

# CORPORATE PULSE



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### OBITUARY

With great grief, we report the sad demise of Mr. Muhammad Aslam on 18<sup>th</sup> January 2021. He was the father of our partner Mr. Moiz. Please pray for his magfirah.



### CENTRAL DEPOSITORY (LICENSING AND OPERATIONS) REGULATIONS, 2016

SECP has notified that the "Central Depository" licensed under the said Securities Act, 2015 is required to maintain:

- i) Paid up capital of Rs. 4.00 billion by February 15, 2026; and
- ii) Net worth of Rs. 7.00 billion by February 15, 2026.

## Mere registration of a company does not confirm the right to collect investments: SECP

The Securities and Exchange Commission of Pakistan (SECP) has clarified that mere registration of a company with SECP does not authorize acceptance of deposits from general public.

Deposit taking by companies other than banking companies is illegal in the Act. Financial services including car financing, leasing, acceptance of deposits, house financing etc. can only be offered by specialized companies holding valid license and regulatory approvals.

The SECP while exercising its regulatory power to curb the menace of illegal business practices in the country has taken stern actions against

1. "Lasani Oil Traders (Private) Limited"
2. "New Lassani Chicks & Chicken (Private) Limited"



## SECP aims to liberalize Non-Bank financial sector through promoting self-regulation

In pursuance of its reforms agenda for reforming the non-bank financial services, the Securities and Exchange Commission of Pakistan (SECP) has issued draft Self-Regulatory Organizations (Registration) Regulations, 2021 for soliciting public comments.

The draft regulation 2021, consists following nine sections of five forms along with two annexure and one Schedule:

1. Title
2. Definitions
3. Registration of Self-Regulatory Organization
4. Renewal of registration
5. Disciplinary Proceedings
6. Maintenance of Record & Appointment of Auditor
7. Function/Obligation of Self-Regulatory organization
8. Regulation of Self-Regulatory organization
9. Power of the Commission to issue directions

The complete paper can be read using the following official link:

<https://www.secp.gov.pk/wp-content/uploads/2021/01/Press-Release-Jan-14-SECP-aims-to-liberalize-Non-Bank-financial-sector.pdf>

### INVITATION

We at 4M Business Consultants believe in collective learning and growth opportunities. We are more than willing to collaborate with professionals from all spheres. If you wish to collaborate with us in any way, please feel free to reach out.

## LIST OF COMPANIES INDULGED IN UNAUTHORIZED ACTIVITIES

SECP has published a list of companies which are indulged in unauthorized business activities such as leasing/financing facility, MLM, pyramid/Ponzi schemes, various fake posts and also seeking deposits from the general public in the name of jobs, investment and trading etc. Here is the link of list:

<https://www.secp.gov.pk/document/list-of-companies-indulged-in-unauthorized-activities/?wpdmdl=41058&refresh=5ff2b4f5a82801609741557>

The SECP encourages public to come forward and report all such companies involved in unauthorized activities and illegal deposit taking by sending the complaints and evidences to [scams@secp.gov.pk](mailto:scams@secp.gov.pk)

## AMENDMENT TO THE PUBLIC OFFERING (REGULATED SECURITIES ACTIVITIES LICENSING) REGULATIONS, 2017

SECP has issued an amendment regarding the exemption to financial institutions from licensing requirements in case of Underwriter, banker to an issue and debt securities trustee:

- Within one month of the end of each calendar year, every development financial institution engaged in the business of underwriting shall submit an affidavit along with a fee of Rs. 100,000/- that it is compliant with all the requirements of these Regulations.
- Provided that a scheduled bank already licensed as an underwriter or a banker to an issue, one month prior to expiry of its existing license shall submit an affidavit that it is compliant with all the requirements of these Regulations.
- Provided further that within one month of the end of each calendar year a scheduled bank engaged in the business of underwriter and banker to an issue under regulation 12(2) shall submit an affidavit that it is compliant with all the requirements of these Regulations.

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### CONTACT US:

Phone: **021- 36450366**

WhatsApp: **0333-2997444**

Email: [info@4mco.com.pk](mailto:info@4mco.com.pk)

Address: **Office 803, Landmark Plaza,  
I.I. Chundrigar Road, Karachi,  
Pakistan**