

Government of Pakistan
Securities and Exchange Commission of Pakistan

NOTIFICATION

Islamabad, the 22nd February 2018

NOTIFICATION

S.R.O. 254 (I)/2018.¹ – In exercise of powers conferred by section 512 read with section 134 of the Companies Act, 2017 (XIX of 2017), the Securities and Exchange Commission of Pakistan hereby makes the following Regulations, the same having been previously published vide S.R.O. 3(I)/2018 dated 1st January 2018 as required by section 512 of the said Act, namely: -

CHAPTER I
Preliminary

1. Short title and commencement. - (1) These regulations shall be called Companies (Postal Ballot) Regulations, 2018.

(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) “Act” means the Companies Act, 2017 (XIX of 2017);
- (b) “authentication” means authentication through email and SMS codes for ensuring communication with legitimate member;
- (c) “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);
- (d) “cyber security” includes protecting information, equipment, devices, computer, computer resource, communication device and information stored therein, from unauthorized access, use, disclosures, disruption, modification or destruction;
- (e) “electronic signature” shall be the same as defined under clause (n) of section 2 of the Electronic Transactions Ordinance, 2002 (LI of 2002);²[]
- (f) “electronic voting or (e-voting)” means voting through electronic mode;³[and
- (g) “scrutinizer” means scrutinizer appointed under regulation 11 of this regulation.]

(2) All words and expressions used but not defined in these Regulations shall have the same meanings as in the Act and the Electronic Transactions Ordinance, 2002 (LI of 2002).

3. Applicability. – The right of vote through postal ballot shall be provided to

¹ SRO 254 (I)/2018 dated February 22, 2018 is further amended vide SRO 2192/(I)/2022 dated December 5, 2022 and SRO 905(I) /2023 dated July 7, 2023.

² Omitted the word “and” vide SRO 2192/(I)/2022 dated December 5, 2022

³ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

members of-

- (a) every company, subject to the requirements of sections 143 and 144 of the Act; and
- (b) a listed company ⁴[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].

CHAPTER II ELECTRONIC VOTING

4. Responsibility of company. – ⁵[(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.

(1A) The right to vote through electronic voting facility and voting by post 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.]

⁶[(1B)] For the purposes of e-voting and related matters a company shall maintain record of email and mobile number of members and the board of the company shall approve: -

- (a) procedure for appointment of e-voting service provider in accordance with these regulations and the articles of association of the company;
- (b) mode of provision of information to foreign shareholders to enable them to cast vote through e-voting.

(2) Subject to the requirements of sections 143 and 144 of the Act, where poll is demanded in the general meeting, a company shall within seven days from the day on which it is demanded send to all members complete information, including but not limited to the following, for casting vote in a secured manner as well as enable them to cast vote through e-voting: -

- (a) web address, login details, password, date of casting e-vote and other necessary details through email; and
- (b) security codes through SMS from web portal of e-voting service provider; or electronic signature.

(3) Company shall ensure that agenda items for which poll was demanded are correctly uploaded in the web portal of e-voting service provider and shall resolve any grievances of members to enable them to cast vote through e-voting.

⁷[(4) In case of election of directors and transactions specified as special business under the Act, a listed company shall send ⁸[the required] information to members as provided in sub-regulations (2) and (3) along with the information about scrutinizer, where required under Regulation 11, including but not limited to, -

- (a) his /her name,

⁴ Substituted for the words “in case of election of directors” vide SRO 2192/(I)/2022 dated December 5, 2022

⁵ Inserted Clause 1 and IA vide SRO 2192/(I)/2022 dated December 5, 2022

⁶ Clause renumbered vide SRO 2192/(I)/2022 dated December 5, 2022

⁷ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

⁸ Inserted vide SRO 905(I) /2023 dated July 7, 2023.

- (b) qualification and experience; and
- (c) purpose of his/her appointment,

not later than seven days before the date of general meeting and the provisions of regulation 7 shall apply.]

5. E-voting service provider. - For the purposes of e-voting and related matters, company shall appoint e-voting service provider subject to the fulfillment of eligibility and other requirements specified under these regulations.

6. Eligibility of e-voting Service Provider. - Following persons shall be eligible for appointment as e-voting service provider: -

- (a) central depository licensed under Securities Act, 2015 (III of 2015); or
- (b) a share registrar and balloter as registered under the Share Registrars and Balloters Regulations, 2017, subject to the following minimum requirements that –

- (i) it owns a web portal and 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 along with text of the resolutions, in such a manner that the entire voting exercised by way of electronic means accurately gets registered and counted in electronic registry in a centralized server with adequate cyber security;
- (ii) its entire system is certified by independent external auditors or expert regarding information security standards (e.g. ISO Certification), penetration testing, cyber security protection, business continuity and disaster recovery arrangements;
- (iii) its web portal and secured system shall use following security features:
 - (I) electronic signature or authentication for communication with members;
 - (II) maintenance of passwords in the encrypted mode in the database;
 - (III) completely automated public turning test to tell computers and humans apart (CAPTCHA) mechanism upon login of e-voting portal;
 - (IV) secure communication by use of hypertext transfer protocol secure (HTTPS) protocol and secure sockets layer (SSL) certificate;
 - (V) significant activity by web portal users shall be logged;
 - (VI) backup of database for data loss prevention;
- (iv) it is not an associated company or associated undertaking or related party of the company appointing it as an e-voting provider.

7. Procedure for e-voting. - (1) The facility for e-voting shall remain open for not less than three days and shall close at 1700 hours (Pakistan Standard Time) on the date preceding the date of the poll.

(2) Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

(3) Members shall cast vote online during the time specified in sub-regulation (1), provided that once the vote on a resolution is casted by a member, he shall not be allowed to change it subsequently.

(4) The e-voting service provider shall be required to keep the result of e-voting confidential and provide access to the chairman of the general meeting in which poll was demanded to unblock result of e-voting on the day of poll.

CHAPTER III VOTING THROUGH BALLOT PAPER

8. Responsibility of Company. - (1) Subject to sections 143 and 144 of the Act, a company shall, within three working days from the day of general meeting, in which poll is demanded, ⁹[upload the ballot paper on its website and publish the same] in English and Urdu languages at least in one issue each of a daily newspaper of respective language having nationwide circulation substantially on the format as provided in **Annexure I** containing the draft resolution and following information:

- (a) business address and contact details of chairman of the general meeting in which poll was demanded, where duly filled ballot paper has to be sent by members;
- (b) detailed procedure for submission of ballot papers.

¹⁰(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].

9. Procedure for voting through ballot paper. - (1) The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the chairman of the meeting through post or email one day before the day of poll, during working hours. The signature on the ballot paper shall match with the signature on CNIC.

(2) In case of foreign members and representatives of a body corporate, corporation and Federal Government, acceptability of other identification documents in lieu of CNIC shall be approved by the board of the company.

CHAPTER IV RESULT OF POLL

10. Responsibility of Chairman of meeting. - (1) The chairman of the general meeting shall record the time and date of receipt of ballot papers, keep them in safe custody and ensure confidentiality of the result till it is formally announced after the conclusion of the voting in the meeting.

(2) The decision of chairman of the meeting regarding validity of the vote shall be final.

(3) The chairman of the meeting shall immediately after the conclusion of poll, count votes cast during time of poll in person, through proxy, video-link and post and in case of e-voting unblock result of e-voting in the presence of a representative of the members demanding the poll ¹¹[and two witnesses not in employment of the Company. The Chairman of the meeting shall ensure completeness and accuracy of the results of the voting]:

⁹ Substituted for the words "publish ballot paper" vide SRO 2192/(I)/2022 dated December 5, 2022

¹⁰ Substituted vide SRO 2192/(I)/2022 dated December 5, 2022. The Substituted text is reproduced below, "The Company shall also upload the ballot paper and information given in subsection (1) on its website."

¹¹ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

¹²[Provided where voting in separate categories for the election of directors is held by the Company, votes shall be counted or unblocked, as the case may be, separately for each category of female directors, independent director and other directors.]

(4) Result of poll shall be announced in the meeting by the chairman of the meeting and it shall also be published on the company's website at the earliest but not later than twenty-four hours from the conclusion of the general meeting.

(5) The chairman, after announcement of result of poll shall send execution report of poll, substantially on the format as provided in **Annexure II**, to the company who shall preserve it safely in accordance with the provisions of section 151 of the Act.

¹³[(6) Where a scrutinizer has been appointed under Regulation 11 by the Board, the Chairman shall also, -

- (a) ensure that the scrutinizer(s) is provided, prior to members meeting, with the register of members, specimen signature of the members, relevant details pertaining to members and any other document related to the voting process including an independent certification report and flow chart of the e-voting system;
- (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 Regulation 11 A (3);
- (d) immediately after the receipt of the scrutinizer's report as per Regulation 11A (3), announce the result in the meeting and place the same along with the scrutinizer's report, on the website of the Company.; and
- (e) ensure that the company maintains record of shareholders, either manually or electronically, of the assent and dissent received including the votes that are considered invalid, along with the particulars of name, folio number and total number of shares held, as mentioned but not limited to the format provided in Annexure II.]

CHAPTER V

¹⁴[**APPOINTMENT AND RESPONSIBILITIES OF SCRUTINIZER**]

11. ¹⁵[**Appointment of Scrutinizer.** (1) The Board of a listed company shall appoint a scrutinizer for the purpose of voting in the meeting where following businesses are to be transacted, -

¹² Inserted vide SRO 905(I) /2023 dated July 7, 2023.

¹³ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

¹⁴ Substituted for the words "election of directors" vide SRO 2192/(I)/2022 dated December 5, 2022

¹⁵ Substituted vide SRO 2192/(I)/2022 dated December 5, 2022. The substituted regulation is reproduced below,

11. Election of directors. (1) 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, a listed company shall:

- (a) in case of e-voting, send information to members as provided in sub regulation 2 and 3 of regulation 4, not later than seven days before the date of general meeting and the provisions of regulation 7 shall apply.
- (b) in case of voting through ballot paper, publish the ballot paper and information as provided in regulation 8 in newspapers, shall 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.

- (a) businesses mentioned in section 183 (3) (a) and (b) of the Act;
- (b) investment in associated companies as mentioned in section 199 of the Act except where investment is made in wholly owned subsidiary; and
- (c) election of directors:

Provided that listed companies are required to appoint scrutinizer under this regulation after three months from date of publication of this amending notification.

(2) The scrutinizer appointed under sub-regulation (1) shall, -

- (a) 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 Accountants of Pakistan (ICAP); and
- (b) shall in the opinion of the Board has necessary knowledge and experience to independently scrutinize the voting process.

(3) The scrutinizer appointed under sub-regulation (1), may take assistance of any person who is not in employment of the company for the purpose of fulfilling his/her responsibilities.]

¹⁶[11A. Responsibility of Scrutinizer. - (1) The scrutinizer appointed under Regulation 11 shall,

- (a) observe that satisfactory procedures of the voting process including adequate precautionary measures to comply with the requirements of these regulations 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 to observe and oversee the process;
- (d) be available in the general meeting and observe the count of the votes cast, either manually or electronically;
- (e) observe that there is no duplication of votes cast, either manually or electronically;
- (f) maintain a record of shareholders, either manually or electronically, to record the assent and dissent received along with the particulars of name, folio number and number of shares held;
- (g) maintain record of the votes that are considered invalid; and
- (h) perform any other role and responsibility as may be directed or specified by the Commission from time to time.

(2) The scrutinizer shall submit to the Chairman a duly signed consolidated report on voting process and votes casted as soon as possible on the same day of general meeting on the format as provided in Annexure III.]

¹⁷[CHAPTER VI MISCELLANEOUS

(2) The chairman of the meeting shall immediately after the conclusion of voting for election of directors, count votes casted during the meeting in person, through proxy, video-link and post and in case of e-voting unblock result of e-voting and announce result in accordance with sub-regulation 4 and 5 of regulation 10.

¹⁶ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

¹⁷ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

11B. Penalty for contravention of these regulations. — (1) Whoever fails or refuses to comply with, or contravenes any provision of these regulations, or authorizes or permits such failure, refusal or contravention shall be punishable with penalty as provided in sub-section (2) of section 512 of the Act.

(2) The penalty to be imposed under this regulation shall be in addition to any other actions that may be taken by the Commission.]

12. Repeal. - Companies (E-Voting) Regulations, 2016 issued vide S.R.O 43 (I)/2016 dated January 22, 2016 is hereby repealed.

¹⁸[Annexure I
[Regulation 8]

**Ballot paper for voting through post for poll to be held on (time, date and place of poll)
(Name of Company and Logo)
Complete contact details (including website address)**

Designated email address of the Chairman at which the duly filled in ballot paper may be sent:

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below (delete as appropriate);

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)

¹⁸ Substituted vide SRO 905(I) /2023 dated July 7, 2023.

In case of election of directors for listed company:

Calculation of votes for each category of election of directors

Category			
Female Director	Female director to be elected	No. of ordinary shares held	Total votes for female director = (number of voting shares X one female director to be elected)
Independent Director	Number of independent directors to be elected	No. of ordinary shares held	Total votes for independent directors = (number of voting shares X number of independent directors to be elected)
Non-independent director	Number of other directors to be elected	No. of ordinary shares held	Total votes for remaining directors = (number of voting shares X number of remaining directors to be elected)

Sr. No.	Name of directors	Category for which member is contesting i.e. Female, Independent & others	Number of votes given to the candidate

Signature of shareholder(s)

Place:

Date:

NOTES:

1. Dully filled postal ballot should be sent to chairman -----(Name, business address, email of chairman).
2. Copy of CNIC should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before----- (last date of receiving postal ballot). Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. Company shall draft ballot paper whereby explicit information, terms and conditions and choice of selection is provided and ensure that no confusion arise for voters that may defeat the objective of voting.]

¹⁹Annexure-II
Regulation 10

Results of Voting on Resolutions/Execution Report

Name of the Company	
Date of the general meeting	
Date of poll	
Dates for casting e-voting	
Last date of receiving postal ballot	
Any other related information	

Resolutions:

Resolution 1	Details
Resolution 2	Details
Resolution 3	Details

(i) Result of Voting (other than election of directors)

Vote casted in person or through proxy:

Particulars			Result of resolutions							
Name of member* / Folio No.	Present in person or through proxy	No. of Shares held or no. of votes	No. of Votes Casted	No. of Invalid Votes	Resolution No. 1		Resolution No. 2		Resolution No. 3	
					Favor	Against	Favor	Against	Favor	Against
Total										

**In case of votes casted through proxy, mention the name of the proxy holder besides names of the member.*

Vote casted through e-voting:

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

¹⁹ Substituted vide SRO 905(I) /2023 dated July 7, 2023.

Vote casted through post:

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

Consolidated Results of Voting:

S. No.	Resolutions	Total No. of Shares/ Votes Held	Total Number of Votes Casted	Total Number of Invalid Votes	Number of Votes Casted in Favour	Number of Votes Casted Against	Percentage of Votes Casted in Favour	Resolution Passed/Not Passed	Remarks
1.	Resolution 1								
2.	Resolution 2								
3.	Resolution 3								

(ii) Result of Voting (In case of election of directors for listed companies)

Vote cast for the category of female director:

S. No.	Name of director	Number of votes given to the candidate	Remarks
Total		xxxxxxx	

Vote cast for the category of independent director:

S. No.	Name of directors	Number of votes given to the candidate	Remarks
Total		xxxxxxx	

Vote cast for the category of other director:

S. No.	Name of directors	Number of votes given to the candidate	Remarks
	Total	XXXXXXX	

(iii) Consolidated Result of voting for the election of directors of listed company:

S. No.	Names of Directors Elected	Category (Female/independent/other director)	No. of votes cast	Remarks

Signature of Chairman
Place:
Date:]

²⁰[Annexure III
Report of Scrutinizer
[Regulation 11(A)]

To,

Chairman
_____ Annual / Extraordinary General Meeting of _____ Limited
Held on _____ at _____
Dear Sir,

²⁰ Inserted vide SRO 2192/(I)/2022 dated December 5, 2022

I/We, _____, appointed as Scrutinizer by the board of directors of _____ (“the Company”) under the Postal Ballot Regulations, 2018 (“the Regulations”), for the purpose of monitoring and validating the voting undertaken on the below mentioned resolution(s), as per the requirements of the Regulations, at the _____ meeting of the Company, held on _____ at _____, submit our report as required under the Regulations as under:

1. Details of voting taken place during the meeting are as following:

Vote casted in person or through proxy:

Particulars			Result of resolutions (In case of election of directors amend accordingly)							
No. of Members present in Person	No. of Members present through Proxy	Total No. of Shares held or no. of votes	Total No. of Votes Casted	Total No. of Invalid Votes	Resolution No. 1		Resolution No. 2		Resolution No. 3	
					Favor	Against	Favor	Against	Favor	Against
Total										

Vote casted through e-voting:

Particulars			Result of resolutions (In case of election of directors amend accordingly)							
No. of Members Casting the Vote	Total No. of Shares held or no. of votes	Total No. of Votes Casted	Total No. of Invalid Votes	Resolution No. 1		Resolution No. 2		Resolution No. 3		
				Favor	Against	Favor	Against	Favor	Against	
Total										

Vote casted through post:

Particulars		Result of resolutions (In case of election of directors amend accordingly)							
No. of Members Casting the Vote	Total No. of Shares held or no. of votes	Total No. of Votes Casted	Total No. of Invalid Votes	Resolution No. 1		Resolution No. 2		Resolution No. 3	
				Favor	Against	Favor	Against	Favor	Against
Total									

Consolidated Report of Voting:

S.No.	Resolutions (In case of election of directors, amend accordingly)	Total No. of Shares / Votes Held	Total Number of Votes Casted	Total Number of Invalid Votes	Number of Votes Casted in Favour	Number of Votes Casted Against	Percentage of Votes Casted in Favour	Resolution Passed/ Not Passed	Remarks
1.	Resolution 1								
2.	Resolution 2								
3.	Resolution 3								

2. That the voting process was conducted by the Company as per the requirements of the Postal Ballot Regulations 2018 except for the matters disclosed below (if any):

3. Any other necessary information that the Scrutinizer would like to disclose for the information of members of the Company:

Other Details:

Date and Time of un-blocking of e-voting results by the Chairman.	
Last date and time of receiving postal ballot by the Company.	

Resolutions:

Resolution 1	Details
Resolution 2	Details
Resolution 3	Details

Name & Signature of Scrutinizer:

Place:

Date:]