

13 Oct, 2025

Mr. Muzaffar Ahmed Mirza
Commissioner - Licensing and Registration
Securities & Exchange Commission of Pakistan
Islamabad

Mr. Shahzad Afzal Khan
Registrar of Companies
Securities & Exchange Commission of Pakistan
Islamabad

SUBJECT: Request for Clarification regarding applicability of website disclosure requirements to Private and Public Unlisted Companies registered under the Group Companies Registration Regulations, 2008

Dear Sirs,

This is with reference to S.R.O. 640(I)/2011 dated June 22, 2011, wherein the Securities and Exchange Commission of Pakistan (SECP) required holding companies registered under the repealed Group Companies Registration Regulations, 2008 to maintain websites and publish thereon the *annual audited financial statements of their group along with the directors' and auditors' reports*. The requirement under the said SRO would appear to apply to companies irrespective of whether they are public or private; however, imposing such a disclosure obligation on private companies is inconsistent with the legal framework.

Furthermore, the requirement was re-stated in clause (f) of S.R.O. 1196(I)/2019 dated October 3, 2019, which provides that *public companies registered as a group* are required to place their group financial statements and reports on their websites.

It may further be noted that a similar disclosure requirement had earlier been introduced under the Credit Rating Companies Regulations, 2016, which require *credit rating agencies* to publish *critical financial information of rated entities* on their websites. However, recognizing that such disclosures are of no public relevance and may expose sensitive business data of private and unlisted entities, the Commission, vide S.R.O. 582(I)/2020 dated June 29, 2020, amended the regulations to exclude:

"... a public unlisted company or a private company which is not otherwise required to make such public disclosure under any other regulatory framework."

This amendment appears to clearly reflect the Commission's policy stance that mandatory public disclosure obligations should **apply only** where information is of public interest, i.e., for listed entities or those soliciting investment from the public.

Furthermore Clause (f) of S.R.O. 1196(I)/2019 specifically refers to "public companies registered as a group under the repealed Group Companies Registration Regulations, 2008," whereas S.R.O. 640(I)/2011, from which this requirement originated, did not distinguish between public and private / public unlisted companies. Although the wording of the two S.R.Os. is not consistent and may create some uncertainty about the scope of the requirement, the obligation to make the prescribed disclosures remains effective under the current



regulatory framework. Furthermore, applying this requirement uniformly to private and public unlisted companies despite their not being legally required to maintain websites or make public disclosures of their financial statements, places the private / public unlisted companies at a practical disadvantage and is inconsistent with the broader scheme of the Companies Act, 2017, which distinguishes between public and private / Public unlisted companies disclosure obligations.

In terms of clause (7) of S.R.O. 1196(I)/2019, the Commission is empowered to grant relaxation from compliance with any provision of the said S.R.O. where it considers such relaxation justified in the circumstances.

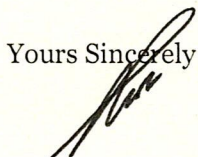
It is respectfully submitted that where the holding company of a registered group is a Public unlisted or private company, the requirement to maintain a website and to publish group financial statements and reports thereon serves no regulatory or public purpose. listed companies are, in any event, required to make such disclosures under the relevant provisions of the Companies Act, 2017, regulations made thereunder, and these disclosures are justified in view of the public interest involved. In contrast, private / public unlisted companies neither invite public investment nor are otherwise required to make any public disclosure of their financial information.

It is therefore requested that the **Commission**, in exercise of its powers under clause (7) of S.R.O. 1196(I)/2019, **grant relaxation** from the requirement **to maintain a website and to publish the group's audited financial statements and reports in cases where the holding company is a public unlisted or private company.**

The PBC members are available for any interaction on this subject.

Thank you and regards

Yours Sincerely



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