

The Gazette of Pakistan



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, MONDAY, JULY 30, 1973

PART I

Acts, Ordinances, President's Orders and Regulations

NATIONAL ASSEMBLY OF PAKISTAN

Islamabad, the 30th July, 1973

The following Acts of the National Assembly received the assent of the President on the 28th July, 1973, and are hereby published for general information :—

ACT No. LIII OF 1973

An Act to amend the Companies (Managing Agency and Election of Directors) Order, 1972

WHEREAS it is expedient to amend the Companies (Managing Agency and Election of Directors) Order, 1972 (P. O. No. 2 of 1972), for the purposes hereinafter appearing :

It is hereby enacted as follows :—

1. **Short title and commencement.**—(1) This Act may be called the Companies (Managing Agency and Election of Directors) (Amendment) Act, 1973.

(2) It shall come into force at once and shall, except section 3, be deemed to have taken effect on the 15th day of January, 1972.

2. **General amendment, P. O. No. 2 of 1972.**—In the Companies (Managing Agency and Election of Directors) Order, 1972 (P. O. No. 2 of 1972), hereinafter referred to as the said Order, for the words "Central Government", wherever occurring, the words "Federal Government" shall be substituted.

3. **Insertion of new Article 13A, P. O. No. 2 of 1972.**—In the said Order, after Article 13, the following new Article 13A shall be inserted, namely :—

"13A. **Penalty.**—(1) Whoever contravenes any of the provisions of this Order or the rules made thereunder shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to ten lakh rupees, or with both.

(2) If the person guilty of an offence under this Order is a company or other body corporate, every director, manager, secretary or other officer or agent thereof shall, unless he proves that the offence was committed without his knowledge or that he exercised all the diligence to prevent its commission, be deemed to be guilty of the offence."

(547)

4. **Amendment of Article 15, P. O. No. 2 of 1972.**—In the said Order, Article 15 shall be re-numbered as clause (1) of that Article and, after clause (1) re-numbered as aforesaid, the following new clause (2) shall be added, namely :—

“(2) Nothing in Part III of this Order shall apply to—

- (a) a company limited by guarantee and having no share capital ;
- (b) directors nominated by the Pakistan Industrial Credit and Investment Corporation Limited or by a corporation or company set up or controlled by the Federal Government or a Provincial Government on the board of another company in or to which such corporation or company has made investment or otherwise extended credit facilities ;
- (c) directors nominated by the Federal Government or a Provincial Government on the board of a company ; or
- (d) directors nominated by the foreign equity holders on the board of the Pakistan Industrial Credit and Investment Corporation Limited, the Security Papers Limited or the RCD Ball Bearing Limited or of any other company set up in Pakistan under a regional cooperation arrangement approved by the Federal Government :

Provided that, where a director referred to in paragraph (c), or paragraph (d) is nominated, such number of the votes computed in the manner laid down in Article 10 as is equal to the minimum number of votes which would have been sufficient to elect such director if he had offered himself for election shall stand excluded from the total number of votes otherwise available at an election of directors to the authority or person nominating him.”

5. **Insertion of Article 15A, P. O. No. 2 of 1972.**—In the said Order, after Article 15 amended as aforesaid, the following new Article 15A shall be inserted, namely :—

“15A. *Power to exempt.*—The Federal Government may, by notification in the official Gazette, exempt any of the following classes of agreements or contracts from the operation of the provisions of Part II of this Order, namely :—

- (a) an agreement or contract with an investment adviser in relation to an investment company registered under the Investment Companies and Investment Advisers Rules, 1971, and
- (b) an agreement or contract, approved by the Federal Government, with a foreign collaborator in relation to a company which owns an hotel in Pakistan.”