INTRODUCED ON 10.02.2026

[~~TO BE~~ As INTRODUCED IN THE SENATE]

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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 follows:-

1. Short title and commencement.- (1) This Act may be called the *Securities and Exchange Commission of Pakistan* (Amendment) Act, 2026.

2. It shall come into force at once.

3. 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, sub-section (2) shall be omitted.

4. Amendment of section 12, Act XLII of 1997.- In the said Act, in section 12,-

(A) in sub-section (2),-

i. in clause (a),-

(a). for the word "five", the word "seven" shall be substituted;

(b). in sub-clause (i), for the expression "Finance Minister or, in his absence, the Advisor to Prime Minister on Finance, as the case may be", the expression "Secretary, Finance Division, Government of Pakistan" shall be substituted;

(c). after sub-clause "(iia)", the following new clauses "(iib) and (iic)", shall be inserted, namely:-

"(iib). One member of the National Assembly nominated by the Speaker of the National Assembly;

(iic). One member of the Senate nominated by the Chairman Senate;".

ii. in clause (b), for the word "six" the word "four" shall be substituted, and after the words "Federal Government", the words "including at least one from each Province", shall be inserted;

(B) in sub-section (3), the word "four" appearing after the word "a term of" occurring in first line, the word "two" shall be substituted and for the words "four-year", occurring in the second line the words "two-years" shall be substituted; and

(C) in sub-section (7), after the words "Members", the words "from the public sector" shall be substituted.

5. Amendment of section 23, Act XLII of 1997.- In the said Act, in section 23, for sub-section (3), the following shall be substituted, namely:-

"(3) All fees, charges, penalties, levies, income, grants, and any other amounts received by or on behalf of the Securities and Exchange Commission of Pakistan under this Act or any other law for the time being in force shall, without any deduction or retention, be credited to the Federal Consolidated Fund in accordance with Article 78 of the Constitution of the Islamic Republic of Pakistan.

(3a) The expenditure of the Securities and Exchange Commission of Pakistan shall be met through budgetary allocations approved by Parliament and released in accordance with the financial rules and procedures applicable to the Federal Government."

6. Insertion of new section 23A, Act XLII of 1997.- In the said Act, after section 23, as amended as aforesaid, the following new section shall be inserted, namely:-

"**23A. Transfer of Existing Funds.-** All amounts standing to the credit of the Fund of the Commission or any bank account maintained by the Securities and Exchange Commission of Pakistan immediately before the commencement of the Securities and Exchange Commission of Pakistan (Amendment) Act, 2026, shall, within such period and in such manner as may be prescribed, be transferred to the Federal Consolidated Fund."

STATEMENT OF OBJECTS AND REASONS

Securities and Exchange Commission of Pakistan (SECP) is a regulator and its Board cannot run by private sector and needs to be harmonized in line with other regulatory bodies. Presently the SECP Act, 1997, allows the Securities and Exchange Commission of Pakistan to retain and utilize its receipts outside the Federal Consolidated Fund. Such retention of public money limits effective Parliamentary oversight and is inconsistent with Articles 78 to 81 of the Constitution of the Islamic Republic of Pakistan. The object of this Bill is to ensure that all receipts of the SECP are credited to the Federal Consolidated Fund and that its expenditure is regulated through Parliamentary appropriations, thereby promoting transparency, financial discipline, and accountability in accordance with constitutional principles.

2. This bill is aimed to achieve the above-said objective.

SENATOR ANUSHA RAHMAN AHMAD KHAN
MEMBER-IN-CHARGE