

**GOVERNMENT OF PAKISTAN  
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Islamabad, the 22<sup>nd</sup> January, 2016

**NOTIFICATION**

S.R.O 43 (I)/2016.— In exercise of the powers conferred under section 506A of the Companies Ordinance, 1984 read with clause (ii) of sub-section (1) of Section 40 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997) thereof and having been previously published in the official Gazette vide S.R.O. 482(I)/2014, dated June 4, 2014 the Securities and Exchange Commission of Pakistan hereby makes the following Regulations, namely:-

**1. Short title and commencement.-** (1) These Regulations shall be called the Companies (E-Voting) Regulations, 2016.

(2) They shall come into force at once.

**2. Definitions.-** (1) In these Regulations, unless there is anything repugnant in the subject or context,-

- (a) "accreditation certificate" means a certificate granted by the Electronic Certification Accreditation Council established under section 18 of the ET Ordinance;
- (b) "Commission" means the Securities and Exchange Commission of Pakistan established under section 3 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997);
- (c) "cyber security" means protecting information, equipment, devices, computer, computer resource, communication device and information stored therein from unauthorized access, use, disclosures, disruption, modification or destruction;
- (d) "ET Ordinance" means the Electronic Transactions Ordinance, 2002 (LI of 2002);
- (e) "electronic signature" means any letters, numbers, symbols, images, characters or any combination thereof in electronic form, applied to, incorporated in or associated with an electronic document, with the intention of authenticating or approving the same, in order to establish authenticity or integrity, or both;
- (f) "Intermediary" means an intermediary as defined in section 2 of the ET Ordinance;
- (g) "Ordinance" means the Companies Ordinance, 1984 (XLVII of 1984);
- (h) "e-voting" means exercise of voting right through Intermediary;
- (i) "execution officer" means an individual appointed by the Intermediary to perform functions under these Regulations;

- (j) "quorum" means quorum as required under section 160 of the Ordinance present at the place of the meeting.
- (2) All words and expressions used but not defined in these Regulations shall have the same meanings as in the Ordinance and the ET Ordinance.

**3. Applicability.-** These Regulations shall be applicable to general meetings of listed companies for providing voting right to members through electronic means managed by authorized intermediaries.

**4. Eligibility requirement for Intermediary and its appointment.- (1)** A balloter and transfer agent as registered under the Balloters and Transfer Agents Rules, 2015 may be eligible to perform the functions of an Intermediary if it fulfills the following requirements,-

- (a) owns a web portal for e-voting, computer hardware, software and procedure that;
  - (i) are reasonably secure from unauthorized access and misuse;
  - (ii) provide reasonable level of reliability and correct operation;
  - (iii) are reasonably suited for performing the intended functions; and
  - (iv) adhere to generally accepted security procedure.
- (b) employs persons who are expert in the operation of such hardware and software to discharge the services offered;
- (c) possess a secured system based on process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, in such a manner that the entire voting exercised by way of electronic means get registered and counted in electronic registry in a centralized server with adequate cyber security;
- (d) possess a valid accreditation certificate for the period of appointment;
- (e) its directors and employees have not been convicted of an offence involving fraud or breach of trust and not punished for an offence under the Ordinance and any rules made or directive issued thereunder; and
- (f) it is not an associated company or undertaking.
- (2) Board of directors of a company shall appoint eligible Intermediary referred to in sub-regulation (1) for e-voting.
- (3) No person shall act as Intermediary of more than hundred (100) companies at a time for the purpose of these Regulations.

**5. General requirements for the company.- (1)** The articles of association of the company shall provide that in case of e-voting both members and non-members can be appointed as proxy.

(2) The company adopting e-voting shall,-

- (a) formulate procedures for appointment and authorization of Intermediary and related matters in accordance with the Ordinance



and these Regulations duly approved by the board of directors of the company; and

- (b) maintain a database of registered email addresses of members in the register of members maintained under section 147 of the Ordinance.

**6. Notices of general meeting.-** (1) Notice of general meeting to be given in accordance with the Ordinance shall clearly specify that members can also exercise their right to vote through e-voting by giving his consent in writing on the appointment of the execution officer by the Intermediary as a proxy (Schedule I).

(2) The notice of meeting and e-voting shall also be placed on the website of the company.

(3) The members opting for e-voting shall be required to communicate their intention to opt for e-voting and demand of poll for resolutions through an instrument of e-voting (Schedule II) to the company at least ten (10) days before holding of a general meeting, through regular mail or electronic mail at the registered address/email of the company, to be provided in notice of the meeting.

(4) It shall be binding on the company to arrange for e-voting if the company receives demand for poll from at least five members or by any member or members having not less than one tenth of the voting power.

**7. Exercise of option to e-vote.-** (1) If the company receives requests for e-voting in such number as prescribed in sub-regulation (4) of regulation 6 of these Regulations the company shall provide detail of members who have opted for e-voting to the Intermediary along with their email addresses.

(2) The company shall communicate the name and contact details of Intermediary to the members opted for e-voting.

(3) If the members opting for e-voting do not fulfil the criteria as prescribed in sub-regulation (4) of regulation 6 above, the company shall inform the members accordingly at least seven (7) days before the general meeting.

**8. Role and responsibility of Intermediary.-** (1) The Intermediary shall,-

(a) provide the details of execution officer to the company before issuance of notice of general meeting;

(b) provide the following to the members at least five days prior to holding of the meeting,-

- (i) web address login details, password and electronic signature to members, who have opted for e-voting, at their registered email addresses along with complete information necessary to enable them to cast vote through e-voting;

- (ii) information regarding the period in which votes may be cast, retracted and withdrawn; and
- (iii) make available or upload, as the case may be, at their web portal businesses to be transacted at a general meeting and the agenda items.

(2) The Intermediary and execution officer is required to keep the result of e-voting confidential.

(3) The Intermediary shall provide execution report on e-voting to the chairman of the meeting with in three working days of the meeting.

**9. Participation in general meeting through e-voting.-** (1) The facility for e-voting shall remain open for not less than three (3) days and shall close at 1700 hours on the date preceding the date of the general meeting.

(2) Identity of the members intending to cast an e-vote is required to be authenticated through secured electronic signature provided by the Intermediary and shall cast vote online during the time specified in sub-regulation (1) of regulation 8 above.

(3) For the purpose of ensuring that the members who have cast their votes through e-voting do not vote again at the general meeting, the chairman of the meeting shall have access, after the closure of period for e-voting and before the start of the general meeting, to details relating to the members, such as their names, folios, number of shares held by members who have cast votes through e-voting but not the manner in which they have cast their votes.

(4) The chairman of the meeting shall announce that voting for resolutions will be through poll as demand for poll is received in accordance with section 167 of the Ordinance.

(5) The execution officer shall verify the vote cast through e-voting and shall deem to be a proxy during the time of poll for the purpose of section 161 of the Ordinance.

(6) The chairman or his nominee shall immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting and thereafter check the result of e-voting in the presence of two witnesses not in the employment of the company.

(7) Voting outcome on resolutions shall be announced by chairman of the meeting and shall also be published on the web portal of the Intermediary at the earliest but not later than twenty four (24) hours from the conclusion of the general meeting;

(8) Where a resolution is passed at an adjourned meeting, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed.

**10. Execution Report: (Schedule III).-** The company shall maintain and arrange to send a copy of the execution report provided by the Intermediary along with minutes of the general meeting to the stock exchanges and the Commission as and when desired.



**11. Penalty.-** Without prejudice to the provisions of section 160A of the Ordinance, whoever refuses or fails to comply or makes default in complying with the requirements of these Regulations shall be punishable with a fine which may extend to five hundred thousand rupees.

**12. Relaxation of Regulations.-** Where the Commission is satisfied that it is not practical to comply with any requirement of these Regulations in a particular case or class of cases, the Commission may, for reasons to be recorded in writing, relax such requirement subject to such conditions as it may deem fit.

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## Schedule I

[Regulation 6]

### Notice of Annual General Meeting / Extra Ordinary General Meeting:

Notice is hereby given that the [number of meeting] annual general meeting/extra-ordinary general meeting of [name of company] will be held at [place of meeting], on [date of meeting], at [time of meeting] to transact the following business:

#### A. Ordinary Business

1. Consideration of the accounts, balance sheets and the reports of the directors and auditors.
2. Declaration of a dividend.
3. Appointment and fixation of remuneration of auditors.
4. Election of directors.

#### B. Special Business

5. To -----

In order to vote through e-voting or to avail video conference facility please fill the requisite forms and submit to company within time frame mentioned in forms.

By the order of board  
[Name of company secretary]  
Company Secretary

[place] [dated]

#### Notes:

A. For attending the meeting personally:

B. For appointing other members as proxies:

C. For exercising electronic voting right through Intermediary by providing consent in writing regarding appointment of execution officer as proxy as per the Companies (E-Voting) Regulations, 2016.

i) ABC (with complete contact details) is appointed as execution officer for the meeting. ii) The instruction to appoint execution officer and opting to e-vote through Intermediary as per the Companies (E-Voting) Regulations, 2016 shall be deposited to the company at least ten days before holding of general meeting at (registered address of the company) or through email (detail of secure email address of the company).

iii) The proxy/e-voting form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. iv) The company will arrange for e-voting if the company receives demand for poll from atleast five members or by any member or members having not less than one tenth of the voting power;

#### Form for Video Conference Facility

Members can also avail video conference facility in {name of cities where facility can be provided keeping in view geographical dispersal of members}. In this regard please fill the following and submit to registered address of the Company 10 days before holding of general meeting.

If the company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of meeting, the company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of videoconference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of ABC Ltd., holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio No \_\_\_\_\_ hereby opt for video conference facility at-----.

-----  
Signature of member

**Schedule II**  
**Form of Proxy/E-voting**

[Regulation 6]

**Option 1**

**Appointing other person as Proxy**

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of ABC Ltd., holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio No \_\_\_\_\_ hereby Appoint Mr. \_\_\_\_\_ Folio No.(if member) \_\_\_\_\_ of \_\_\_\_\_ or failing him Mr. \_\_\_\_\_ Folio No(if member). \_\_\_\_\_ of \_\_\_\_\_, as my / our proxy in my / our absence to attend and vote for me / us, and on my / our behalf at the Annual General Meeting/Extra Ordinary General Meeting of the Company to be held on ----- and at any adjournment thereof. Signed under my / our hand this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**Option 2**

**E-voting as per The Companies (E-Voting) Regulations, 2016**

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of ABC Ltd., holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio No \_\_\_\_\_ hereby opt for e-voting through Intermediary and hereby consent the appointment of execution officer (ABC) as proxy and will exercise e-voting as per The Companies (e-voting) Regulations, 2016 and hereby demand for poll for resolutions.

My secured email address is -----, please send login details, password and electronic signature through email.

-----  
Signature should agree  
with the specimen signature  
registered with the company

Signed in the presence of:

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Witness

**NOTES:**

1 This instrument appointing a proxy under option 1 shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a corporation either under the common seal or under the hand of an official or attorney so authorized. No person shall be appointed as proxy who is not a member of the Company qualified to vote except that a corporation being a member may appoint a person who is not a member.

2 The instrument appointing a proxy under option 1 and the power of attorney or other authority (if any), under which it is signed or a notorially certified copy of that power of authority, shall be deposited at the office of the Company not less than 48 (forty eight) hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of a proxy shall not be treated as valid.

3 The instrument of e-voting under option 2 shall be deposited in advance in writing at least ten days before holding of general meeting, at the registered office (address) of the company or through email (detail of secure email address of the company).



**Schedule III**  
**Execution Report for E-Voting**

[Regulation 10]

**Details**

Name of the Company	
Date of the general meeting	
Dates for casting e-vote	
Total members opted for e-voting	

**Resolutions**

Resolution 1	Details
Resolution 2	Details
Resolution 3	Details

**Result of e-voting**

Name of member/Folio No.	Shares held or no. of votes	Result of resolutions		
		Resolution No. 1	Resolution No. 2	Resolution No. 3
		No. of votes in favor or against	No. of votes in favor or against	No. of votes in favor or against
Total		xxxxxxx		xxxxxxx

\_\_\_\_\_  
**Authorized signature of Intermediary**

[EMD/MISC/82/2012]

*Bushra*  
*22/1/16*

( BUSHRA ASLAM )  
SECRETARY TO THE COMMISSION