

Government of Pakistan
Securities and Exchange Commission of Pakistan

-.-.-

Islamabad, the 30th April, 2022

NOTIFICATION

S.R.O. 569 (I)/2022.- The following draft amendment to the Companies (Postal Ballot) Regulations, 2018, proposed to be made by the Securities and Exchange Commission of Pakistan, in exercise of powers conferred by section 512 read with section 134 of the Companies Act, 2017 (XIX of 2017) is hereby published for information of all persons likely to be affected thereby and notice is hereby given that objections or suggestions, if any, received within fourteen days from the date of its publication in the official Gazette may be taken into consideration by the Commission, namely:-

DRAFT AMENDMENT

In the aforesaid Regulations,-

(1) In regulation 3, the following shall be substituted, namely,-

“**3. Applicability.** – (1) The right of vote through postal ballot shall be provided to members of every company, subject to the requirements of sections 143 and 144 of the Act.

(2) The right to vote through electronic voting facility shall be provided to members of every listed company for all businesses classified as special business under the Act and in case of election of directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under sub-section (1) of section 159 of the Act.”;

(2) in regulation 4, after sub-regulation (3), the following new sub-regulation (4) shall be inserted, namely,-

“(4) In case of election of directors and transactions specified as special business under the Act, a listed company shall send information to members as provided in sub-regulations (2) and (3), not later than seven days before the date of general meeting and the provisions of regulation 7 shall apply.”;

(3) in regulation 8:

(a) in sub-regulation (1), for the expression, “publish ballot paper,” the expression “upload the ballot paper on its website and publish the same” shall be substituted ; and

(b) for existing sub-regulation (2), the following shall be substituted, namely,-

“(2) Where, in addition to e-voting, the option of voting through ballot paper is provided by the Company in case of election of directors or transactions specified as special business under the Act, the Company shall publish the ballot paper and information as provided in sub-regulation (1) in newspapers and also upload the ballot paper on its website not later than seven days before the general meeting and the provisions of regulation 9 shall apply.”;

(4) in regulation 10:

(a) in sub-regulation (3), after the words “demanding the poll”, the words “and in the presence of two witnesses not in employment of the Company” shall be inserted; and

(b) after sub-regulation (5), the following new sub-regulation (6) shall be inserted:
“(6) Where a scrutinizer has been appointed under Regulation 11, the Chairman shall also:

(a) ensure that the scrutinizer(s) is provided with the register of members, specimen signature of the members, relevant details pertaining to members and any other document related to the voting process;

(b) ensure presence of scrutinizer while unblocking the results of e-voting;

(c) record the time and date of receipt of the report submitted by the scrutinizer under sub-regulation (3) of Regulation 11A; and

(d) immediately after the receipt of the scrutinizer’s report, announce the result, place the scrutinizer’s report on the website of the Company and preserve the same as part of the Company’s records of minutes of meeting.”;

(5) for heading “CHAPTER V: ELECTION OF DIRECTORS”, the heading “CHAPTER V: APPOINTMENT AND RESPONSIBILITIES OF SCRUTINIZER” shall be substituted;

(6) for regulation 11, the following shall be substituted, namely,-

“11. Appointment of Scrutinizer. (1) The Board of a listed company, for the purpose of voting, shall appoint at least one scrutinizer for the following businesses:

(a) sale of sizeable part of assets/undertaking;

(b) investment in associated companies; and

(c) election of directors.

(2) The scrutinizer appointed in sub-regulation (1):

(a) shall be the statutory auditor of the company or any other auditor fulfilling requirements stated in section 247 of the Act and having satisfactory QCR Rating from the Institute of Chartered Accounts of Pakistan (ICAP);

(b) shall have expertise of independently assessing the voting process.”;

(7) after regulation 11, amended as aforesaid the following new regulation 11A shall be inserted:

“11A. Responsibility of Scrutinizer. (1) The scrutinizer appointed under Regulation 11 shall:

- (a) ensure that satisfactory procedures of the voting process are in place;
 - (b) validate the voting results compiled by the Company which includes votes cast in person, through proxy, video-link and postal ballot immediately after the conclusion of the voting;
 - (c) in case of e-voting, ensure presence at the time of unblocking the votes by the chairman;
 - (d) be available in the general meeting and observe the count of the votes cast, either manually or electronically;
 - (e) ensure that there is no duplication of votes cast, either manually or electronically;
 - (f) maintain a record of shareholders, either manually or electronically, the assent and dissent received along with the particulars of name, address, folio number and number and value of shares held;
 - (g) maintain the record of the votes that are considered invalid; and
 - (h) perform any other role and responsibility as may be specified by the Commission from time to time.
- (2) The scrutinizer shall maintain a register either manually or electronically to record the assent or dissent received in a format as provided in Annexure III.
- (3) The scrutinizer shall submit to the Chairman a duly signed consolidated report on result of the voting as soon as possible on the same day of general meeting on the format as provided in Annexure IV.”;
- (8) the following new Annexures shall be inserted after Annexure II:

Annexure III
Regulation 11A
Result of Resolutions

Vote cast in person or through proxy

Particulars		Result of resolutions					
Name of member/Folio No.	Shares held or no. of votes	Resolution No. 1		Resolution No. 2		Resolution No. 3	
		Favor	Against	Favor	Against	Favor	Against

Total							

Vote cast through e-voting

Particulars		Result of resolutions					
Name of member/Folio No.	Shares held or no. of votes	Resolution No. 1		Resolution No. 2		Resolution No. 3	
		Favor	Against	Favor	Against	Favor	Against
Total							

Vote cast through ballot paper

Particulars		Result of resolutions					
Name of member/Folio No.	Shares held or no. of votes	Resolution No. 1		Resolution No. 2		Resolution No. 3	
		Favor	Against	Favor	Against	Favor	Against
Total							

- (9) The following new Annexure IV shall be inserted after the newly inserted Annexure III:

Annexure IV
Regulation 11A
Report of Scrutinizer(s)

To,

Chairman
_____ Annual / Extraordinary General Meeting of _____ Limited
Held on _____ at _____
Dear Sir,
I/We, _____, *and _____, appointed as Scrutinizer(s) for the purpose of poll taken on the below mentioned resolution(s), at the _____ meeting of _____ Limited, held on _____ at _____, submit our report as under:
1. The electronic votes and ballot papers were diligently scrutinized and reconciled with the records maintained by the Company / Registrar and Transfer Agents of the Company.
2. Any other necessary information
* Not applicable if there is only one scrutinizer appointed.

3. The result of the postal ballot is as under:

Name of the Company	
Dates of un-blocking of e-voting under Regulation	
Last date of receiving postal ballot	

Resolutions

Resolution 1	Election of Directors
Resolution 2	Sale of sizeable part of assets/undertaking
Resolution 3	Investment in Associated Companies

[File No. SMD/SE/2(321)/2022]


(Bilal Rasul)
Secretary to the Commission