section (6) shall be final and shall not be called in question before any court or other authority.

ii Section 26 of the Act provides that: -

Business and objects of a company. — (1) A company may carry on or undertake any lawful business or activity and do any act or enter into any transaction being incidental and ancillary thereto which is necessary in attaining its business activities: Provided that—

(i) the principal line of business of the company shall be mentioned in the memorandum of association of the company which shall always commensurate with name of the company; and

(ii) any change in the principal line of business shall be reported to the registrar within thirty days from the date of change, on the form as may be specified and registrar may give direction of change of name if it is in violation of this section.

Explanation. — “**principal line of business**” means the business in which substantial assets are held or likely to be held or substantial revenue is earned or likely to be earned by a company, whichever is higher.

(2) A company shall not engage in a business which is—

(a) prohibited by any law for the time being in force in Pakistan; or

(b) restricted by any law, rules or regulations, unless necessary licence, registration, permission or approval has been obtained or compliance with any other condition has been made:

Provided nothing in sub-section (1) shall be applicable to the extent of such companies.