

SECP issues guide for board meetings

ISLAMABAD: The Securities and Exchange Commission of Pakistan (SECP) on Tuesday issued a guidebook for conducting board of directors (BoD) and general meetings.

The SECP has proposed the guidebook keeping in view best practices for conducting board meetings and general meetings in the light of requirements of Companies Act, 2017, and regulations made under it.

BoD and general meetings of shareholders are important decision-making forums where directors and shareholders deliberate and decide significant issues concerning the company therefore law impose certain conditions and restrictions for holding board and general meetings.

The SECP guide has been issued as it is important that companies adopt systematic and formal mechanism to conduct BoD meetings and encourage shareholders to attend and actively participate in general meetings.

The guide is expected to be a soft cue for shareholders, encouraging them to actively participate in general meetings. The SECP has reiterated that the guidebook only recommends good practices. However, it does not in any way vary or amend obligation of stakeholders in complying with requirements of applicable laws for holding such meetings.

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