

AZAD GOVERNMENT OF THE STATE OF JAMMU AND KASHMIR
LAW AND PARLIAMENTARY AFFAIRS SECRETARAIT,
MUZAFFARABAD.

Dated the 23rd October, 1985.

No. 2168-70/LD/Leg (A)/85, The following Act approved by the Azad Jammu and Kashmir Legislative Assembly at its meeting held on 8th October, 1985 and assented by the President on 21st October, 1985, is hereby published for general information:-

(ACT VII OF 1985)

AN

ACT

to amend the Companies Act, 1913.

WHEREAS it is expedient to amend the Companies Act, 1913 (VII of 1913), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and Commencement.- (1) This Act may be called the Companies (Amendment) Act, 1985.

(2) It shall come into force at once and shall be deemed to have taken effect on and from the 5th day of October, 1985.

2. Amendment of Section 2, Act VII of 1913.- In the Companies Act, 1913 (Act VII of 1913), hereinafter referred to as the said Act, in Section 2, in sub-section (1), in clause (15), after the word 'Registrar' the commas and words 'additional registrar, joint registrar, deputy registrar' shall be inserted,

3. Amendment of Section 11, Act VII of 1913.- In the said Act, in Section 11.-

(a) in sub-section (3), in clause (a), after the words 'Bank of

Pakistan, the comma and words, 'Finance' or any derivative thereof' shall be inserted;

(b) after sub-section (3-A), the following new sub-section shall be inserted, namely:-

"(3-B) No company shall be registered by a name which contains any word which, in the opinion of the Azad Government of the State of Jammu and Kashmir, is undesirable or deceptive or is designed to exploit the religious susceptibilities of the people.

(3-C) A Company in existence immediately before the commencement of the companies (Amendment) Ordinance, 1980, which has in its name-

(a) the word 'Finance' shall, within thirty days of such commencement; or

(b) any such word as is referred to in sub-section (3-B), shall, within thirty days of the day on which the Azad Government of the State of Jammu and Kashmir declares that the company has such a word in its name, alter its name with sanction of the registrar.

(3-D) If a company acts in contravention of sub-section (3-B) or sub-section (3-C), the company and every officer of the company who is knowingly and willfully in default shall be liable to a fine not exceeding ten thousand rupees and to a further fine not exceeding one thousand rupees for every day during which the default continues".

Amendment of Section 22, Act VII of 1913.- In the said Act, section 22 shall be re-numbered as sub-section (1) of that section, and-

(a) in sub-section (1), re-numbered as aforesaid, after the word "them" at the end, the words and commas "if the company is being formed for lawful purposes, none of its objects stated in the memorandum is undesirable or deceptive or insufficiently expressive all the requirements of law have been met and the company is authorised to be registered" shall be added; and

(b) after sub-section (1), re-numbered and amended as aforesaid, the following new sub-sections shall be added, namely:-

"(2) If registration of the memorandum is refused, any of the subscriptions of the memorandum may, within thirty days of the order of refusal, prefer and appeal.

(a) where the order of refusal has been passed by an additional registrar, a joint registrar, a deputy registrar or an assistant registrar, to the registrar; and

(b) where the order of refusal has been passed, or upheld in appeal, by the registrar, to the Azad Government of the State of Jammu and Kashmir.

(3) An order of the Government of Azad Jammu and Kashmir under sub-section (2) shall be final and shall not be called in question before any Court or other authority."

Amendment of Section 76, Act VII of 1913.- In the said Act, in Section 76, in sub-section (2), for the words "five hundred rupees" the words "twenty thousand rupees and with a further fine not exceeding two thousand rupees for every day during which the default continues" shall be substituted.

Amendment of Section 133, Act VII of 1913.- In the said Act, in section 133, in sub-section (3), for the words "five hundred rupees" the words "twenty thousand rupees and with a further fine not exceeding two thousand rupees for ever day during which the default continues" shall be substituted.

Amendment of Section 137, Act VII of 1913.- In the said Act, in section 137,-

(a) for sub-section (1) the following shall be substituted, namely:-

"(a) | Where, on perusal of any document which is submitted to him under this Act, or of any notice, advertisement or other communication, or otherwise, the registrar is of opinion that any information, explanation or document is necessary with the respect to any matter, he may, by a written order, call upon the company and any of its directors or officers to furnish such information or explanation in writing, or such document, within such time as he may specify in the order, "; and

(b) in sub-section (3), for the words and comma "to a fine not exceeding fifty rupees in respect of each offence", the words, commas and semi-colon "in respect of each offence to a fine not exceeding twenty thousand rupees and to a further fine not exceeding two thousand rupees for every day during which the default continues, and every officer of the company who knowingly and willfully authorises or permits, or is a party to the default, shall be punishable with imprisonment of either description for a term which may extend to one year, or with fine, or with both," shall be substituted.

Amendment of Section 140, Act VII of 1913.- In the said Act, in section 140, in sub-section (3), for the words, "liable to a fine not exceeding fifty rupees in respect of each offence" the words and comma "punishable in respect of each offence with imprisonment of either description for a term which may extend to one year, and shall also be liable to fine" shall be substituted.

Insertion of new Section 153-C, Act VII of 1913.- In the said Act, after section 153-B, the following new section shall be inserted, namely:-

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Volume VIII (1985-1988)

"153-C.Prevention of mismanagement_or_ oppression of members.- (1) If any member or members holding not less than one-tenth of the issued share Capital of a company complaints or complaint or the Azad Government of the State of Jammu and Kashmir is of the opinion, that the affairs of the company are being conducted in an unlawful or fraudulent manner, or in a manner not provided for in its memorandum, or in a manner oppressive to any of the members, or are being conducted in a manner prejudicial to the public interest, such member or members or, as the case may be, the Azad Government of the State of Jammu and Kashmir may make an application to the Court by petition; and the Court may make such order as it thinks fit in the circumstances for regulating the conduct of the affairs of the company and matters ancillary thereto.

(2) Where an order is made under sub-section (1) on the application of any member or members, the company in relation to which the order is made shall cause a certified copy thereof to be delivered to the registrar for registration within fourteen days after the completion of the order, and if default is made in complying with this subsection, the company and every officer of the company who is knowingly and willfully in default shall be liable to a fine not exceeding five thousand rupees and to a further fine not exceeding five hundred rupees for every day during which the default continues."

Amendment of Section 166, Act VII of 1913.- In the said Act, in Section 166, in the proviso, in clause (aa) sub-clause (i) shall be omitted.

Amendment of Section 170, Act VII of 1913.- In the said Act, in Section 170, after sub-section (1), the following new sub-section shall be added, namely:-

"(1-A) In on a petition presented by any member or the registrar, the Court is of the opinion that, although the facts would justify the making of a winding up order, the making of such order would unfairly prejudice the member or members concerned, the Court may make such order as it thinks fit in the circumstances for regulating the conduct of the affair of the company and bringing to an end the matters complained of."

Amendment of Section 248, Act VII of 1913.- In the said Act, in section 248,-

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Volume VIII (1985-1988)

in sub-section (2), for the words "an assistant registrar as it thinks necessary for the registration of companies under this Act" the commas and words "additional registrars, joint registrars, deputy registrars and assistant registrars as it thinks necessary" shall be substituted; and for sub-section (5) the following shall be substituted, namely:-

"(5) Any person may inspect the documents kept by the Registrar on payment of such fees may be appointed by the Government, not exceeding one rupee for each inspection, and any person may require a certificate of incorporation or certificate of commencement of business of any Company, or a copy or extract of certificate of commencement of business of any Company, or a copy or extract of any other documents, or any part of any other document to be certified by the registrar on payment for the certificate, certified copy or extract, of such fees as the Government may appoint, not exceeding five rupees for certificate of incorporation or commencement of business, and not exceeding seventy-five paisa for every hundred words or fractional part thereof required to be copied, subject to a minimum fee of five rupees for each copy or extract."

Amendment of Section 249-A, Act, VII of 1913.- In the said Act, in section 249-A,-

(a)

(b)

for the marginal heading the following shall be

substituted, namely:-

"Enforcing compliance with provisions of Act,"; and

in subsection (1),-

q@ the words and commas "which requires it to

with, deliver or send to the registrar any return, account or other document, or to give notice to him of any matter," shall be omitted; and

(ii) for the word "fourteen" the word "thirty" shall be substituted.

Amendment of Section 277, Act VII of 1913.- In the said Act, in section 277, sub-section (8) shall be omitted.

Amendment of First Schedule, Act VII of 1913.- In the said Act, for "Table B" set out in the Schedule to this Act shall be substituted, namely:-

"THE SCHEDULE"

(See Section 4)

'TABLE B'

(See Section 249 and 262)

TABLE OF FEES TO BE PAID TO THE REGISTRAR.-

By a company having a share capital.

For registration of company whose nominal share capital does not exceed Rs. 20, 000/- a fee of

For registration of a company whose nominal share capital exceeds Rs. 20,000/-, the above fee of one hundred rupees, with the following additional fees regulated according to the amount of nominal capital (that is to say)--

For every 10,000 rupees of nominal share capital or part of 10,000 rupees, after the first 20,000 rupees up to 1,00,000 rupees, a fee of for every 10,000 rupees of nominal share capital, or part of 10,000 rupees, after the first 1,00,000 rupees up to 10,00,000 rupees, a fee of

For every 10,000 rupees of nominal share capital, or part of 10,000 rupees, after the first 10,00,000 rupees, a fee of

For registration of any increase of share capital made after the first registration of the company, the same fee per 10,000 rupees or part of 10,000 rupees, as would have been payable if such increased share capital had formed part of the original share capital at the time of registration.

For registration of any existing company, except such Companies as are by this Act exempted from payment of fees in respect of registration under this Act, the same fee is charged for registering a new company.

For filing any document by this Act required or authorised to be filed, other than the memorandum or the abstract required to be filed with the registrar by a receiver or the statement required to be filed with the registrar by the liquidator in winding up.-

(a) in respect of a company having a nominal share capital of less than Rs. 1,00,000 a fee of

(b) in respect of a company having a nominal share capital of Rs. 1,00,000 or more but less than Rs.

5,00,000, a fee of

(c) In respect of a company having a nominal share capital of 5,00,000 or more but less than Rs.

20,00,000, a fee of

(d) in respect of a company having a nominal share capital of Rs. 20,00,000 or more, a fee of

Rs. Ps.

100.00

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15.00

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25.00

For making a record of any fact by this Act authorised or required to be

recorded by the register,-

(a) in respect of a company having a nominal share capital of less than Rs. 1,00,000, a fee of

41

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II.

Volume VIII (1985-1988)

(b) in respect of a company having a nominal share capital of Rs. 1,00,000 or more but less than Rs. 5,00,000, a fee of

(c) in respect of a company having a nominal share capital of Rs. 5,00,000 or more but less than Rs. 20,00,000, a fee of

(d) In respect of Company having a nominal share capital of Rs. 20,00,000, or more, a fee of

By a company not having a share capital, other than a

company registered under a licence granted under section

26.

For registration of a company whose number of members,

as stated in to articles of association, does not exceed 20

For registration of a company whose number of members,

as stated in the articles of association, exceeds 20, but does

not exceed 100

For registration of company whose number of members, as

stated in the articles of association, exceeds 100, but is not

stated to be unlimited, the above fee of Rs. 250 with an additional Rs. 12.50 for every 50 members, or less number

than 50 members, after the first 100.-

For registration of a company in which the number o

members is stated in the articles of association to be

unlimited, a fee of

For registration of any increase on the number of members

made after the registration of the company, the same fee as

would have been payable (in respect of such increase) if

such increase had been stated in the articles of association
at the time of registration;

15.00

20.00

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1,000,00

Provided that no one company shall be liable to pay on the whole,
a greater fee than Rs. 1,000 in respect of its number of members taking
into account the fee paid on the first registration of the company.

For registration of any existing company, except such
companies as are by this Act exempted from payment of
fees in respect of registration under this Act, the same fee
as is charged for registering a new company.

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required to be recorded by the registrar, a fee of
By a company registered under licence granted under section 26.

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required to be filed with the registrar by a receiver or the
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Volume VIII (1985-1988)

liquidator in a winding up, a fee of 5.00

For making a record of any fact by this Act authorised or required to be recorded by the registrar, a fee of 5.00

By a company established outside Pakistan which has a place of business in Pakistan.

For filing any document by this Act required or authorised to be filed, other than the memorandum or the abstract required to be filed with the registrar by the liquidator in a winding up,-

(a) in respect of a company having a nominal share

capital of less than Rs. 1,00,000, a fee of 10.00

(b) in respect of a company having a nominal share capital

of Rs. 1,00,000, or more but less than Rs. 5,00,000, a

fee of 15.00

(c) in respect of a company having a nominal share

capital of Rs. 5,00,000, or more but less than Rs.

20,00,000, a fee of 20.00

(d) in respect of a company having no share capital of Rs.

20,00,000 or more, a fee of 25.00

(e) In respect of a company having no share capital, a fee

of 10.00

For making record of any fact by this Act Authorised or required by the registrar,-

(a) in respect of a company having a nominal share

capital of less than Rs. 1,00,000, a fee of 10.00

(b) in respect of a company having a nominal share capital of Rs. 1,00,000, or more but less than Rs. 5,00,000, a fee of 15.00

(c) in respect of a company having a nominal share

capital of Rs. 5,00,000, or more but less than Rs.

20,00,000, a fee of 20.00

(d) in respect of a company having no share capital of Rs.

20,00,000 or more, a fee of 25.00

(e) In respect of a company having no share capital, a fee

of 10.00

Savings.- Notwithstanding any judgment, decree or order of any court including High Court, every thing done, all actions taken, notifications issued, orders or appointments made, proceedings initiated, jurisdiction or powers exercised under the provisions of the companies (Amendment) Ordinance, 1980 (Ordinance XXXVII of 1980) or its succeeding Ordinances issued from time to time shall be deemed to have been validly done, taken, issued, made, initiated or exercised under this Act.

Repeal.- The Companies (Amendment) Ordinance, 1985 (Ordinance CLI of 1985) is hereby repealed.

Sd/-
(Syed Atta Mohy-ud-Din Qadri)
Deputy Secretary Law.