

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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Islamabad, the 2nd November, 2021

NOTIFICATION

S.R.O. 1416(I)/2021. – In exercise of the powers conferred by sub-section (1) of section 512 of the Companies Act, 2017 (XIX of 2017), the Securities and Exchange Commission of Pakistan is pleased to make the following amendments to the Associations with Charitable and Not for Profit Objects Regulations, 2018, the same having been previously published vide S. R. O. 371 (I)/2020, dated March, 29, 2021, namely: -

AMENDMENTS

In the aforesaid Regulations, in regulation 10, in sub-regulation (2), for clause (ii), the following shall be substituted, namely: -

“(ii) **Solvency and financial soundness.** - In order to act as promoter, director or chief executive officer of the company, there shall not be any instance of overdue or past due payment to a financial institution of an amount exceeding Rs. 200,000/- appearing in the latest Consumer Credit Information Report (CCIR) of, -


- (a) such person; and
- (b) the companies, firms, sole proprietorship etc. where such person is a beneficial owner, promoter, partner or proprietor:

Provided that this clause shall not be applicable:

- (I) *to a person who holds qualification shares or who is acting as an independent director; or*
- (II) *in case, the overdue or past due payment not exceeding Rs.200,000/- appearing in CCIR, has already been settled and the proof of the same may be provided; or*
- (III) *in case, the instance of overdue or past due payment not exceeding Rs.200,000/- appearing in CCIR is due to inadvertence or the said amount is in dispute with the financial institution.*

Explanation:- For the purposes of sub-clause (III) an undertaking, affirming therein that the said instance of the such overdue amount is due to inadvertence or the said amount is in dispute with the financial institution, shall be provided by an individual himself, in case of his personal default, or in case of companies, by the chief executive officer of the companies or by a designated partner or owner of firms or owner of sole proprietorships where such person is a beneficial owner, promoter, partner or proprietor.”

[File No. CLD/CCD/CO. 42/17/2005]


(Bilal Rasul)
Secretary to the Commission