**CONVERSION OF COMPANY STATUS FROM**

**PRIVATE TO SINGLE MEMBER COMPANY**

**Relevant provisions: Rule 9 of Single Member Companies Rules 2003**

**Mode of documents submission**: Both online and offline

**STEP 1**

* Approval of the Board of Directors for change of status of private

company into single member company is sought.

* 21 days’ notice accompanied with the proposed special resolution is issued for convening the general meeting of the shareholders of the company.

**STEP 2**

Resolution for conversion of the status from Private Company into Single Member Company and alteration in Articles of Association is placed before the members which is carried as special resolution.

**STEP 3**

Special Resolution on Form - 26 along with bank challan evidencing the deposit of filing fee in any of the designated branches of MCB, is filed with the registrar concerned within 15 days of passing of the special resolution. A special resolution is to be passed by the majority of not less than three-fourth, of such members entitled to vote as are present in person or by proxy at a general meeting.

**STEP 4**

**Application can be filed online through eservices, as well as, manually/offline within 30 days of the date of passing of the special resolution. Such application is accompanied with the following documents:-**

1. Form S - 4 prescribed under the SMC Rules.
2. Copy of Form - 26 (Special Resolution) – see section 172.
3. Copy of the Memorandum and Articles of Association, duly amended.
4. Certified copy of the existing Memorandum and Articles of Association.
5. Minutes of the General Meeting.
6. Bank challan evidencing the deposit of fee in any of the designated branches of MCB,
7. Affidavit that the contents of the application are true.
8. Application must be in duplicate and a copy is required to be sent to the registrar concerned under Rule 32 of the Rules.

**STEP 5**

The Commission gives approval for conversion of private company into single member company through an Order.

**STEP 6**

Certified copy of the order along with Form S-1, Form S-5 and amended copy of the Memorandum and Articles of Association are filed with the registrar concerned with bank challan evidencing the deposit of filing fee of all the aforesaid documents in any of the designated branches of MCB,

**STEP 7**

The registrar issues filing certificate of Special Resolution and Order of the Commission. The Company shall transfer the shares to Single Member within 15 days

of the order of conversion by the Commission.

**STEP 8**

The registrar issues filing certificate of Special Resolution and Order of the Commission.

**STEP 9**

The Company shall also file the particulars of outgoing directors (being more than one Director) on Form – 29 within 14 days of the change, to the registrar concerned. In terms of section 204-A of the Ordinance and rule 6 of SMC Rules, a single member company is required to appoint a company secretary within fifteen days of incorporation or of becoming a single member company. The appointment of company secretary is to be reported to the registrar concerned on prescribed Form-29 within 14 days from the date of appointment.

**STEP 10**

The Company shall also file the particulars of outgoing directors (being more than one Director) on Form – 29 within 14 days of the change, to the registrar concerned. In terms of section 204-A of the Ordinance and rule 6 of SMC Rules, a single member company is required to appoint a company secretary within fifteen days of incorporation or of becoming a single member company. The appointment of company secretary is to be reported to the registrar concerned on prescribed Form-29 within 14 days from the date of appointment.

**STEP 11**

In terms of 7 of SMC Rules, the single member shall nominate two individuals; one of whom shall be the nominee director to work in case of death of single member. The other shall be alternate nominee director to act as nominee director in case of non-availability of nominee director.

Please note detailed guide for change of company status process may be accessed at link: [**http://www.secp.gov.pk/media-center/guide-books/**](http://www.secp.gov.pk/media-center/guide-books/)

The schedule of fees may be accessed at link:[**http://www.secp.gov.pk/company-formation/fee-calculator/schedule-of-feesixth-schedule/**](http://www.secp.gov.pk/company-formation/fee-calculator/schedule-of-feesixth-schedule/)

The prescribed Forms may be accessed at link**:** <http://www.secp.gov.pk/company-formation/formsapplications-schedule-of-filling-of-returns/statutory-forms/>