

COMPARATIVE MATRIX OF AMENDMENTS IN THE COMPANIES' ACT 2017

MAY 2020



Foreword

This document presents a comparative matrix of the changes made in the Companies Act, 2017 (**Act, 2017**) through the Companies (Amendment) Ordinance, 2020.

The Companies (Amendment) Ordinance, 2020 has been promulgated by the President of Pakistan and shall be presented before both Houses of the Parliament. Any subsequent updates in this regard will be published on our website hzco.com.pk.

The information contained in herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 Reanda Haroon Zakaria & Company (**RHZ**) is a member firm of Reanda International Network Limited. Each member firm of the Reanda International Network Limited is a separate independent firm. No one member firm is responsible for the services or activities of any other. All rights reserved.

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
2(32)	<p>“financial period” in relation to a company or any other body corporate, means the period (other than financial year) in respect of which any financial statements thereof are required to be made pursuant to this Act;</p>	Omitted through Companies (Amendment) Ordinance, 2020.
2(33)	<p>“financial statements” in relation to a company, includes—</p> <ul style="list-style-type: none"> a) a statement of financial position as at the end of the period; b) a statement of profit or loss and other comprehensive income or in the case of a company carrying on any activity not for profit, an income and expenditure statement for the period; c) a statement of changes in equity for the period; d) a statement of cash flows for the period; e) notes, comprising a summary of significant accounting policies and other explanatory information; f) comparative information in respect of the preceding period; and g) any other statement as may be prescribed; 	<p>“financial statements” in relation to a company, shall comprise—</p> <ul style="list-style-type: none"> a) a statement of financial position as at the end of the period; b) a statement of profit or loss and other comprehensive income or in the case of a company carrying on any activity not for profit, an income and expenditure statement for the period; c) other additional statements and information required by the accounting and financial reporting framework applicable to the company; and d) any other statement as may be notified;
2(45)	<p>“officer” includes any director, chief executive, chief financial officer, company secretary or other authorized officer of a company;</p>	<p>“officer” includes any director, chief executive, chief financial officer or a company secretary;</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
2(66)	<p>“special resolution” means a resolution which has been passed by a majority of not less than three-fourths of such members of the company entitled to vote as are present in person or by proxy or vote through postal ballot at a general meeting of which not less than twenty-one days' notice specifying the intention to propose the resolution as a special resolution has been duly given:</p> <p style="color: #ff0000;">Provided that if all the members entitled to attend and vote at any such meeting so agree, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one days' notice has been given;</p>	<p>“special resolution” means a resolution which has been passed by a majority of not less than three-fourths of such members of the company entitled to vote as are present in person or by proxy or vote through postal ballot at a general meeting of which not less than twenty-one days' notice specifying the intention to propose the resolution as a special resolution has been duly given:</p> <p style="color: #0056b3;">Provided that—</p> <p style="color: #0056b3;">(a) in case of company other than listed company where all the members entitled to attend and vote at any such meeting so agree;</p> <p style="color: #0056b3;">or</p> <p style="color: #0056b3;">(b) in case of a listed company if the Commission so allows, for reasons to be recorded in writing, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one days' notice has been given;</p>
2(67A)	<p>A separate definition of startup company has been inserted through Companies (Amendment) Ordinance, 2020.</p>	<p>“startup company” means a company that—</p> <p style="color: #0056b3;">(a) is in existence for not more than ten years from the date of its incorporation or such other period or periods as may be specified;</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p>and</p> <p>(b) has a turnover for any of the financial years since incorporation that is not greater than five hundred million rupees or such other amount or amounts as may be specified; and</p> <p>(c) is working towards the innovation, development or improvement of products or processes or services or is a scalable business model with a high potential of employment generation or wealth creation or for such other purposes as may be specified; or</p> <p>(d) such other companies or classes of companies as may be notified by the Commission: Provided that a company formed by the splitting up or reconstruction of an existing company shall not be considered as a startup company;</p> <p>Provided that a company formed by the splitting up or reconstruction of an existing company shall not be considered as a startup company</p>
2(72)	“ valuer ” means a valuer registered with the Commission;	“ valuer ” means a valuer notified by the Commission;
17	<p>Effect of memorandum and articles. —</p> <p>(1) The memorandum and articles shall, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed by each member and contained a</p>	<p>Effect of memorandum and articles. —</p> <p>(1) The memorandum and articles shall, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed by each member and contained a</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>covenant on the part of each member, his heirs and legal representatives, to observe and be bound by all the provisions of the memorandum and of the articles, subject to the provisions of this Act.</p> <p style="color: #ff0000;">(2) All moneys payable by a subscriber in pursuance of his undertaking in the memorandum of association against the shares subscribed shall be a debt due from him and be payable in cash within thirty days from the date of incorporation of the company:</p> <p style="color: #ff0000;">Provided that in case the share money is not deposited within the prescribed time, the shares shall be deemed to be cancelled and the name of that subscriber shall be removed from the register and the registrar shall give such direction to the company in each case as deemed appropriate for compliance with the provisions of the company law.</p> <p style="color: #ff0000;">(3) The receipt of subscription money from the subscribers shall be reported by the company to the registrar on a specified form within forty-five days from the date of incorporation of the company, accompanied by a certificate by a practicing-chartered accountant or a cost and management accountant verifying receipt of the money so subscribed.</p> <p style="color: #ff0000;">(4) Any violation of this section shall be an offence liable to a penalty of level 1 on the standard scale.</p>	<p>covenant on the part of each member, his heirs and legal representatives, to observe and be bound by all the provisions of the memorandum and of the articles, subject to the provisions of this Act.</p> <p style="color: #0056b3;">(2) All moneys payable by a subscriber in pursuance of his undertaking in the memorandum of association against the shares subscribed shall be a debt due from him and be payable in such time, manner and condition as may be notified by the Commission</p> <p style="color: #0056b3;">(4) Any violation of this section or direction given by the registrar shall be an offence liable to a penalty of level 1 on the standard scale.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
19	<p>Commencement of business by a public company. —</p> <p>(1) A public company shall not start its operations or exercise any borrowing powers unless—</p> <p>(e) in the case of a company which has not issued a prospectus inviting the public to subscribe for its shares, there has been filed with the registrar a statement in lieu of prospectus as per the Second Schedule annexed to this Act.</p> <p><i>Explanation— “minimum subscription”</i> means the amount, if any, fixed by the memorandum or articles of association as minimum subscription upon which the directors may proceed to allotment or if no amount is so fixed and specified, the whole amount of the share capital other than that issued or agreed to be issued as paid up otherwise than in cash.</p> <p style="color: #e67e22;">(2) The registrar shall, on filing of a duly verified declaration in accordance with the provisions of sub-section (1) and after making such enquiries as he may deem fit to satisfy himself that all the requirements of this Act have been complied with in respect of the commencement of business and matters precedent and incidental thereto, accept and register all the relevant documents.</p>	<p>Commencement of business by a public company. —</p> <p>(1) A public company shall not start its operations or exercise any borrowing powers unless—</p> <p>(e) in the case of a company which has not issued a prospectus inviting the public to subscribe for its shares, there has been filed with the registrar a statement in lieu of prospectus as per the Second Schedule annexed to this Act.</p> <p><i>Explanation— “minimum subscription”</i> means the amount, if any, fixed by the memorandum or articles of association as minimum subscription upon which the directors may proceed to allotment or if no amount is so fixed and stated the whole amount of the share capital other than that issued or agreed to be issued as paid up otherwise than in cash.</p> <p style="color: #0056b3;">(2) The registrar shall, on filing of a duly verified declaration in accordance with the provisions of sub-section (1) and after making such enquiries as he may deem fit to satisfy himself that all the requirements of this Act have been complied with in respect of the commencement of business and matters precedent and incidental thereto, accept and register all the relevant documents and issue a certificate of commencement of business and that certificate shall be conclusive evidence that the company is entitled to commence business.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
23	<p style="color: #E31A1C;">Company to have common seal— (1) Every company shall have a common seal.</p> <p style="color: #E31A1C;">(2) A company's common seal must be a seal having the company's name engraved on it in legible form.</p> <p style="color: #E31A1C;">(3) If any of the provision of this section is contravened or an officer of a company or a person on behalf of a company uses or authorizes the use of another seal that purports to be the company's common seal, shall be liable to a penalty not exceeding of level 1 on the standard scale.</p>	Omitted through Companies (Amendment) Ordinance, 2020.
31	<p>Memorandum to be printed, signed and dated—The memorandum shall be—</p> <p>(c) signed by each subscriber, who shall add his present name in full, his occupation and father's name or, in the case of a married woman or widow, her husband's or deceased husband's name in full, his nationality and his usual residential address and such other particulars as may be specified, in the presence of a witness who shall attest the signature and shall likewise add his particulars;</p>	<p>Memorandum to be printed, signed and dated—The memorandum shall be—</p> <p>(c) signed by each subscriber, who shall add his present name in full, his occupation, nationality, usual residential address and such other particulars as may be specified, in the presence of a witness who shall attest the signature and shall likewise add his particulars;</p>
32	<p>Alteration of memorandum. — (1) Subject to the provisions of this Act, a company may by special resolution alter the provisions of its memorandum so as to—</p>	<p>Alteration of memorandum. — (1) Subject to the provisions of this Act, a company may by special resolution alter the provisions of its memorandum so as to—</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(a) change the place of its registered office from. —</p> <p>(i) one Province to another Province or Islamabad Capital Territory and <i>vice versa</i>; or</p> <p>(ii) one Province or Islamabad Capital Territory to a part of Pakistan not forming part of a Province and <i>vice versa</i>; or</p>	<p>(a) change the place of its registered office from one place to another place;</p> <p>Explanation. - For the purpose of this clause the expression "place" means a Province, Islamabad Capital Territory or a part of Pakistan not forming part of a Province;</p>
37	<p>Articles to be printed, signed and dated. — The articles shall be—</p> <p>(c) signed by each subscriber, who shall add his present name in full, his occupation and father's name or, in the case of a married woman or widow, her husband's or deceased husband's name in full, his nationality and his usual residential address and such other particulars as may be specified, in the presence of a witness who shall attest the signature and shall likewise add his particulars;</p>	<p>Articles to be printed, signed and dated. — The articles shall be—</p> <p>(c) signed by each subscriber, who shall add his present name in full, his occupation, nationality, usual residential address and such other particulars as may be specified, in the presence of a witness who shall attest the signature and shall likewise add his particulars;</p>
38	<p>Alteration of articles. —</p> <p>(2) A copy of the articles of association as altered shall, within thirty days from the date of passing of the resolution, be filed by the company with the registrar and he shall register the same and thenceforth the articles so filed shall be the articles of the company.</p>	<p>Alteration of articles. —</p> <p>(2) A copy of the articles of association as altered shall, within fifteen days from the date of passing of the resolution, be filed by the company with the registrar and he shall register the same and thenceforth the articles so filed shall be the articles of the company.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
43	<p>Effect of revocation of license. — (1) On revocation of license of a company under section 42, by the Commission—</p> <p>(c) all the assets of the company after satisfaction of all debts and liabilities shall, in the manner as may be specified, be transferred to another company licensed under section 42, preferably having similar or identical objects to those of the company, within ninety days from the revocation of the license or such extended period as may be allowed by the Commission:</p>	<p>Effect of revocation of license. — (1) On revocation of license of a company under section 42, by the Commission—</p> <p>(c) all the assets of the company after satisfaction of all debts and liabilities shall, in the manner as may be specified, be transferred to another not for profit entity registered under any law for the time being in force, within ninety days from the revocation of the license or such extended period as may be allowed by the Commission:</p>
48	<p>Conversion of status of unlimited company as limited company and vice-versa. —</p> <p>A new sub-section 3A has been inserted through Companies (Amendment) Ordinance, 2020.</p>	<p>Conversion of status of unlimited company as limited company and vice-versa. —</p> <p>(3A) A copy of the memorandum and articles of association as altered pursuant to the order under sub-section (2) shall, within fifteen days from the date of the order, be filed by the company with the registrar who shall register the same and thenceforth the memorandum and articles so filed shall be the memorandum and articles of the newly converted company.</p>
62	<p>Shares certificate to be evidence. — (1) A certificate, if issued in physical form under common seal of the company or under official seal, which must be facsimile of the company's common seal, or issued in book-entry form, specifying the shares held by any person or shares held in central depository system shall be <i>prima facie</i> evidence of the title of the person to such shares.</p>	<p>Shares certificate to be evidence. — (1) A certificate, if issued in physical form under signature of authorized officer of the company as may be specified or issued in book-entry form, specifying the shares held by any person or shares held in central depository system shall be <i>prima facie</i> evidence of the title of the person to such shares.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
70	<p>Return as to allotments. — (1) Whenever a company having a share capital makes any allotment of its shares, the company shall, within forty-five days thereafter-</p> <p>(a) file with the registrar a return of the allotment, stating the number and nominal amount of the shares comprised in the allotment and such particulars as may be specified, of each allottee, and the amount paid on each share; and</p> <p>(b) in the case of shares allotted as paid up in cash, submit along with the return of allotment, a report from its auditor to the effect that the amount of consideration has been received in full by the company and shares have been issued to each allottee:</p> <p style="color: #e67e22;">Provided that in case, the appointment of auditor is not mandatory by a company, the report for the purpose shall be obtained from a practicing-chartered accountant or a cost and management accountant.</p> <p>Remaining contents of the section are unchanged.</p>	<p>Return as to allotments. — (1) Whenever a company having a share capital makes any allotment of its shares, the company shall, within thirty days thereafter-</p> <p>(a) file with the registrar a return of the allotment, stating the number and nominal amount of the shares comprised in the allotment and such particulars as may be specified, of each allottee, and the amount paid on each share; and</p> <p>(b) in the case of shares allotted as paid up in cash, submit along with the return of allotment, a declaration from its chief executive to the effect that the amount of consideration has been received in full by the company and shares have been issued to each allottee:</p>
76	<p>Restriction on transfer of shares by the members of a private company. —</p>	<p>Restriction on transfer of shares by the members of a private company. —</p> <p>Sub-sections (1) to (4) remain unchanged.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(5) If all the members decline to accept the offer or if any shares are left over, the shares may be sold to any other person as determined by the member, who initiated the offer.</p> <p style="color: #e91e63;">(6) For the purpose of this section, the mechanism to determine the price of shares shall be such, as may be specified.</p>	<p>(5) If all the members decline to accept the offer or if any shares are left over, the shares may be sold to any other person as determined by the member, who initiated the offer.</p> <p style="color: #0056b3;">Provided that the member selling shares to any other person shall ensure that as a result of such sale, the limit of maximum number of members for a private company is not be exceeded.</p>
79	<p>Transfer to nominee of a deceased member. —</p> <p>(3) The person to be nominated under this section shall not be a person other than the relatives of the member, namely, a spouse, father, mother, brother, sister and son or daughter.</p>	<p>Transfer to nominee of a deceased member. —</p> <p>Sub-sections (1), (2), (4) remain unchanged.</p> <p>(3) The person to be nominated under this section shall not be a person other than the relatives of the member, namely, a spouse, father, mother, brother, sister and son or daughter.</p> <p style="color: #0056b3;">Provided that in the absence of any of the relatives the shareholder shall be entitled to nominate any other person.</p>
83	<p>Further issue of capital. — (1) Where the directors decide to increase share capital of the company by issue of further share capital, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are members of the company in proportion to the existing shares held by sending a letter of offer subject to the following conditions, namely—</p>	<p>Further issue of capital. — (1) Where the directors decide to increase share capital of the company by issue of further share, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are members of the company in proportion to the existing shares held by such</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(i) the shares so offered shall be strictly in proportion to the shares already held in respective kinds and classes;</p> <p>(ii) the letter of offer shall state the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>(iii) in the case of a listed company any member, not interested to subscribe, may exercise the right to renounce the shares offered to him in favour of any other person, before the date of expiry stated in the letter of offer; and</p> <p>(iv) if the whole or any part of the shares offered under this section is declined or is not subscribed, the directors may allot such shares in such manner as they may deem fit within a period of thirty days from the close of the offer as provided under sub-clause (ii) above or within such extended time not exceeding thirty day with the approval of the Commission:</p> <p style="color: #e67e22;">Provided that a public company may reserve a certain percentage of further issue for its employees under —“ Employees Stock Option Scheme” to be approved by the Commission in accordance with the procedure and on such conditions as may be specified.</p>	<p>members through sending a letter of offer subject to the following conditions, namely—</p> <p>(i) the shares so offered shall be strictly in proportion to the shares already held in respective kinds and classes;</p> <p>(ii) the letter of offer shall state the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>(iii) in the case of a listed company any member, not interested to subscribe, may exercise the right to renounce the shares offered to him in favour of any other person, before the date of expiry stated in the letter of offer; and</p> <p>(iv) if the whole or any part of the shares offered under this section is declined or is not subscribed, the directors may allot such shares in such manner as they may deem fit within a period of thirty days from the close of the offer as provided under sub-clause (ii) above or within such extended time not exceeding thirty day with the approval of the Commission:</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(b) subject to approval of the Commission, to any person, in the case of public company on the basis of a special resolution either for cash or for a consideration other than cash:</p> <p style="padding-left: 40px;">Provided that the value of non-cash asset, service, intellectual property shall be determined by a valuer registered by the Commission.</p> <p>(2) The letter of offer referred to in sub-clause (ii) of clause (a) of sub-section (1) duly signed by at least two directors shall be dispatched through registered post or courier or through electronic mode to all the existing members, ensuring that it reaches the members before the commencement of period for the acceptance of offer.</p> <p>(3) A copy of the letter of offer, referred to in sub-section (2) shall, simultaneously with the dispatch to the members, be sent to the registrar.</p>	<p>(b) in case of public company and subject to approval of the Commission, to any person on the basis of a special resolution either for cash or for consideration other than cash:</p> <p style="padding-left: 40px;">Provided that the value of any non-cash asset, net worth of undertaking, service, benefit or intellectual property shall be determined by a valuer.</p> <p>(c) in case of a private company and subject to its articles and special resolution, to any person, either for cash or for consideration other than cash on such conditions and requirements as may be notified.</p> <p>(2) The letter of offer referred to in sub-clause (ii) of clause (a) of sub-section (1) shall be duly signed by at least two directors and dispatched through registered post or courier or through electronic mode to all the existing members, ensuring that it reaches the members before the commencement of period for the acceptance of offer.</p> <p>(3) The letter of offer, referred to in sub-section (2), shall be accompanied by a circular duly signed by all directors or an officer of the company authorized by them in this behalf on such form as may be specified containing material information about the affairs of the company, latest statement of the accounts and the necessity for issue of further capital:</p> <p style="padding-left: 40px;">Provided that a copy of such circular shall also be filed with the registrar simultaneously at the time it is dispatched to the shareholders</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(4) Notwithstanding anything contained in this section, where loan has been obtained from any Government by a public sector company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such loan or any part thereof shall be converted into shares in that company, on such terms and conditions as appear to the Government to be just and reasonable in the circumstances of the case even if the terms of such loan does do not include the option for such conversion.</p> <p>(5) In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the public sector company, the terms of the rate of interest payable thereon and such other matters as it may consider necessary.</p>	<p>(4) Notwithstanding anything contained in this section, where any loan or finances have been obtained from any Government by a public sector company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such loan or finances or any part thereof shall be converted into shares in that company, on such terms and conditions as appear to the Government to be just and reasonable in the circumstances of the case even if the terms of such loan or finances does do not include the option for such conversion.</p> <p>(5) In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the public sector company, the terms of the rate of interest or profit payable thereon and such other matters as it may consider necessary.</p> <p>Sub-sections (6) to (8) remain unchanged.</p>
83A	<p>A new section has been inserted through Companies (Amendment) Ordinance, 2020.</p>	<p>Employees' stock options. — Notwithstanding anything contained in section 83 or any other provision of this Act, a company may, under the authority of special resolution, issue shares in accordance with its articles under employees' stock option in accordance with such procedure and subject to such conditions as may be specified.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
86	<p>Prohibition of purchase by company or giving of loans by it for purchase of its shares.</p> <p>(1) No company having a share capital, other than a listed company shall have power to buy its own shares.</p>	<p>Sub-sections (2) to (4) remain unchanged.</p>
88	<p>Power of a company to purchase its own shares. —</p> <p>(1) Notwithstanding anything contained in this Act or any other law, for the time being in force, or the memorandum and articles, a listed company may, subject to the provisions of this section and the regulations specified in this behalf, purchase its own shares.</p> <p>(2) The shares purchased by the company may, in accordance with the provisions of this section and the regulations, either be cancelled or held as treasury shares.</p>	<p>Power of a company to purchase its own shares. —</p> <p>(1) Notwithstanding anything contained in this Act or any other law, for the time being in force, or the memorandum and articles, a company may, subject to the provisions of this section and the regulations specified in this behalf, purchase its own shares.</p> <p>(2) The shares purchased by the company may, in accordance with the provisions of this section and the regulations, either be cancelled or held as treasury shares:</p> <p style="padding-left: 20px;">Provided that shares purchased by an unlisted public company or a private company shall be cancelled and not be held as treasury shares:</p> <p style="padding-left: 20px;">Provided further that cancellation of shares under this section shall not be deemed to be a reduction of share capital within the meaning of section 89 and such shares shall be cancelled in such form and manner as may be specified.</p> <p>Sub-sections (3) to (8) remain unchanged.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	(9) The purchase of shares shall be made either through a tender offer or through the securities exchange as may be specified.	(9) The purchase of shares shall be made through the securities exchange as may be specified. Sub-sections (10) to (12) remain unchanged.
130	<p>Annual return. —</p> <p>(5) Nothing in this section shall apply to a company, in case there is no change of particulars in the last annual return filed with the registrar:</p> <p>Provided that a company, other than a single member company or a private company having paid up capital of not more than three million rupees, shall inform the registrar in a specified manner that there is no change of particulars in the last annual return filed with the registrar.</p>	<p>Sub-Sections (1) to (4) and sub-section (6) continue to remain unchanged.</p> <p>Omission of sub-section (5) removes practical difficulties faced with respect to the requirement of Form A by banks.</p>
132	<p>Annual general meeting. —</p> <p>(2) An annual general meeting shall, in the case of a listed company, be held in the town in which the registered office of the company is situate or in a nearest city:</p> <p>Provided that at least seven days prior to the date of meeting, on the demand of members residing in a city who hold at least ten percent of the total paid up capital or such other percentage as may be specified, a listed company must provide the facility of</p>	<p>Annual general meeting. —</p> <p>Sub-section (1) remains unchanged</p> <p>(2) An annual general meeting shall, in the case of a listed company, be held in the town in which the registered office of the company is situate:</p> <p>Provided that at least seven days prior to the date of meeting, on the demand of members residing in a city who hold at least ten percent of the total paid up capital or such other percentage as may be specified, a listed company must provide the facility of</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	video- link to such members enabling them to participate in its annual general meeting.	video- link to such members enabling them to participate in its annual general meeting. <div style="color: #4F81BD;"> <p>Provided further that the Commission may, for reason to be recorded in writing, on the application of such company, allow the company to hold a particular meeting at any other place.</p> </div> <p>Sub-sections (3) to (5) remain unchanged.</p>
133	<p>Calling of extra-ordinary general meeting. —</p> <p>(8) Notice of an extra-ordinary general meeting shall be served to the members in the manner provided for in section 55:</p> <p>Provided that in case of a company other than listed, if all the members entitled to attend and vote at any extraordinary general meeting so agree, a meeting may be held at a shorter notice.</p>	<p>Calling of extra-ordinary general meeting. —</p> <p>Sub-sections (1) to (7) remain unchanged</p> <p>(8) Notice of an extra-ordinary general meeting shall be served to the members in the manner provided for in section 132:</p> <p>Provided that in case of a company other than listed, if all the members entitled to attend and vote at any extraordinary general meeting so agree, a meeting may be held at a shorter notice.</p> <p><div style="color: #4F81BD;"> <p>Provided further that in case of an emergency affecting the business of a listed company, the Commission may for reasons to be recorded in writing on the application of the company authorize such meeting to be held at such shorter notice as may be allowed by it:</p> </div></p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p style="color: #0056b3;">Provided also that in case of a listed company, such notice shall be sent to the Commission, in addition to its being dispatched in the normal course to members and the notice shall also be published in English and Urdu languages at least in one issue each of a daily newspaper of respective language having nationwide circulation.</p> <p>Sub-section (9) remains unchanged</p>
135	<p>Quorum of general meeting. — (1) The quorum of a general meeting shall be –</p> <p>(a) in the case of a public listed company, unless the articles provide for a larger number, not less than ten members present personally, or through video-link who represent not less than twenty-five percent of the total voting power, either of their own account or as proxies;</p> <p>(b) in the case of any other company having share capital, unless the articles provide for a larger number, two members present personally, or through video-link who represent not less than twenty-five percent of the total voting power, either of their own account or as proxies;</p> <p>(c) in the case of a company not having share capital, as provided in the articles:</p> <p style="color: #e67e22;">Provided that, if within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon</p>	<p>Quorum of general meeting. — (1) The quorum of a general meeting shall be –</p> <p>(a) in the case of a public listed company, unless the articles provide for a larger number, not less than ten members present personally, or through video-link who represent not less than twenty-five percent of the total voting power, either of their own account or as proxies;</p> <p>(b) in the case of any other company having share capital, unless the articles provide for a larger number, two members present personally, or through video-link who represent not less than twenty-five percent of the total voting power, either of their own account or as proxies;</p> <p>(c) in the case of a company not having share capital, as provided in the articles:</p> <p style="color: #0056b3;">Provided that if within half an hour from the time appointed for the meeting a quorum is not present the meeting if called upon the</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present personally or through video-link being not less than two shall be a quorum, unless the articles provide otherwise.</p>	<p>requisition of members shall be dissolved and in any other case, it shall stand adjourned to the same day in the next week at the same time and place and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present personally or through video-link being not less than two shall be a quorum, unless the articles provide otherwise.</p>
139	<p>Representation of Federal Government at meetings of companies. —</p> <p>(1) The concerned Minister-in-Charge of the Federal Government, or as the case may be, a Provincial Government, as the case may be, if a member of a company, may appoint such individual as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company.</p> <p>(2) An individual appointed to act as aforesaid shall, for the purpose of this Act, be deemed to be a member of such a company and shall be entitled to exercise the same rights and powers, including the right to appoint proxy, as the concerned Minister-in-Charge of the Federal Government or as the case may be, the Provincial Government, as the case may be, may exercise as a member of the company.</p>	<p>Representation of the Government at meetings of companies. —</p> <p>(1) Where the Government is a member of a company, such Government may appoint such individual as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company.</p> <p>(2) An individual appointed to act as aforesaid shall, for the purpose of this Act, be deemed to be a member of such a company and shall be entitled to exercise the same rights and powers, including the right to appoint proxy, as the Government may exercise as a member of the company.</p> <p>Sub-section (2) remains unchanged.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
140	<p>Notice of resolution. —</p> <p>(1) The notice of a general meeting of a company shall state the general nature of each business proposed to be considered and dealt with at a meeting, and in case of special resolution, accompanied by the draft resolution.</p> <p>(2) The members having not less than ten percent voting power in the company may give notice of a resolution and such resolution together with the supporting statement, if any, which they propose to be considered at the meeting, shall be forwarded so as to reach the company-</p>	<p>Notice of resolution. —</p> <p>(1) The notice of a general meeting of a company shall state the general nature of each business proposed to be considered and dealt with at a meeting, and in case of special resolution, accompanied by the draft resolution.</p> <p>(2) The members having not less than five percent voting power in the company may give notice of a resolution and such resolution together with the supporting statement, if any, which they propose to be considered at the meeting, shall be forwarded so as to reach the company-</p> <p>Remaining content of the section stay unchanged.</p>
149	<p>Passing of resolution by the members through circulation. —</p> <p>(1) Except for the businesses specified under sub-section (2) of section 134 to be conducted in the annual general meeting, the members of a private company or a public unlisted company (having not more than fifty members), may pass a resolution (ordinary or special) by circulation signed by all the members for the time being entitled to receive notice of a meeting.</p>	<p>Passing of resolution by the members through circulation. —</p> <p>(1) Except for the businesses specified under sub-section (2) of section 134 to be conducted in the annual general meeting, the members of a private company or a public unlisted company may pass a resolution, ordinary or special, by circulation approved in writing by all the members for the time being entitled to receive notice of a meeting.</p> <p>Sub-sections (2) to (5) continue to remain unchanged.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
153	<p>Ineligibility of certain persons to become director. — A person shall not be eligible for appointment as a director of a company, if he —</p> <p>(a) is a minor; (b) is of unsound mind; (c) has applied to be adjudicated as an insolvent and his application is pending; (d) is an undischarged insolvent; (e) has been convicted by a court of law for an offence involving moral turpitude; (f) has been debarred from holding such office under any provision of this Act; (g) is lacking fiduciary behaviour and a declaration to this effect has been made by the Court under section 212 at any time during the preceding five years; (h) does not hold National Tax Number as per the provisions of Income Tax Ordinance, 2001 (XLIX of 2001): Provided that the Commission may grant exemption from the requirement of this clause as may be notified. (i) is not a member: Provided that clause (i) shall not apply in the case of, —</p> <p>(i) a person representing a member which is not a natural person; (ii) a whole-time director who is an employee of the company; (iii) a chief executive; or (iv) a person representing a creditor or other special interests by virtue of contractual arrangements;</p>	<p>Ineligibility of certain persons to become director. — A person shall not be eligible for appointment as a director of a company, if he —</p> <p>(a) to (j) remain unchanged.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(j) has been declared by a court of competent jurisdiction as defaulter in repayment of loan to a financial institution;</p> <p>(k) is engaged in the business of brokerage, or is a spouse of such person or is a sponsor, director, or officer of a corporate brokerage house:</p> <p style="padding-left: 40px;">Provided that clauses (j) and (k) shall be applicable only in case of listed companies.</p>	<p>(k) is engaged in the business of brokerage pertaining to securities market as defined in the Securities Act, 2015 (III of 2015) or futures market as defined in Futures Market Act, 2016 (XIV of 2016), or is a spouse of such person or is a sponsor, director or officer of such brokerage house:</p> <p style="padding-left: 40px;">Provided that clauses (j) and (k) shall be applicable only in case of listed companies:</p> <p style="padding-left: 40px;">Provided further that clause (h) shall not be applicable on a foreign national who is not required to hold National Tax Number under the provisions of the Income Tax Ordinance, 2001 (XLIX of 2001).</p>
154	<p>Minimum number of directors of a company. —</p> <p>(1) Notwithstanding anything contained in any other law for the time being in force,</p> <p>(a) a single member company shall have at least one director;</p> <p>(b) every other private company shall have not less than two directors;</p>	<p>Minimum number of directors of a company. —</p> <p>(1) Notwithstanding anything contained in any other law for the time being in force,</p> <p>(a) a single member company shall have at least one director;</p> <p>(b) every other private company shall have not less than two directors;</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(c) a public company other than a listed company shall have not less than three directors; and</p> <p>(d) a listed company shall have not less than seven directors.:</p> <p style="color: #E67E22;">Provided that public interest companies shall be required to have female representation on their board as may be specified by the Commission.</p> <p>(2) Only a natural person shall be a director.</p>	<p>(c) a public company other than a listed company shall have not less than three directors; and</p> <p>(d) a listed company shall have not less than seven directors.:</p> <p>(2) Only a natural person shall be a director.</p> <p style="color: #0070C0;">(3) public interest company shall be required to have female representation on its board in such manner and subject to such terms and conditions as may be specified.</p>
155	<p>Number of directorships. —</p> <p>(1) No person shall, after the commencement of this Act, hold office as a director, including as an alternate director at the same time in more than such number of companies as may be specified:</p> <p style="color: #E67E22;">Provided that this limit shall not include the directorships in a listed subsidiary.</p> <p>(2) A person holding the position of director in more than seven companies on the commencement of this Act shall ensure the compliance of this section within one year of such commencement.</p>	<p>Number of directorships. —</p> <p>(1) No person shall, after the commencement of this Act, hold office as a director, including as an alternate director at the same time in more than such number and such class of companies as may be specified:</p> <p>(2) A person holding the position of director in specified number of companies and specified class of companies shall ensure the compliance of this section within such time period as may be notified.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
158	<p>Retirement of first and subsequent directors. —</p> <p>(4) Any officer of the company or any other person who fails to comply with the direction given under sub-section (3) shall be guilty of an offence liable to a fine of level 2 on the standard scale.</p>	<p>Retirement of first and subsequent directors. —</p> <p>Sub-sections (1) to (3) remain unchanged</p>
161	<p>Term of office of directors. —</p> <p>(1) A director elected under sections 159 or 162 shall hold office for a period of three years unless he earlier resigns, vacates office due to fresh election required under section 162 as the case may be, becomes disqualified from being a director or otherwise ceases to hold office:</p> <p>Provided that the term of office of directors of a company limited by guarantee and not having share capital may be a period of less than three years as provided in the articles of association of a company.</p>	<p>Term of office of directors. —</p> <p>(1) A director elected under sections 159 or 162 shall hold office for a period of three years unless he earlier resigns, vacates office due to fresh election required under section 162 as the case may be, becomes disqualified from being a director or otherwise ceases to hold office:</p> <p>Provided that the term of office of directors of a trade organization may be a period of less than three years as provided in the Trade Organizations Act, 2013 (II of 2013).</p> <p>Sub-section (2) remains unchanged.</p>
166	<p>Manner of selection of independent directors and maintenance of databank of independent directors. —</p> <p>(2) For the purpose of this section, an independent director means a director who is not connected or does not have any other</p>	<p>Manner of selection of independent directors and maintenance of databank of independent directors. —</p> <p>Sub-section (1) remains unchanged</p> <p>(2) For the purpose of this section, an independent director means a director who is not connected or does not have any other</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>relationship, whether pecuniary or otherwise, with the company, its associated companies, subsidiaries, holding company or directors; and he can be reasonably perceived as being able to exercise independent business judgment without being subservient to any form of conflict of interest:</p> <p style="padding-left: 40px;">Provided that without prejudice to the generality of this sub-section no director shall be considered independent if one or more of the following circumstances exist-</p> <p>(h) a person nominated as a director under sections 164 and 165.</p> <p>(3) The independent director of a listed company shall be elected in the same manner as other directors are elected in terms of section 159 and the statement of material facts annexed to the notice of the general meeting called for the purpose shall indicate the justification for choosing the appointee for appointment as independent director.</p>	<p>relationship, whether pecuniary or otherwise, with the company, its associated companies, subsidiaries, holding company or directors; and he can be reasonably perceived as being able to exercise independent business judgment without being subservient to any form of conflict of interest:</p> <p style="padding-left: 40px;">Provided that without prejudice to the generality of this sub-section no director shall be considered independent if one or more of the following circumstances exist-</p> <p>(a) to (g) remain unchanged.</p> <p>(h) a person nominated as a director under sections 164 and 165 except where the director is nominated by the Government.</p> <p>(3) The independent director of a company shall be elected in the same manner as other directors are elected in terms of section 159 and the statement of material facts annexed to the notice of the general meeting called for this purpose shall indicate the justification for selecting the individual as a candidate for election as independent director</p> <p>Sub-sections (4) to (6) remain unchanged.</p>
167	Consent to act as director to be filed with company—	Consent to act as director to be filed with company—

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(2) The consent given to the company under sub-section (1) shall be filed with the registrar within fifteen days thereof.</p>	<p>Sub-section (1) remains unchanged.</p> <p>(2) The consent given to the company under sub-section (1) shall be annexed to the relevant form reporting the appointment of director or the chief executive, as the case may be.</p>
172	<p>Disqualification orders. —</p> <p>(1) In any of the circumstances stated hereunder, the Commission may pass a disqualification order against a person to hold the office of a director of a company for a period up to five years beginning from the date of order-</p> <p>(f) the affairs of the company of which he is a director have been conducted in a manner which has deprived the shareholders thereof of a reasonable return;</p> <p>(j) the company of which he is a director has acted against the interests of the sovereignty and integrity of Pakistan, the security of the State, friendly relations with foreign States;</p>	<p>Disqualification orders. —</p> <p>(1) In any of the circumstances stated hereunder, the Commission may pass a disqualification order against a person to hold the office of a director of a company for a period up to five years beginning from the date of order-</p> <p style="padding-left: 40px;">(a) to (e), (g) to (i), (k), (l), and (n) remain unchanged.</p> <p>(j) the company of which he is a director has acted against the interests, sovereignty or integrity of Pakistan, the security of the State, friendly relations with foreign States;</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p style="color: #e67e22;">(m) the person has entered into a plea bargain arrangement with the National Accountability Bureau or any other regulatory body;</p> <p style="color: #e67e22;">(o) that it is expedient in the public interest so to do</p>	
179	<p>Passing of resolution by the directors through circulation. —</p> <p>(1) A resolution in writing signed by all the directors or the committee of directors for the time being entitled to receive notice of a meeting of the directors or committee of directors shall be as valid and effectual as if it had been passed at a meeting of the directors or the committee of directors duly convened and held.</p> <p>(4) A directors' agreement to a written resolution, passed by circulation, once signified, may not be revoked.</p>	<p>Passing of resolution by the directors through circulation. —</p> <p>(1) A resolution approved by all the directors in writing all the directors or the committee of directors for the time being entitled to receive notice of a meeting of the directors or committee of directors shall be as valid and effectual as if it had been passed at a meeting of the directors or the committee of directors duly convened and held.</p> <p>Sub-sections (2) and (3) remain unchanged.</p> <p>(4) A directors' agreement to a written resolution, passed by circulation, once approved, may not be revoked.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
181	<p>Protection to independent and non-executive directors. —</p> <p>(1) Notwithstanding anything contained in this Act—</p> <ul style="list-style-type: none"> (a) an independent director; and (b) a non-executive director; <p>shall be held liable, only in respect of such acts of omission or commission by a listed company or a public sector company which had occurred with his knowledge, attributable through board processes, and with his consent or connivance or where he had not acted diligently.</p> <p>(2) For the purpose of this section a non-executive director means, a person on the board of the company who-</p> <ul style="list-style-type: none"> (a) is not from among the executive management team and may or may not be independent; (b) is expected to lend an outside viewpoint to the board of a company; (c) does not undertake to devote his whole working time to the company and not involve in managing the affairs of the company; (d) is not a beneficial owner of the company or any of its associated companies or undertakings; 	<p>This section has been omitted through Companies (Amendment) Ordinance, 2020.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	(e) does not draw any remuneration from the company except the meeting fee.	
182	<p>Loans to directors: requirement of members' approval. —</p> <p>(1) A company shall not—</p> <p>(a) make a loan to a director of the company or of its holding company; or to any of his relatives;</p> <p>(b) give a guarantee or provide security in connection with a loan made by any person to such a director; or to any of his relatives;</p> <p style="color: #e91e63;">unless the transaction has been approved by a resolution of the members of the company:</p> <p>Provided that in case of a listed company, approval of the Commission shall also be required before sanctioning of any such loan.</p>	<p>Loans to directors: requirement of members' approval. —</p> <p>(1) A company shall not—</p> <p>(a) make a loan to a director of the company or of its holding company; or to any of his relatives;</p> <p>(b) give a guarantee or provide security in connection with a loan made by any person to such a director; or to any of his relatives;</p> <p style="color: #0056b3;">Provided that nothing in this section shall apply to the loan provided to the chief executive or the whole-time director subject to the condition that the loan is granted under a scheme approved by the members of the company:</p> <p>Provided further that in case of a listed company, approval of the Commission shall also be required before sanctioning of any such loan.</p>
183	<p>Powers of board. —</p> <p>(3) The board of a company shall not except with the consent of the general meeting either specifically or by way of an authorization, do any of the following things, namely. -</p>	<p>Powers of board. —</p> <p>Sub-sections (1) and (2) remain unchanged.</p> <p>(3) The board of a company shall not do any of the following except under the authority of special resolution namely. -</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(a) sell, lease or otherwise dispose of the undertakings or a sizeable part thereof unless the main business of the company comprises of such selling or leasing; and</p> <p>(b) sell or otherwise dispose of the subsidiary of the company;</p> <p>(c) remit, give any relief or give extension of time for the repayment of any debt outstanding against any person specified in sub-section (1) of section 182.</p> <p>(4) Nothing contained in sub-section (3) shall entitle a listed company to sell or otherwise dispose of the undertaking, which results in or may lead to closure of business operation or winding up of the company, without there being a viable alternate business plan duly authenticated by the board.</p>	<p>(a) sell, lease or otherwise dispose of the undertakings or a sizeable part thereof unless the main business of the company comprises of such selling or leasing; and</p> <p>(b) sell or otherwise dispose of the subsidiary of the company;</p> <p>(c) remit, give any relief or give extension of time for the repayment of any debt outstanding against any person specified in sub-section (1) of section 182.</p> <p>(4) Nothing contained in sub-section (3) shall entitle a listed company to sell or otherwise dispose of the undertaking, which results in or may lead to closure of business operation or winding up of the company.</p> <p>Sub-sections (5) and (6) remain unchanged.</p>
186	<p>Appointment of first chief executive. —</p> <p>(4) Notwithstanding anything contained in this section, the Government shall have the power to nominate chief executive of a public sector company in such manner as may be specified.</p>	<p>Appointment of first chief executive. —</p> <p>Sub-sections (1) to (3) remain unchanged.</p>
187	<p>Appointment of subsequent chief executive. —</p> <p>(4) Notwithstanding anything contained in this section, the Government shall have the power to nominate chief executive of</p>	<p>Appointment of subsequent chief executive. —</p> <p>Sub-sections (1) to (3) remain unchanged.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	a company where majority of directors is nominated by the Government, in such manner as may be specified.	
194	<p>Public company required to have secretary. —</p> <p>A public company must have a company secretary; possessing such qualification as may be specified.</p>	<p>Public company required to have secretary. —</p> <p>A public company shall have a company secretary, possessing such qualification and shall be subject to such restrictions and limitations as may be specified.</p>
199	<p>Investments in associated companies and undertaking. —</p> <p>(2) The company shall not invest in its associated company or associated undertaking by way of loans or advances except in accordance with an agreement in writing and such agreement shall inter-alia include the terms and conditions specifying the nature, purpose, period of the loan, rate of return, fees or commission, repayment schedule for principal and return, penalty clause in case of default or late repayments and security, if any, for the loan in accordance with the approval of the members in the general meeting:</p> <p>Provided that the return on such investment shall not be less than the borrowing cost of the investing company or the rate as may be specified by the Commission whichever is higher and shall be recovered on regular basis in accordance with the terms of the agreement, failing which the directors shall be personally liable to make the payment.</p>	<p>Investments in associated companies and undertaking. —</p> <p>Sub-sections (1), (3) to (6) remain unchanged.</p> <p>(2) The company shall not invest in its associated company or associated undertaking by way of loans or advances except in accordance with an agreement in writing and such agreement shall inter-alia include the terms and conditions specifying the nature, purpose, period of the loan, rate of return, fees or commission, repayment schedule for principal and return, penalty clause in case of default or late repayments and security, if any, for the loan in accordance with the approval of the members in the general meeting:</p> <p>Provided that the return on such investment shall not be less than the borrowing cost of the investing company or the rate as may be specified by the Commission whichever is higher and shall be recovered on regular basis in accordance with the terms of the agreement.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
215	<p style="color: #E67E22;">Liability for undesired activities of the shareholders. —</p> <p style="color: #E67E22;">(1) A member of a company shall act in good faith while exercising its powers as a shareholder at the general meetings and shall not conduct themselves in a manner that is considered disruptive to proceedings of the meeting.</p>	<p>Liability for undesired activities of the shareholders. —</p> <p>Sub-sections (2) and (3) remain unchanged.</p>
223	<p>Financial Statements. —</p> <p>(5) The financial statement shall be audited by the auditor of the company, in the manner hereinafter provided, and the auditor's report shall be attached thereto:</p> <p>Provided that nothing in this sub-section shall apply to a private company having the paid-up capital not exceeding one million rupees or such higher amount of paid up capital as may be notified by the Commission.</p> <p>(9) This section shall not apply to a single member company except to the extent as provided in sub-section (5).</p>	<p>Financial Statements. —</p> <p>Sub-sections (1) to (4) remain unchanged.</p> <p>(5) The financial statement shall be audited by the auditor of the company, in the manner hereinafter provided, and the auditor's report shall be attached thereto:</p> <p>Provided that nothing in this sub-section shall apply to a private company [not being a public interest company or a subsidiary or holding company of a public company and] having the paid-up capital not exceeding one million rupees or such higher amount of paid up capital as may be notified by the Commission.</p> <p>Sub-sections (6) to (8) remain unchanged.</p> <p>(9) This section shall not apply to a single member company except to the extent as provided in sub-section (4) and (5).</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
225	<p>Contents of Financial Statements. —</p> <p>(1) The financial statements shall give a true and fair view of the state of affairs of the company, comply with the financial reporting standards notified by the Commission and shall be prepared in accordance with the requirements contained in the Third Schedule for different class or classes of companies:</p> <p style="color: #e31a1c;">Provided that for the purpose of preparation of financial statements and related accounting treatment of associated companies shall be in accordance with financial reporting standards or such other standards as may be notified by the Commission:</p> <p>Provided further that, except to the extent, otherwise notified in the official Gazette by the Commission, this sub-section shall not apply to an insurance or banking company or to any other class of companies for which the requirements of financial statements are specified in the law regulating such class of companies.</p> <p style="color: #e31a1c;">(5) The provisions of sub-section (6) of section 220 shall apply to any person who is a party to the default in complying with any of the provisions of this section.</p>	<p>Contents of Financial Statements. —</p> <p>(1) The financial statements shall give a true and fair view of the state of affairs of the company, comply with the financial reporting standards and such other standards as may be notified by the Commission and shall be prepared in accordance with the requirements contained in the Third Schedule for different class or classes of companies:</p> <p>Provided that, except to the extent, otherwise notified in the official Gazette by the Commission, this sub-section shall not apply to an insurance or banking company or to any other class of companies for which the requirements of financial statements are specified in the law regulating such class of companies.</p> <p>Sub-sections (2) to (4) remain unchanged.</p> <p style="color: #0056b3;">(5) Any contravention or default in complying with the requirements of this section shall be an offence liable –</p> <p style="color: #0056b3;">(a) in case of a listed company or its associated companies, to a penalty of level 3 on standard scale; and</p> <p style="color: #0056b3;">(b) in case of any other company, to a penalty of level 2 on the</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p>standard scale:</p> <p>Provided that in case of continuing default, the provisions of subsection (6) of section 220 shall apply to any person who is a party to the default in complying with any of the provisions of this section.</p> <p><i>Explanation.</i> - For the purpose of this section, continuing default means default in complying with the same requirement of this section for two consecutive years or more.</p>
227	<p>Contents of directors' report and statement of compliance.</p> <p>—</p> <p>(3) In the case of a listed company, the business review must, to the extent necessary for understanding the development, performance or position of the company's business, include—</p> <p>(a) the main trends and factors likely to affect the future development, performance and position of the company's business;</p>	<p>Contents of directors' report and statement of compliance.</p> <p>—</p> <p>Sub-section (1) and (2)(a) to (2)(l) remain unchanged.</p> <p>2(la) disclosure with respect to remuneration package of each of the directors and chief executive including but not limited to salary, benefits, bonuses, stock options, pension and other incentives;</p> <p>(3) In the case of a listed company, the business review must, to the extent necessary for understanding the development, performance or position of the company's business, include—</p> <p>(a) the main trends and factors likely to affect the future development, performance and position of the company's business;</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(b) the impact of the company's business on the environment;</p> <p>(c) the activities undertaken by the company with regard to corporate social responsibility during the year; and</p> <p>(d) directors' responsibility in respect of adequacy of internal financial controls as may be specified.</p> <p>(6) Whoever contravenes any of the provisions of this section shall—</p> <p style="color: #ff0000;">(a) in respect of a listed company, be punishable with imprisonment for a term which may extend to two years and with fine may extend to five hundred thousand rupees and with a further fine which may extend to ten thousand rupees for every day after the first during which the default continues; and</p> <p style="color: #ff0000;">(b) in respect of any other company, be punishable with imprisonment for a term which may extend to one year and with fine which may extend to one hundred thousand rupees.</p>	<p>(b) the impact of the company's business on the environment;</p> <p>(c) the activities undertaken by the company with regard to corporate social responsibility during the year; and</p> <p>(d) directors' responsibility in respect of adequacy of internal financial controls as may be specified.</p> <p style="color: #0056b3;">(e) the legitimate reasons for not declaring dividend under section 240 despite earning profits and future prospects of dividend, if any.</p> <p>Sub-sections (4) and (5) remain unchanged.</p> <p>(6) Whoever contravenes any of the provisions of this section shall—</p> <p style="color: #0056b3;">(a) in respect of a listed company, be punishable with penalty of level 2 on the standard scale; and</p> <p style="color: #0056b3;">(b) in respect of any other company, be punishable with penalty of level 1 on the standard scale.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
228	<p>Consolidated financial statements. —</p> <p>(1) There shall be attached to the financial statements of a holding company having a subsidiary or subsidiaries, at the end of the financial year at which the holding company's financial statements are made out, consolidated financial statements of the group presented as those of a single enterprise and such consolidated financial statements shall comply with the disclosure requirements of the relevant Schedule and financial reporting standards notified by the Commission:</p> <p>Provided that nothing in this sub-section shall apply to a private company and its subsidiary, where none of the holding and subsidiary company has the paid-up capital exceeding one million rupees.</p> <p>(6) All provisions of sections 223, 233, 234, 235 and 236 shall apply to a holding company required to prepare consolidated</p>	<p>Consolidated financial statements. —</p> <p>(1) There shall be attached to the financial statements of a holding company having a subsidiary or subsidiaries, at the end of the financial year at which the holding company's financial statements are made out, consolidated financial statements of the group presented as those of a single enterprise and such consolidated financial statements shall comply with the disclosure requirements of the relevant Schedule and financial reporting standards notified by the Commission:</p> <p>Provided that nothing in this sub-section shall apply to a private company and its subsidiary, where none of the holding and subsidiary company has the paid-up capital exceeding one million rupees.</p> <p><i>[Explanation. - The requirements of this section shall be applicable to a company that, -</i></p> <p style="padding-left: 20px;"><i>(a) has subsidiary or subsidiaries as defined in clause (68) of sub-section (1) of section 2; or</i></p> <p style="padding-left: 20px;"><i>(b) is required to prepare consolidated financial statements as per applicable accounting and financial reporting framework.</i></p> <p>Sub-sections (2) to (5) remain unchanged,</p> <p>(6) All provisions of sections 223, 233, 235, 236 and 237 shall apply to a holding company required to prepare consolidated</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	financial statements under this section as if for the word "company" appearing in these sections, the words "holding company" were substituted:	financial statements under this section as if for the word "company" appearing in these sections, the words "holding company" were substituted: <div style="color: #0056b3; padding-left: 20px;">Provided that the requirement of first proviso to clause (b) of sub-section (1) of section 237 shall not apply to such holding company.</div> <p>Sub-sections (7) to (8) remain unchanged.</p>
232	<p>Approval and authentication of Financial Statements. —</p> <p>(1) The financial statements, including consolidated financial statement, if any, must be approved by the board of the company and signed on behalf of the board by the chief executive and at least one director of the company, and in case of a listed company also by the chief financial officer:</p> <p style="padding-left: 20px;">Provided that when the chief executive is for the time being not available in Pakistan, then the financial statements may be signed by at least two directors:</p> <p style="color: #ff0000; padding-left: 20px;">Provided further that in case of a private company having a paid up capital not exceeding one million rupees, the financial statements shall also be accompanied by an affidavit executed by the chief executive if the accounts are signed by him or by any of the directors if the accounts has been signed by two directors, as the case may be, that the financial statements have been approved by the board.</p>	<p>Approval and authentication of Financial Statements. —</p> <p>(1) The financial statements, including consolidated financial statement, if any, must be approved by the board of the company and signed on behalf of the board by the chief executive and at least one director of the company, and in case of a listed company also by the chief financial officer:</p> <p style="padding-left: 20px;">Provided that when the chief executive is for the time being not available in Pakistan, then the financial statements may be signed by at least two directors.</p> <p>Sub-sections (2) and (3) remain unchanged.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
233	<p>Copy of Financial Statements to be forwarded to the registrar. —</p> <p>(3) Nothing in this section shall apply to a private company having the paid-up capital not exceeding ten million rupees or such higher amount of paid up capital as may be notified by the Commission.</p>	<p>Copy of Financial Statements to be forwarded to the registrar. —</p> <p>Sub-sections (1), (2), and (4) remain unchanged.</p> <p>(3) Nothing in this section shall apply to a private company not being a public interest company or a subsidiary or holding company of a public company and having the paid-up capital not exceeding ten million rupees or such higher amount of paid up capital as may be notified by the Commission.</p>
234	<p>Filing of unaudited financial statements.—(1) A private company, not being a subsidiary of public company, having the paid up capital not exceeding one million rupees or such other amount of paid up capital as may be notified by the Commission, shall file the duly authenticated financial statements, whether audited or not, with the registrar within thirty days from the holding of such meeting.</p> <p>(2) Any contravention or default in complying with requirement of this section shall be an offence liable to a penalty of level 1 on the standard scale.</p>	<p>Omitted through Companies (Amendment) Ordinance, 2020</p>
237	<p>Quarterly financial statements of listed companies. —</p>	<p>Quarterly financial statements of listed companies. —</p> <p>Sub-sections (1), (3), and (4) remain unchanged.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	(2) The quarterly financial statements shall be posted on the company's website for the information of its members and also be transmitted electronically to the Commission, securities exchange and with the registrar within the period specified under sub-section (1)	(2) The quarterly financial statements shall be posted on the company's website for the information of its members and also be transmitted to the Commission, securities exchange and filed with the registrar within the period specified under sub-section (1)
244	<p style="color: #e67e22;">Unclaimed shares, modaraba certificates and dividend to vest with the Federal Government. —</p> <p style="color: #e67e22;">(1) Notwithstanding anything to the contrary contained in this Act or any other law—</p> <p style="color: #e67e22;">(i) where shares of a company or modaraba certificates of a Modaraba have been issued; or</p> <p style="color: #e67e22;">(ii) where dividend has been declared by a company or Modaraba; which remain unclaimed or unpaid for a period of three years from the date it is due and payable, or</p> <p style="color: #e67e22;">(iii) any other instrument or amount which remain unclaimed or unpaid, having such nature and for such period as may be specified;</p> <p style="color: #e67e22;">the company shall give ninety days notices to the shareholders or certificate holders or the owner, as the case may be, to file claim, in the following manner—</p> <p style="color: #e67e22;">(a) by a registered post acknowledgement due on his last known address; and</p>	<p style="color: #0056b3;">Unpaid dividend account. —</p> <p style="color: #0056b3;">(1) Notwithstanding anything to the contrary contained in this Act or any other law for the time being in force, where a dividend has been declared by a company but has not been paid or claimed, within a time period specified under section 242, to any shareholder entitled to the payment of the dividend, the company shall, within fifteen days from the date of expiry of the said period, transfer the total amount of dividend which remains unpaid or unclaimed to a separate profit bearing account to be called the unpaid dividend account opened by the company for this purpose in any scheduled bank. The deposits in the unpaid dividend account shall only be used for payment to a claimant as given in sub-section 4.</p> <p style="color: #0056b3;"><i>Explanation. - Dividend for the purpose of this section means the dividend payable in cash.</i></p> <p style="color: #0056b3;">(2) The company shall, within a period of ninety days of making any deposit of the amount under sub-section (1) to the unpaid dividend account, prepare a statement containing the names, the last known addresses, number of shares held, the amount of unpaid dividend to be paid to each shareholder and such other</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(b) after expiry of notice period as provided under clause (a), final notice in the specified form shall be published in two daily newspapers of which one will be in Urdu and one in English having wide circulation.</p> <p>Explanation. —For the purpose of this section —sharesll or —modaraba certificatesll include unclaimed or undelivered bonus shares or modaraba certificates and —companyll includes a —modaraba companyll.</p> <p>(2) If no claim is made before the company by the shareholder, certificate holder or the owner, as the case may be, the company shall after ninety days from the date of publication of notice under clause (b) of sub-section (1) shall—</p> <p>(a) in case of sum of money, deposit any unclaimed or unpaid amount to the credit of the Federal Government; and</p> <p>(b) in case of shares or modaraba certificates or other instrument, report and deliver to the Commission such shares or modaraba certificates or other instrument and the Commission shall sell such shares or modaraba certificates or other instrument, as the case may be, in the manner and within such period as may be specified and deposit the proceeds to the credit of Federal Government:</p> <p>Provided that where the company has deposited the unclaimed or unpaid amount or delivered the shares or modaraba certificates or other instrument with the Commission for credit of the Federal</p>	<p>particulars as may be specified and place it on the website of the company required under any law, rules, regulations or directions to maintain a website and also on any other website as may be specified.</p> <p>(3) Any change in the information to be maintained on the website under sub-section (2) shall be effected by the company in such manner and within such time as may be specified.</p> <p>(4) Any person claiming to be entitled to any money transferred under sub-section (1) to the unpaid dividend account of the company may apply to the company for payment of the money claimed.</p> <p>(5) The company shall make payment to the <i>bona-fide</i> claimant within a period of thirty days from the date of submission of claim with the company. No claimant shall be entitled to any amount except his unclaimed dividend amount.</p> <p>(6) The amount of profit generated from the account maintained by the company under this section shall be used by the company for its corporate social responsibility initiatives and specified purposes</p> <p>(7) Where there is any dispute, embargo or restriction on payment of unclaimed dividend or where an adjudication is pending before the competent authority or court, the company shall process the claim after settlement of dispute, removal of embargo or restriction.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>Government, the company shall preserve and continue to preserve all original record pertaining to the deposited unclaimed or unpaid amount and the shares or modaraba certificates or other instrument and provide copies of the relevant record to the Commission until it is informed by the Commission in writing that they need not to be preserved any longer.</p> <p>(3) Notwithstanding anything contained in any law or procedure for the time being in force, the unclaimed or unpaid amount as well as the proceeds from the sale of shares or modaraba certificates or any other instrument or any benefit accrued thereon, as the case may be, shall be maintained in a profit bearing account with the State Bank of Pakistan or National Bank of Pakistan to be called –Companies Unclaimed Instruments and Dividend and Insurance Benefits and Investors Education Accountll as may be notified by the concerned Minister-inCharge of the Federal Government and shall be deemed to be part of public accounts and interest / profit accumulated thereon shall be credited on quarterly basis to the Fund established under section 245 of this Act.</p> <p>(4) Any person claiming to be entitled to any money paid into –Companies Unclaimed Instruments and Dividend and Insurance Benefits and Investors Education Accountll may in pursuance of this section apply to the Commission in such manner along with such documents as may be specified for payment thereof, and the Commission after necessary verification from the company concerned forward to the bank as notified under sub-section (3)</p>	<p>(8) The company shall make appropriate disclosures in its financial statements and in respect of unpaid dividend account providing therein details of amounts transferred into such account, claims received and settled, profits generated from such account and utilization of such profits during a financial year and such other information as may be specified.</p> <p>(9) If a company fails to comply with any of the requirements of this section, the company and every officer of the company shall be liable to a penalty of level 3 on the standard scale.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>to make the payment to entitled person of the sum equivalent to his unclaimed or unpaid dividend or amount of proceeds:</p> <p>Provided that the payment to the claimant shall be made within a period of thirty days from the date of verification by the company.</p> <p>(5) A person shall be entitled to receive the shares or modaraba certificates or any other instrument as delivered to the Commission by the company, making a claim under this Act before the sale of such unclaimed shares or modaraba certificates or the instrument, is effected by the Commission.</p> <p>(6) A person making a claim under this section shall be entitled to the proceeds of the sale of the shares or modaraba certificates or the instrument less any deduction for expenses of sale.</p> <p>(7) Payment to the claimant pursuant to sub-section (4) and a receipt given by the bank in this respect shall be a good discharge to the Commission and the bank.</p> <p>(8) Where any dispute regarding unclaimed shares, modaraba certificates, the instrument or dividend arises or is pending adjudication before the competent authority or Court, the Commission shall process the claim in accordance with the decision of such authority or Court.</p> <p>(9) No claim whatsoever shall be entertained after the period of ten years from the credit of any amount to the account of the Federal Government to be maintained under this section.</p>	

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(10) Every company within thirty days of the close of each financial year shall submit to the Commission a return of all unclaimed shares, modaraba certificates, the instruments or dividend in its books in the manner as may be specified by the Commission.</p> <p>(11) Whoever contravenes the provisions of this section shall be punishable with a penalty of level 3 on the standard scale.</p> <p>(12) The account to be maintained under sub-section (3) shall be available on the direction of Minister-in-Charge to serve as a collateral in order to facilitate the provision of credit facility to the clearing house to address any systemic risk in the capital market:</p> <p>Provided that powers under this sub-section shall be exercised only in case where in opinion of the Commission the resources of the clearing house are or likely to be insufficient for timely settlement of trades executed at the securities and future exchanges.</p>	
245	<p>245. Establishment of Investor Education and Awareness Fund. —</p> <p>(1) There is hereby established a fund to be called Investor Education and Awareness Fund (hereinafter in this section referred to as "Fund") to be managed and controlled by the Commission as may be prescribed through rules.</p>	Omitted through Companies (Amendment) Ordinance, 2020

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(2) The Fund shall be credited with—</p> <p>(a) the interest/profit earned on the —Companies Unclaimed Instruments and Dividend and Insurance Benefits and Investors Education Accountll;</p> <p>(b) forfeited amounts under sub-section (7) of section 87 of the Securities Act, 2015;</p> <p>(c) grants or donations given by the Federal Government, Provincial Governments, companies, or any other institution or person for the purposes of the Fund;</p> <p>(d) the interest or other income received out of the investments made from the Fund;</p> <p>(e) the amount realised in terms of fourth proviso of section 341 or fourth proviso of sub-section (4) of section 372; and</p> <p>(f) such other amounts as may be prescribed.</p> <p>(3) The Fund shall be utilized for—</p> <p>(a) the promotion of investor education and awareness in such manner as may be prescribed;</p> <p>(b) without prejudice to the generality of the object of sub-clause (a) of sub-section (3), the Fund may be used for the following purposes, namely—</p>	

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(i) educational activities including seminars, training, research and publications aimed at investors;</p> <p>(ii) awareness programs including through media – print, electronic, social media, aimed at investors;</p> <p>(iii) funding investor education and awareness activities approved by the Commission; and</p> <p>(iv) to meet the administrative expenses of the Fund.</p> <p>Explanation.—Investors means investor in securities, insurance policyholders and customers of non-bank finance companies and Modarabas.</p> <p>(4) The Commission shall, by notification in the official Gazette, constitute an advisory committee with such members as may be prescribed, for recommending investor education and awareness activities that may be undertaken directly by the Commission or through any other agency, for utilization of the Fund for the purposes referred to in sub-section (3).</p> <p>(5) The accounts of the Fund shall be audited by auditors appointed by the Commission who shall be a firm of chartered accountants. The Commission shall ensure maintenance of proper and separate accounts and other relevant records in relation to the Fund giving therein the details of all receipts to, and, expenditure from, the Fund and other relevant particulars.</p>	

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	(6) The Commission may invest the moneys of the Fund in such manner as set out in section 20 of the Trusts Act, 1882 (II of 1882).	
246	<p>Appointment, removal and fee of auditors. —</p> <p>(3) A member or members having not less than ten percent shareholding of the company shall also be entitled to propose any auditor or auditors for appointment whose consent has been obtained by him and a notice in this regard has been given to the company not less than seven days before the date of the annual general meeting. The company shall forthwith send a copy of such notice to the retiring auditor and shall also be posted on its website.</p> <p>(9) Every company shall, within fourteen days from the date of any appointment of an auditor, send to the registrar intimation thereof, together with the consent in writing of the auditor concerned.</p>	<p>Appointment, removal and fee of auditors. —</p> <p>Sub-sections (1) and (2) remain unchanged.</p> <p>(3) A member or members having not less than ten percent shareholding of the company shall also be entitled to propose any auditor or auditors for appointment whose consent has been obtained by him and a notice in this regard has been given to the company not less than seven days before the date of the annual general meeting. The company shall forthwith send a copy of such notice to the retiring auditors and in case of listed company shall also be posted on its website.</p> <p>Sub-sections (4) to (8) remain unchanged.</p> <p>(9) Every company which has appointed an auditor shall, within fourteen days from the date of any appointment of an auditor, send to the registrar intimation thereof, together with the consent in writing of the auditor concerned.</p>
247	<p>Qualification and disqualification of auditors. —</p> <p>(1) A person shall not be qualified for appointment as an auditor-</p>	<p>Qualification and disqualification of auditors. —</p> <p>(1) A person shall not be qualified for appointment as an auditor-</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(a) in the case of a public company or a private company which is subsidiary of a public company or a private company having paid up capital of three million rupees or more unless such person is a chartered accountant having valid certificate of practice from the Institute of Chartered Accountants of Pakistan or a firm of chartered accountants;</p>	<p>(a) in the case of a public company or a private company which is subsidiary of a public company or a private company having paid up capital of more than ten million rupees unless such person is a chartered accountant having valid certificate of practice from the Institute of Chartered Accountants of Pakistan or a firm of chartered accountants;</p> <p>Remaining contents of the section remain unchanged.</p>
276	<p>Mediation and Conciliation Panel.- (1) Any of the parties to the proceedings may, by mutual consent, at any time during the proceedings before the Commission or the Appellate Bench, apply to the Commission or the Appellate Bench, as the case may be, in such form along with such fees as may be specified, for referring the matter pertaining to such proceedings to the Mediation and Conciliation Panel and the Commission or the Appellate Bench, as the case may be, shall appoint one or more individuals from the panel referred to in sub-section (2).</p> <p>(2) The Commission shall maintain a panel to be called as the Mediation and Conciliation Panel consisting of individuals having such qualifications as may be specified for mediation between the parties during the pendency of any proceedings before the Commission or the Appellate Bench under this Act.</p> <p>(3) The fee and other terms and conditions of individuals of the Mediation and Conciliation Panel shall be such as may be specified.</p>	<p>Omitted through Companies (Amendment) Ordinance, 2020</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	(4) The Mediation and Conciliation Panel shall follow such procedure as and dispose of the matter referred to it within a period of ninety days from the date of such reference and forward its recommendations to the Commission or the Appellate Bench, as the case may be.	
279	<p>Compromise with creditors and members.— (1) Where a compromise or arrangement is proposed between a company and its creditors or any class of them, or between the company and its members or any class of them, the Commission may, on the application of the company or of any creditor or member of the company or, in the case of a company being wound up, of the liquidator, order a meeting of the creditors or class of creditors, or of the members of the company or class of members, as the case may be, to be called, held and conducted in such manner as the Commission directs.</p> <p>(2) If a majority in number representing three-fourths in value of the creditors or class of creditors, or members, as the case may be, present and voting either in person or, where proxies are allowed, by proxy at the meeting, agree to any compromise or arrangement, the compromise or arrangement shall, if sanctioned by the Commission be binding on the company, all its creditors, all the members, the liquidators and the contributories of the company, as the case may be:</p> <p>Provided that no order sanctioning any compromise or arrangement shall be made by the Commission unless the Commission is satisfied that the company or any other person by</p>	<p>Compromise with creditors and members.— (1) Where a compromise or arrangement is proposed between a company and its creditors or any class of them, or between the company and its members or any class of them, the Court may, on the application of the company or of any creditor or member of the company or, in the case of a company being wound up, of the liquidator, order a meeting of the creditors or class of creditors, or of the members of the company or class of members, as the case may be, to be called, held and conducted in such manner as the Court directs.</p> <p>(2) If a majority in number representing three-fourths in value of the creditors or class of creditors, or members, as the case may be, present and voting either in person or, where proxies are allowed, by proxy at the meeting, agree to any compromise or arrangement, the compromise or arrangement shall, if sanctioned by the Court be binding on the company, all its creditors, all the members, the liquidators and the contributories of the company, as the case may be:</p> <p>Provided that no order sanctioning any compromise or arrangement shall be made by the Court unless the Court is satisfied that the company or any other person by whom an application has been made under sub-section (1) has disclosed to</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>whom an application has been made under sub-section (1) has disclosed to the Commission, by affidavit or otherwise, all material facts relating to the company, such as the financial position of the company, the auditor's report on the latest accounts of the company, the pendency of any investigation proceedings in relation to the company and the like.</p> <p>(3) A copy of the order under sub-section (2) sanctioning the compromise or arrangement duly certified by an authorized officer of the Commission shall be forwarded to the registrar within seven days from the date of the order.</p> <p>(5) The Court may, at any time after an application has been made to the Commission under this section, stay the commencement or continuation of any suit or proceeding until final disposal of the application.</p>	<p>the Court, by affidavit or otherwise, all material facts relating to the company, such as the financial position of the company, the auditor's report on the latest accounts of the company, the pendency of any investigation proceedings in relation to the company and the like.</p> <p>(3) A copy of the order under sub-section (2) sanctioning the compromise or arrangement duly certified by an authorized officer of the Court shall be forwarded to the registrar within seven days from the date of the order.</p> <p>(5) The Court may, at any time after an application has been made to it under this section, stay the commencement or continuation of any suit or proceeding until final disposal of the application.</p>
280	<p>Power of Commission to enforce compromises and arrangements. — (1) Where the Commission makes an order under section 279 sanctioning a compromise or an arrangement in respect of a company, it may, at the time of making such order or at any time thereafter, give such directions in regard to any matter or make such modifications in the compromise or arrangement as it may consider necessary for the proper working of the compromise or arrangement.</p> <p>(2) If the Commission is satisfied that a compromise or arrangement sanctioned under section 279 cannot be worked</p>	<p>Power of Court to enforce compromises and arrangements. — (1) Where the Court makes an order under section 279 sanctioning a compromise or an arrangement in respect of a company, it may, at the time of making such order or at any time thereafter, give such directions in regard to any matter or make such modifications in the compromise or arrangement as it may consider necessary for the proper working of the compromise or arrangement.</p> <p>(2) If the Court is satisfied that a compromise or arrangement sanctioned under section 279 cannot be worked satisfactorily with or without modification, it may, either of its own motion or on the</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	satisfactorily with or without modification, it may, initiate proceedings for the winding up of the company.	application of the registrar or any person interested in the affairs of the company, make an order to wind up the company and such an order shall be deemed to be an order made under section 301. (3) The provision of this section shall, so far as may be relevant, also apply to a company in respect of which an order sanctioning a compromise or an arrangement has been made before the commencement of The Companies (Amendment) Ordinance, 2020.
282	<p>282. Powers of Commission to facilitate reconstruction or amalgamation of companies. —</p> <p>(1) Where an application is made to the Commission under section 279 to sanction a compromise or arrangement and it is shown that—</p> <p>(a) the compromise or arrangement is proposed for the purposes of, or in connection with, a scheme for the reconstruction of any company or companies, or the amalgamation of any two or more companies or division of a company into one or more companies;</p> <p>(c) under the scheme the whole or any part of the undertaking or property or liabilities of any company concerned in the scheme (“a transferor company”) is to be transferred to another company (“the transferee company”) or is proposed to be divided among and transferred to two or more companies; and</p>	<p>282. Provisions for facilitating reconstruction and amalgamation of companies. —</p> <p>(1) Where an application is made to the Court under section 279 to sanction a compromise or arrangement and it is shown that—</p> <p>(a) the compromise or arrangement is proposed for the purposes of, or in connection with, a scheme for the reconstruction of any company or companies, or the amalgamation of any two or more companies or division of a company into one or more companies;</p> <p>(b) under the scheme the whole or any part of the undertaking or property or liabilities of any company concerned in the scheme (“a transferor company”) is to be transferred to another company (“the transferee company”) or is proposed to be divided among and transferred to two or more companies; and</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(d) a copy of the scheme drawn up by the applicants has been filed with the registrar;</p> <p>the Commission may order a meeting of the creditors or class of creditors or the members or class of members, as the case may be, to be called, held and conducted in such manner as the Commission may direct.</p> <p>(2) Where an order has been made by the Commission under sub-section (1), merging companies or the company in respect of which a division is proposed, shall also be required to circulate the following for the meeting so ordered by the Commission, namely:</p> <p>(b) confirmation that a copy of the draft scheme has been filed with the registrar;</p> <p>(d) the report of the expert with regard to valuation, if any;</p> <p>(3) The Commission may, either by an order, sanction the compromise or arrangement or by a subsequent order, make provision for all or any of the following matters—</p> <p>(e) the provision to be made for any persons who, within such time and in such manner as the Commission directs, dissent from the compromise or arrangement;</p>	<p>(c) a copy of the scheme drawn up by the applicants has been filed with the Court;</p> <p>the Court may order a meeting of the creditors or class of creditors or the members or class of members, as the case may be, to be called, held and conducted in such manner as the Court may direct.</p> <p>(2) Where an order has been made by the Court under sub-section (1), merging companies or the company in respect of which a division is proposed, shall also be required to circulate the following for the meeting so ordered by the Court, namely:</p> <p>(b) confirmation that a copy of the draft scheme has been filed with the Court;</p> <p>(d) the extract of the report of the expert with regard to valuation, if any;</p> <p>(3) The Court may, either by an order, sanction the compromise or arrangement or by a subsequent order, make provision for all or any of the following matters—</p> <p style="padding-left: 40px;">(a) to (d) remain unchanged.</p> <p>(e) the provision to be made for any persons who, within such time and in such manner as the Court directs, dissent from the compromise or arrangement;</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(5) Notwithstanding anything contained in the Stamp Act, 1899 (II of 1899) or any other law for the time being in force, no stamp duty shall be payable on transfer to the transferee company of the whole or any part of the undertaking and of the property of any transferor company as a result of sanctioning by the Commission, any compromise or arrangement under this Part:</p> <p>(7) A copy of the order passed by the Commission under this section sanctioning the reconstruction, the amalgamation or division, duly certified by an authorized officer of the Commission shall be forwarded to the registrar within seven days from the date of the order.</p>	<p>Sub-section (4) remains unchanged.</p> <p>(5) Notwithstanding anything contained in the Stamp Act, 1899 (II of 1899) or any other law for the time being in force, no stamp duty shall be payable on transfer to the transferee company of the whole or any part of the undertaking and of the property of any transferor company as a result of sanctioning by the Court, any compromise or arrangement under this Part:</p> <p>(7) A copy of the order passed by the Court under this section sanctioning the reconstruction, the amalgamation or division, duly certified by an authorized officer of the Court shall be forwarded to the registrar within seven days from the date of the order.</p>
283	<p>Notice to be given to registrar for applications under section 279 and 282.-- The Commission shall give notice of every application made to it under sections 279 to 282 to the registrar and shall take into consideration the representation if any, made to it by the registrar before passing any order under any of these sections.</p>	<p>Notice to be given to registrar for applications under section 279 and 282.-- The Court shall give notice of every application made to it under sections 279 to 282 to the registrar and shall take into consideration the representation if any, made to it by the registrar before passing any order under any of these sections.</p>
321	<p>Report by official liquidator. – (1) Where the Court has made a winding up order and appointed an official liquidator, such liquidator shall, as soon as practicable after receipt of the statement to be submitted under section 320 and not later than sixty days, from the date of the winding up order submit a report to the Court, containing the following particulars, namely</p>	<p>Report by official liquidator. – (1) Where the Court has made a winding up order and appointed an official liquidator, such liquidator shall, as soon as practicable after receipt of the statement to be submitted under section 320 and not later than sixty days, from the date of the winding up order submit a report to the Court, containing the following particulars, namely</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	(a) the nature and details of the assets of the company including their location and current value duly ascertained by a registered valuer;	(a) the nature and details of the assets of the company including their location and current value duly ascertained by a valuer; Remaining content of the section remain unchanged.
374	Notice by liquidator of his appointment. — (1) Every liquidator shall, within fourteen days after his appointment, publish in the official Gazette, and deliver to the registrar for registration, a notice of his appointment in the form specified.	Notice by liquidator of his appointment.- (1) Every liquidator shall, within fourteen days after his appointment, publish in the newspaper in English and Urdu languages at least in one issue each of a daily newspaper of respective language having nationwide circulation and a clipping thereof shall be sent to the registrar immediately thereafter in the form prescribed. Sub-section (2) remains unchanged.
413	Disposal of books and papers of company. — (3) The concerned Minister-in-Charge of the Federal Government, may by notification, prevent for such period (not exceeding three years from the dissolution of the company as the concerned Minister-in-Charge of the Federal Government thinks proper, the destruction of the books and papers of a company which has been wound up, and enable any creditor or contributory of the company to make representations to the concerned Minister-in-Charge of the Federal Government.	Disposal of books and papers of company. — Sub-sections (1) and (2) continue to remain unchanged. (3) The Commission may make regulations to prevent the destruction of the books and papers of a company which has been wound up.
417	Unclaimed dividends and undistributed assets to be paid to the account maintained under section 244.— (1) Without prejudice to the provision of section 244, where any company is	Handling of unclaimed dividends and undistributed assets.— (1) Without prejudice to the provision of section 244, where any company is being wound up, if the liquidator has in his

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>being wound up, if the liquidator has in his hands or under his control any money of the company representing unclaimed dividends or undistributed assets payable to any contributory which have remained unclaimed or undistributed for one hundred and eighty days after the date on which they became payable the liquidator shall forthwith deposit the said money in the account to be maintained under section 244 of this Act and the liquidator shall, on the dissolution of the company, similarly pay into the said account any money representing unclaimed dividends or undistributed assets in his hands at the date of dissolution.</p> <p>(2) The liquidator shall when making any payment referred to in subsection (1) furnish to the Commission a statement in the specified form setting forth in respect of all sums included in such payment the nature of the sums, the names and last known addresses of the persons entitled to participate therein, the amount to which each is entitled and the nature of his claim thereto, and such other particulars as may be specified, along with the official receipt of the receipt of the State Bank of Pakistan or National Bank of Pakistan, as the case may be.</p> <p>(3) The receipt of the State Bank of Pakistan or National Bank of Pakistan, as the case may be, for any money paid to it under subsection (1) shall be an effectual discharge of the liquidator in respect thereof.</p> <p>(4) The liquidator shall, when filing a statement in pursuance of subsection (1) of section 415 indicate the sum of money which is payable to the State Bank of Pakistan or National Bank of Pakistan,</p>	<p>hands or under his control any money of the company representing unclaimed dividends or undistributed assets payable to any contributory which have remained unclaimed or undistributed for one hundred and eighty days after the date on which they became payable, the liquidator shall handle the said money in a manner as may be prescribed.</p> <p>(2) The liquidator shall, when filing a statement in pursuance of subsection (1) of section 415, indicate any money representing unclaimed dividends or undistributed assets under sub-section (1) which he has had in his hands or under his control during the one hundred and eighty days preceding the date to which the said statement is brought down and shall within fourteen days of the date of filing the said statement, handle the money in a manner as may be prescribed.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>as the case may be, under sub-section (1) which he has had in his hands or under his control during the one hundred and eighty days preceding the date to which the said statement is brought down and shall within fourteen days of the date of filing the said statement, pay that sum into the account maintained under section 244.</p> <p>(5) Any person claiming to be entitled to any money paid into the account maintained under section 244 may apply to the Commission for payment thereof in the manner prescribed under said section.</p> <p>(6) Any liquidator retaining any money which should have been paid by him into the account maintained under section 244 shall, in addition to such money, pay surcharge on the amount retained at the rate of two per cent per month or part thereof and shall also be liable to pay any expenses or losses occasioned by reason of his default and he shall also be liable to disallowance of all or such part of his remuneration as the Court may think just and to be removed from his office by the Court on an application by the Commission.</p>	
424	<p>Inactive Company.—(1) Where a company, other than a listed company, is formed for a future project or to hold an asset or intellectual property and has no significant accounting transaction, such a company or an inactive company may make an application to the registrar in such manner as may be specified for obtaining the status of an inactive company.</p>	Omitted through Companies (Amendment) Ordinance, 2020

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>Explanation. —For the purposes of this section—</p> <p>(a) “inactive company” means a company, other than a listed company, which has not been carrying on any business or operation, or has not made any significant accounting transaction during the last two financial years;</p> <p>(b) “significant accounting transaction” means any transaction other than—</p> <p>(i) payments made by it to fulfill the requirements of this Act or any other law;</p> <p>(ii) allotment of shares to fulfill the requirements of this Act; and</p> <p>(iii) payments for maintenance of its office and records.</p> <p>(2) The registrar on consideration of the application shall allow the status of inactive company to the applicant and issue a certificate in such form as may be specified to that effect.</p> <p>(3) The registrar shall maintain a register of inactive companies in such form as may be specified.</p> <p>(4) In case of a company which has not filed financial statements or annual returns for two financial years consecutively, the registrar shall issue a notice to that company and enter the name of such company in the register maintained for inactive companies.</p>	

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(5) An inactive company shall have such minimum number of directors, file such documents as may be specified by the Commission through regulations to the registrar to retain its inactive status in the register and pay such annual fee as prescribed in the Seventh Schedule and may become an active company on an application made in this behalf accompanied by such documents as may be specified by the Commission through regulations on payment of such fee as prescribed in the Seventh Schedule.</p> <p>(6) The registrar shall strike off the name of an inactive company from the register of inactive companies, which has failed to comply with the requirements of this section.</p> <p>(7) Any contravention or default in complying with requirements of this section shall be an offence liable to a penalty of level 2 on the standard scale and in case false or misleading information has been given to obtain the status of an inactive company, the directors and other officers of the company in default shall be liable to imprisonment for a term which may extend to three years.</p>	
426	<p>Easy exit of a defunct company. —</p> <p>(2) After examination of the application, the registrar on being satisfied, may publish a notice in terms of sub-section (3) of section 425 of this Act, in the Official Gazette stating that at the expiration of ninety days from the date of that notice, unless cause is shown to the contrary, the name of the applicant company will</p>	<p>Easy exit of a defunct company. —</p> <p>(2) After examination of the application, the registrar on being satisfied, may publish a notice in terms of sub-section (3) of section 425 of this Act, stating that at the expiration of ninety days from the date of that notice, unless cause is shown to the contrary, the name of the applicant company will be struck off the register</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	be struck off the register of companies and the company will be dissolved. Such notice shall also be posted on the Commission 's website.	of companies and the company will be dissolved. Such notice shall also be posted on the Commission 's website.
434	Application of this Part to foreign companies. —This Part shall apply to all foreign companies, that is to say, companies incorporated or formed outside Pakistan which, after the commencement of this Act, establish a place of business within Pakistan or which have, before the commencement of this Act, established a place of business in Pakistan and continue to have an established either a place of business within Pakistan or conduct business in Pakistan through an agent or any other means at the commencement of this Act.	Application of this Part to foreign companies. —This Part shall apply to all foreign companies.
435	Documents to be delivered to registrar by foreign companies. -- (1) Every foreign company which, after the commencement of this Act, establishes a place of business in Pakistan shall, within thirty days of the establishment of the place of business or conduct of business activity, deliver to the registrar— (d) a return showing the full present and former names and surnames, father's name or, in the case of a married woman or widow, the name of her husband or deceased husband, present and former nationality, designation and full address in Pakistan of the principal officer of the company in Pakistan by whatever name called;	Documents to be delivered to registrar by foreign companies. -- (1) Every foreign company which, after the commencement of this Act, establishes a place of business in Pakistan shall, within thirty days of the establishment of the place of business or conduct of business activity, deliver to the registrar— (a) to (c) and (f) remain unchanged. (d) a return showing the full present and former names and surnames, present and former nationality, full address in Pakistan and such other particulars, as may be specified, of the principal officer of the company in Pakistan by whatever name called;

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(e) the full present and former names and surnames, father's name, or, in case of a married woman or widow, the name of her husband or deceased husband, present and former nationality, occupation and full addresses of some one or more persons resident in Pakistan authorized to accept on behalf of the company service of process and any notice or other document required to be served on the company together with his consent to do so;</p> <p>(2) The list referred to in clause (c) of sub-section (1) shall contain the following particulars, that is to say—</p> <p style="padding-left: 40px;">(a) with respect to each director—</p>	<p>(e) the full present and former names and surnames, full addresses and such other particulars as may be specified of some one or more persons resident in Pakistan authorized to accept on behalf of the company service of process and any notice or other document required to be served on the company together with his consent to do so;</p> <p>(2) The list referred to in clause (c) of sub-section (1) shall contain the following particulars, that is to say—</p> <p style="padding-left: 40px;">(a) with respect to each director and chief executive—</p> <p>(4) The registrar shall maintain a register of foreign companies on paper or in any electronic form under this Act in such form and manner as may be specified.</p>
443A	<p>A new section has been inserted through Companies (Amendment) Ordinance, 2020.</p>	<p>Striking off the name of a foreign company by the registrar. - The registrar may, after providing an opportunity of being heard, strike off the register the name of a foreign company, which has established a place of business in Pakistan and publish a notice thereof in the official Gazette, if—</p> <p>(i) the permission issued by relevant authority is cancelled; or</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p>(ii) a company ceases to operate consequent upon revocation of a license granted by the Commission or any other licensing authority; or</p> <p>(iii) the company—</p> <p style="padding-left: 20px;">(a) has acted against the interest, sovereignty and integrity of Pakistan, the security of the State and friendly relations with foreign states; or</p> <p style="padding-left: 20px;">(b) is conceived or brought forth for, or is or has been carrying on, unlawful or fraudulent activities; or</p> <p style="padding-left: 20px;">(c) is carrying on business prohibited by any law for the time being in force in Pakistan; or restricted by any law, rules or regulations for the time being in force in Pakistan unless the required license, permission or approval, as the case may be, has been obtained from the respective competent authority; or</p> <p style="padding-left: 20px;">(d) is run and managed by persons who fail to maintain proper and true accounts, or commit fraud, misfeasance or malfeasance in relation to the company; or</p> <p style="padding-left: 20px;">(e) is managed by persons who refuse to act according to the requirements of the charter, statute or memorandum and articles of the company, or other instrument constituting or defining the constitution of the company or the provisions of this Act or failed to carry out the directions or decisions of the Commission or the registrar given in the exercise of powers conferred by this Act.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
451	<p>Certification of Shariah compliant companies, and Shariah compliant securities. -- (1) No company shall claim that it is a Shariah compliant company unless it has been declared Shariah compliant in such form and manner as may be specified.</p>	<p>Certification of Shariah compliant companies, notified entities and Shariah compliant securities. -- (1) No company shall claim that it is a Shariah compliant company or notified entity unless it has been declared Shariah compliant in such form and manner as may be specified.</p> <p>Sub-sections (2) and (3) remain unchanged.</p> <p>(3A) For the purpose of regulating and monitoring the activities of the Shariah compliant company, Shariah compliant securities and notified entities the Commission may issue such Shariah governance framework as may be specified.</p>
452	<p>Companies' Global Register of Beneficial Ownership. -- (1) Every substantial shareholder or officer of a company incorporated under the Company law, who is citizen of Pakistan within the meaning of the Citizenship Act, 1951 (II of 1951), including dual citizenship holder whether residing in Pakistan or not having shareholding in a foreign company or body corporate shall report to the company his shareholding or any other interest as may be notified by the Commission, on a specified form within thirty days of holding such position or interest.</p> <p>(3) Any investment in securities or other interest as may be notified in sub-section (1) by a company incorporated under this</p>	<p>Companies' Global Register of Beneficial Ownership. -- (1) Every substantial shareholder or officer of a company incorporated under the Company law, who is citizen of Pakistan within the meaning of the Citizenship Act, 1951 (II of 1951), including dual citizenship holder whether residing in Pakistan or not having shareholding of ten percent or more in a foreign company or body corporate shall report to the company his shareholding or any other interest or any change thereof as may be notified by the Commission, on a specified form within thirty days of holding such position or interest.</p> <p>Sub-section 2 remains unchanged.</p> <p>(3) Any investment in securities or other interest as may be notified in sub-section (1) by a company incorporated under this</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>Act, in a foreign company or body corporate or any other interest shall also be reported to the registrar along with the annual return.</p> <p>(5) Any contravention or default in complying with requirements of this section shall be an offence liable to a fine of level 1 on the standard scale and the registrar shall make an order specifying time to provide information under sub-section (1) and (3).</p>	<p>Act, in a foreign company or body corporate or any other interest or any change thereof shall also be reported to the registrar along with the annual return.</p> <p>Sub-section (4) remains unchanged.</p> <p>(5) Any contravention or default in complying with requirements of this section shall be an offence liable to a penalty of level 2 on the standard scale and the registrar shall make an order specifying time to provide information under sub-section (1) and (3).</p> <p>Sub-sections (6) to (8) remain unchanged.</p>
456	<p>Acceptance of advances by real estate companies engaged in real estate projects. — (1) Notwithstanding anything contained in this Act or any other law, any company which invites advances from public for real estate project shall comply with the provisions of this section in addition to those provided in the other provisions of this Act.</p> <p>(2) A company engaged in real estate project shall--</p> <p>(a) not announce any real estate project, unless it has obtained the approval of the Commission and all necessary approvals, permissions or NOCs etc., of the concerned authorities required as per applicable general, special and local laws, having jurisdiction over area under which the real estate project is being developed or undertaken to the satisfaction of the Commission</p>	<p>Omitted through Companies (Amendment) Ordinance, 2020.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>and subject to such additional disclosure requirements as may be notified;</p> <p>(b) not make any publication or advertisement of real estate projects, unless it has obtained the approval of the Commission and all necessary approvals, permissions or NOCs etc., of the concerned authorities required as per applicable general, special and local laws, having jurisdiction over area under which the real estate project is being developed or undertaken to the satisfaction of the Commission and subject to such additional disclosure requirements as may be notified;</p> <p>(c) not accept any advances or deposits in any form whatsoever against any booking to sell or offer for sale or invite persons to purchase any land, apartment or building, as the case may be, in any real estate project or part of it, unless it has obtained the approval of the Commission and all necessary approvals, permissions or NOCs, of the concerned authorities required as per applicable general, special and local laws, having jurisdiction over area under which the real estate project is being developed or undertaken to the satisfaction of the Commission and subject to such additional disclosure requirements as may be notified;</p> <p>(d) not accept a sum against purchase of the apartment, plot or building, as the case may be, as an advance payment from a person without first entering into a written agreement for sale with such person except nominal fee for application;</p>	

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>(e) maintain and preserve such books of account, records and documents in the manner as may be specified;</p> <p>(f) deposit any sum obtained from the allottees, from time to time, in a separate escrow account opened in the name of the project as may be specified;</p> <p>(g) comply with any directions notified by the Commission and accounting framework as may be notified; and</p> <p>(h) do or not to do any act or activity as may be specified.</p> <p>(3) For the purposes of this section the escrow accounts shall be dedicated exclusively for carrying out the project and no attachment shall be imposed on the payment of such escrow accounts for the benefit of creditors of the real estate company except for the purpose of project and the real estate company shall recognize its income in accordance with International Financial Reporting Standards notified by the Commission.</p> <p>(4) The Commission shall provide copy of any returns or information submitted by real estate company free of cost to the concerned authority, on their request, to enable such authority to regulate real estate project under its jurisdiction in accordance with the applicable laws.</p> <p>(5) The conditions laid down under this section shall be in addition to and not in derogation of requirement of law and concerned authority under whose jurisdiction the project is being undertaken</p>	

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>by the real estate company shall continue to exercise its authority in a manner provided in the relevant law.</p> <p>(6) Any person who contravenes the provisions of this section shall be guilty of an offence which is liable to a penalty of level 3 on the standard scale.</p> <p>Explanations. -- For the purposes of this section the-</p> <p>(i) expression “real estate project” shall include projects for the development and construction of residential or commercial buildings or compounds and shall not include other construction project;</p> <p>(ii) expression “authority” shall include authority created or prescribed under any law which has powers to give permission for planning and development of real estate project in specific area.</p>	
458A	<p>A new section has been inserted through Companies (Amendment) Ordinance, 2020.</p>	<p>Measures for greater ease of doing business. — Notwithstanding anything contained in this Act or in any other law for the time being in force, the Commission may implement measures for providing greater ease of doing business, improving regulatory quality and efficiency and facilitating innovation and the use of technology in conducting business by the corporate sector, including but not limited to-</p> <p>(a) formalizing existing practices through regulations and implementing other measures for attaining international standards</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p>of regulatory quality and efficiency for greater ease of doing business;</p> <p>(b) specifying modes and procedures for enabling greater ease of entry into and exit from the market to startup companies;</p> <p>(c) constituting special task groups from the corporate sector for encouraging the use of financial technology in the conduct of business;</p> <p>(d) creating environments for testing and examining the impact of innovation, new processes or technologies outside the existing regulatory framework including but not limited to crowdfunding, digital assets, open application programming interface (APIs), smart contracts, cloud-based solutions and allowing the establishment and use of regulatory sandboxes;</p> <p>(e) encouraging the use of technology for providing and meeting regulatory reporting requirements, risk assessment, customer due diligence, the issuance of suspicious transaction reports, keeping records and such other requirements as may be specified to meet anti-money laundering and counter-terrorism financing standards;</p> <p>(f) improving regulatory compliance and specifying proportionate data-driven standards for the corporate sector to take measures for cyber-security, data sovereignty and algorithm supervision;</p> <p>(g) specifying exemptions and incentives under the prevailing laws with the object of fostering innovation, promoting startups and</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p style="color: #0056b3;">entrepreneurship ecosystem in line with international best practices;</p> <p style="color: #0056b3;">(h) improving regulatory monitoring, reporting and compliance requirements; and</p> <p style="color: #0056b3;">(i) prescribing such other frameworks as may be notified by the Commission for stimulating innovation and financial inclusion in the conduct of business by the corporate sector through the use of financial technology, regulatory technology and supervisory technology:</p> <p style="color: #0056b3;">Provided that the Commission may take such other measures prior to the issuance of regulations as it may deem fit through guidelines, policy papers, and frameworks or any other modes or mechanisms.</p>
459	<p style="color: #e67e22;">Quota for persons with disabilities in the public interest companies. — Every public interest company, employing one hundred or more employees shall ensure special quota for employment of persons with disabilities of two percent or such higher percentage as may be specified or required under the applicable Federal and Provincial law:</p> <p style="color: #e67e22;">Provided that in case of any conflict between this Act and any other Federal or Provincial law for persons with disabilities, the later shall apply.</p>	<p>Omitted through Companies (Amendment) Ordinance, 2020.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
460	<p>Valuation by registered valuers. — (1) Where a valuation is required to be made in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as the assets) or net worth of a company or its liabilities under the provisions of this Act, it shall be valued by a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be specified.</p> <p>(2) The valuer appointed under sub-section (1) shall—</p> <p>(a) make an impartial, true and fair valuation of any assets which may be required to be valued;</p> <p>(b) exercise due diligence while performing the functions as valuer; and</p> <p>(c) not undertake valuation of any assets in which he has a direct or indirect interest or becomes so interested at any time before submission of the report.</p> <p>(3) The valuer shall prepare his report in such manner and applying such approaches, as may be specified.</p> <p>(4) If a valuer contravenes the provisions of this section or the regulations made thereunder, the valuer shall be liable to a penalty of level 2 on the standard scale:</p>	<p>Omitted through Companies (Amendment) Ordinance, 2020.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
	<p>Provided that if the valuer has contravened such provisions with the intention to defraud the company, its members or creditors, he shall be punishable with imprisonment for a term which may extend to one year and with fine which may extend to five hundred thousand rupees.</p> <p>(5) Where a valuer has been convicted under sub-section (4), he shall be liable to—</p> <p>(a) refund the remuneration received by him to the company; and</p> <p>(b) pay for damages to the company or to any other person for loss arising out of incorrect or misleading statements of particulars made in his report.</p> <p>(6) The registration as valuer under this section shall be liable to be cancelled by the Commission on such grounds and in such manner as may be specified after providing an opportunity of being heard.</p>	
461	<p>Security clearance of shareholder and director. — The Commission may require the security clearance of any shareholder or director or other office bearer of a company or class of companies as may be notified by the concerned Minister-in-charge of the Federal Government.</p>	Omitted through Companies (Amendment) Ordinance, 2020.

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
468	<p>Acceptance of documents presented after prescribed time.</p> <p>—</p> <p>(3) The acceptance of the document by the registrar under sub-section (1) shall not absolve the defaulting company or other person concerned of any other liability arising from the default in complying with the requirements of this Act:</p> <p>Provided that no proceeding shall be initiated against the company or any of its officers on account of delay in filing of any document required under this Act to be filed or registered with the registrar which is presented by the company or other person concerned on the payment of fee as specified under sub-section (1) and within the period as specified therein.</p>	<p>Acceptance of documents presented after prescribed time.</p> <p>—</p> <p>Sub-sections (1) and (2) remain unchanged.</p> <p>(3) The acceptance of the document by the registrar under sub-section (1) shall not absolve the defaulting company or other person concerned of any other liability arising from the default in complying with the requirements of this Act:</p> <p>Provided that no proceeding shall be initiated against the company not being a listed company or any of its officers on account of delay in filing of any document required under this Act to be filed or registered with the registrar which is presented by the company or other person concerned on the payment of fee as specified under sub-section (1) and within the period as specified therein.</p> <p>(4) Nothing in this section shall apply for the delay in filing of-</p> <p>(a) a document for which the punishment of imprisonment is provided under this Act; or</p> <p>(b) an application required to be filed within a specific time frame provided under this Act or the rules or regulations framed thereunder.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
474	<p>Enforcing compliance with provisions of Act.—(1) If a company, having made default in complying with any provision of this Act or committed any other irregularity fails to make good the default or undo the irregularity, as the case may be, within thirty days after the service of a notice on the company requiring it to do so, the Commission may, of its own motion or on an application made to it by any member or creditor of the company or a reference by the registrar and, in the case of a listed company, besides other persons as aforesaid, on a reference by the securities exchange, make an order directing the company and any officer thereof, as the case may be, to make good the default or undo the irregularity or otherwise make amends, as the circumstances may require, within such time as may be specified in the order.</p>	<p>Enforcing compliance with provisions of Act.—(1) If a company, having made default in complying with any provision of this Act or committed any other irregularity fails to make good the default or undo the irregularity, as the case may be, within such time after the service of a notice on the company requiring it to do so as may be specified in the notice, the Commission may, of its own motion or on an application made to it by any member or creditor of the company or a reference by the registrar and, in the case of a listed company, besides other persons as aforesaid, on a reference by the securities exchange, make an order directing the company and any officer thereof, as the case may be, to make good the default or undo the irregularity or otherwise make amends, as the circumstances may require, within such time as may be specified in the order.</p> <p>Sub-sections (2) and (3) remain unchanged.</p>

Legend:

 Inserted through Companies (Amendment) Ordinance, 2020

 Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment																								
479	<p>Adjudication of offences and standard scale of penalty. — (1) There shall be a standard scale of penalty for offences under this Act, which shall be known as “the standard scale”.</p> <p>(2) The standard scale consists of—</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Level</th> <th style="text-align: center;">Limit of penalty</th> <th style="text-align: center;">Per day penalty during which the default continues</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Upto Rs.25,000</td> <td style="text-align: center;">Upto Rs.500</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Upto Rs.500,000</td> <td style="text-align: center;">Upto Rs.1,000</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Upto Rs.100 million</td> <td style="text-align: center;">Upto Rs.500,000</td> </tr> </tbody> </table>	Level	Limit of penalty	Per day penalty during which the default continues	1	Upto Rs.25,000	Upto Rs.500	2	Upto Rs.500,000	Upto Rs.1,000	3	Upto Rs.100 million	Upto Rs.500,000	<p>Adjudication of offences and standard scale of penalty. — (1) There shall be a standard scale of penalty for offences under this Act, which shall be known as “the standard scale”.</p> <p>(2) The standard scale consists of—</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Level</th> <th style="text-align: center;">Limit of penalty</th> <th style="text-align: center;">Per day penalty during which the default continues (in addition to the penalty provided in the second column)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Upto Rs.25,000</td> <td style="text-align: center;">Upto Rs.500</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Upto Rs.500,000</td> <td style="text-align: center;">Upto Rs.1,000</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Upto Rs.100 million</td> <td style="text-align: center;">Upto Rs.500,000</td> </tr> </tbody> </table> <p>Sub-sections (3) to (6) remain unchanged.</p>	Level	Limit of penalty	Per day penalty during which the default continues (in addition to the penalty provided in the second column)	1	Upto Rs.25,000	Upto Rs.500	2	Upto Rs.500,000	Upto Rs.1,000	3	Upto Rs.100 million	Upto Rs.500,000
Level	Limit of penalty	Per day penalty during which the default continues																								
1	Upto Rs.25,000	Upto Rs.500																								
2	Upto Rs.500,000	Upto Rs.1,000																								
3	Upto Rs.100 million	Upto Rs.500,000																								
Level	Limit of penalty	Per day penalty during which the default continues (in addition to the penalty provided in the second column)																								
1	Upto Rs.25,000	Upto Rs.500																								
2	Upto Rs.500,000	Upto Rs.1,000																								
3	Upto Rs.100 million	Upto Rs.500,000																								
479A	<p>A new section has been inserted through Companies (Amendment) Ordinance, 2020.</p>	<p>Review and revision.- (1) Any order, other than an order under section 479, passed under this Act by the registrar or an officer exercising powers of the Commission, not being an order of the Court, shall be subject to revision by the Commission upon application being made by any aggrieved person or the registrar within sixty days from the date of such order and the order of the Commission in revision shall be final.</p>																								

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
		<p>(2) The Commission or the registrar may, upon an application being made to it within sixty days from the date of any order passed by it otherwise than in revision under sub-section (1), or if its own motion, review such order; and such order in review shall be final.</p> <p>(3) Any order passed or made by the Federal Government under this Act shall be subject to review by the Federal Government of its own motion or on an application made to it within sixty days from the date of the order.</p>
496	<p>Penalty for false statement, falsification, forgery, fraud, deception. — (1) Notwithstanding anything contained in the Criminal Procedure Code, 1898, (V of 1898) or any other law, whoever in relations to affairs of the company or body corporate-</p> <p>(a) makes a statement or submit any document in any form, which is false or incorrect in any material particular, or omits any material fact, knowing it to be material, in any return, report, certificate, statement of financial position, profit and loss account, income and expenditure account, offer of shares, books of account, application, information or explanation required by or for the purposes of any of the provisions of this Act or pursuant to an order or direction given under this Act with an intention to defraud, or cheat the Commission or to obtain incorporation or to avoid any penal action for an offence under this Act or administered legislation;</p>	<p>Punishment for falsification, forgery, fraud, deception. — (1) Notwithstanding anything contained in the Criminal Procedure Code, 1898, (V of 1898) or any other law, whoever in relations to affairs of the company or body corporate-</p> <p>(a) submits any document in any form, which is false or incorrect in any material particular, knowing it to be material, in any return, report, certificate, financial statements, books of account, application, information or explanation required by or for the purposes of any of the provisions of this Act or pursuant to an order or direction given under this Act, with an intention to defraud, or cheat the Commission or to obtain incorporation or to avoid any penal action for an offence under this Act or administered legislation;</p> <p>Remaining content of the section remain unchanged.</p>

Legend:

- Inserted through Companies (Amendment) Ordinance, 2020
- Deleted through Companies (Amendment) Ordinance, 2020

COMPARATIVE MATRIX OF AMENDMENTS TO COMPANIES ACT 2017 THROUGH COMPANIES' AMENDMENT ORDINANCE, 2020

Section #	Prior to Amendment	Post Amendment
496A	A new section has been inserted through Companies (Amendment) Ordinance, 2020.	Penalty for false statement.- Whoever in any return, report, certificate, financial statements, prospectus, offer of shares, books of accounts, application, information or explanation required by or for the purposes of any of the provisions of this Act or pursuant to an order or direction given under this Act makes a statement which is false or incorrect in any material particular, or omits any material fact knowing it to be material, shall be liable to a penalty of level 2 on the standard scale.

CONTACT US

M1-M4, Mezzanine Floor
Progressive Plaza
Beaumont Road
Karachi – 75530

Telephone: +92-21-35674741-44

Email: ahsan.ali@hzco.com.pk | ali.lakhany@hzco.com.pk | younus.arif@hzco.com.pk

Web: hzco.com.pk

