

[AS PASSED BY THE NATIONAL ASSEMBLY]

A

Bill

further to amend the Securities and Exchange Commission of Pakistan Act, 1997

WHEREAS it is expedient further to amend the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997) for the purposes hereinafter appearing;

It is hereby enacted as under:-

1. **Short title and commencement.**- (1) This Act may be called the Securities and Exchange Commission of Pakistan (Amendment) Act, 2013.

(2) It shall come into force at once.

2. **Amendment of section 5, Act XLII of 1997.**- In the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), hereinafter referred to as the said Act, in section 5, for sub-section (5) the following shall be substituted, namely:-

“(5) No act, proceeding or decision of the Commission shall be invalid only by reason of the existence of a vacancy or defect in the constitution of the Commission.”.

3. **Amendment of section 7, Act XLII of 1997.**- In the said Act, in section 7, for sub-section (7) the following shall be substituted, namely:-

“(7) At the end of each term (initial or further) or at the end of the cumulative period of five years, in case of the Term A Commissioners, or six years, in case of Term B Commissioners, as provided for in sub-section (1), the relevant number of Commissioners shall cease to hold office and any vacancy thus arising shall in each case be filled by the appointment of the requisite number of

qualified persons as Commissioners, each for a term of three years starting from the date of appointment:

Provided that a Commissioner shall be deemed to have retired at the end of such three-year term unless, being eligible for re-appointment, he is re-appointed.”.

4. **Validation.**- Anything done, actions taken, orders passed, instruments made, notifications issued, agreement made, proceedings initiated, processes or communications issued, powers conferred, assumed or exercised by the Commission as defined in clause (g) of section 2 of the said Act or its employees as defined in clause (k) of section 2 thereof in terms of amendments made through this Act, on or after the 19th December, 1997 and before the commencement of this Act, shall be deemed to have been validly done, made, issued, taken, initiated, conferred, assumed and exercised and the provisions of this Act shall have and shall be deemed to have had effect accordingly.”.

STATEMENT OF OBJECTS & REASONS

The purpose of this Bill is to amend the Securities and Exchange Commission of Pakistan Act, 1997 with a view to make the same more effective in achieving its prime objective. The proposed amendments in the Bill will remove certain practical difficulties experienced in protecting the enforcement and other related actions of the Commission and to ensure their continuity and effectiveness in connection with regulating the capital market and safeguarding the interest of investors.

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Member-in-charge