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PART II

**Statutory Notifications (S. R. O.)**

GOVERNMENT OF PAKISTAN

**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

NOTIFICATION

*Islamabad, the 15th December, 2020*

**S. R. O. 1354(I)/2020.**—In exercise of the powers conferred by section 10 of the Securities and Exchange Commission of Pakistan Act, 1997 (the Act) read with section 20(4)(o) thereof, and in partial supersession of its previous notification No. S. R. O. 1302(I), dated October 31, 2019, notification No. S. R. O. 626(I), dated June 25, 2015, notification No. S.R.O. 934(I)/2015 dated September 14, 2015, notification No. S. R. O. 162(I)/2015 dated February 29, 2016, notification No. S. R. O. 45(I)/2017, dated January 27, 2017, and notification No. S. R. O. 123(I)/2017, dated February 27, 2017, Securities and Exchange Commission of Pakistan (the Commission), subject to such conditions and limitations as it may from time to time impose, hereby delegates the following powers and functions of the Commission to the Director, Brokers' Compliance Department, Securities Market Division:—

2845(1—8)

*Price: Rs. 10.00*

[6541(2020)/Ex. Gaz.]

**1. Powers of the Commission delegated to the Director (Brokers' Compliance Department), Securities Market Division**

Sr. No.	Relevant section of Securities and Exchange Commission of Pakistan Act, 1997	Section Heading	Nature of power/function
1.	28A	Inspection	To authorize in writing one or more of its employees to inspect and ascertain whether a person who is, or at any time has been, a regulated person is complying with or has complied with any provision or requirement of this Act or any administered legislation, or the terms and conditions of license or registration
2.	29	Investigation	To authorize on its own motion or on the basis of any information received, one or more of its employees or one or more other persons to investigate the concerned matter
3.	31A	Calling information	Power to call for information as may be required during the course of inquiry, inspection or investigation and for the purposes thereof
4.	32	Calling for examination	Powers to call for examination

Sr. No.	Relevant section of the Securities Act, 2015	Section Heading	Nature of power/function
1.	6(6)	Duties of Securities Exchange	To require the securities exchange to disclose Information in its possession concerning TRE holder and their customers.
2.	10	Securities Exchange to assist the Commission	To require securities exchange to provide information including returns books and other information related to business of stock exchange or in respect of trading in securities or any other information as the Commission may require from time to time for the proper administration of this Act.
3.	16(3)	Accounts & Audit	To require operational and regulatory audit of securities exchange to be conducted by an independent auditor.
4.	17(1)	Power of the Commission to appoint Auditor	To appoint auditor for special audit at the expense of securities exchange to examine, audit, and report, either generally or in relation to any matter, on the books, accounts and records of a securities exchange.
5.	17(2)	Power of the Commission to appoint Auditor	To appoint special auditors to furnish a regulation compliance audit report for a securities exchange.
6.	35(3)	Accounts & Audit	To require operational and regulatory audit of clearing house to be conducted by an independent auditor.
7.	36(1)	Power of the Commission to appoint Auditor	To appoint auditor for special audit at the expense of clearing house to examine, audit, and report, either generally or in relation to any matter, on the books, accounts and records of a clearing house.
8.	36(2)	Power of the Commission to appoint Auditor	To appoint special auditors to furnish the Commission with a regulation compliance audit report for a clearing house.

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9.	37(4)	Audit on Annual Report of clearing house	To require a clearing house to obtain an audit report by an approved person on the annual report and on any information or statements accompanying it.
10.	59(4)	Accounts & Audit	To require all systems of central depository to be audited by an independent auditor in alternate year in a prescribed manner.
11.	60(1)	Power of the Commission to appoint Auditor	To appoint an auditor for special audit at the expense of central depository to examine, audit, and report, either generally or in relation to any matter, on the books, accounts and records of a central depository.
12.	60(2)	Power of the Commission to appoint Auditor	To appoint special auditors to furnish a regulation compliance audit report for a central depository.
13.	61(4)	Audit on Annual Report	To require central depository to obtain an audit report by an approved person on the annual report and on any information or statements accompanying it.
14.	79(3)	Accounts and records to be kept	To appoint a person for inspection of accounting and other records required to be maintained by a regulated person under this section.
15.	82(1)	Monitoring compliance with financial resources regulations	To require the regulated person to satisfy the Commission about its compliance with all of the requirements of the financial resources regulations.
16.	82(2)	Monitoring compliance with financial resources regulations	To exercise any of the powers of an auditor appointed under section 86 for the purpose of ascertaining whether a regulated person complies with all of the requirements of the financial resources regulations.
17.	86	Power of the Commission to appoint auditor for special audit	To appoint auditor for special audit at the expense of the regulated person, to examine, audit, and report, either generally or in relation to any matter, on the books, accounts and records of the regulated person, and on money, securities or other property held on account of any other person by the regulated person or by a nominee appointed by the regulated person.
18.	137(1)	Power of the Commission to Call information	Power to call for information as may be required during the course of inquiry, inspection or investigation and for the purposes thereof.
19.	137(2)	Power of the Commission to Call information	To require any person to appear before the Commission or Commissioner or authorized officer or produce record and documents.
20.	138(1)	Inspection	To inspect any record or document relating to the business to which license applies.
21.	138(2)	Inspection	To authorize any person to carry out inspection
22.	139(1)	Investigation	To appoint investigator(s) to investigate any of the matters referred to in sub-clauses (a), (b) or (c) of sub-section (1) of section 139 and to report the results of the investigation to the Commission.

S. No.	Relevant section of the Futures Act, 2016	Section Heading	Nature of power/function
1.	6(6)	Duties of Futures Exchange	To require the futures exchange to disclose information in its possession concerning TRE Certificate holder and their customers.
2.	10	Futures exchange to assist the Commission	To require futures exchange to provide information including returns, books and other information relating to business of futures exchange or in respect of trading in futures contracts or any other information.

3.	29	Clearing house to Assist the Commission	To require clearing house to provide information including returns, books and other information relating to the business of the clearing house or in respect of any trading in futures contracts, any clearing arrangements for futures contracts or any other information.
4.	63 (3)	Accounts and records to be kept	To appoint a person for inspection of accounting and other records required to be maintained by a regulated person under this section.
5.	66	Monitoring compliance with financial resource regulations.	To require the regulated person to satisfy the Commission about its compliance with all of the requirements of the financial resources regulations that apply to the regulated person and to exercise any of the powers of an auditor appointed under section 70.
6.	70	Power of the Commission to appoint auditor for special audit	To appoint auditor to conduct special audit, at the expense of the regulated person, to examine, audit, and report, either generally or in relation to any matter, on the books, accounts and records of the regulated person, and on money, securities or other property held on account of any other person by the regulated person or by a nominee appointed by the regulated person.
7.	81 (1)	Power of the Commission to call for information	Power to call for information from any person as may be required during the course of inquiry, inspection or investigation and for the purposes thereof.
8.	81 (2)	Power of the Commission to call for information	To require any person to appear before the Commission or an authorized officer by the Commission or produce record and documents.
9.	82 (1)	Inspection	To inspect any record or document relating to the business to which license applies in respect of licensed person.
10.	82 (2)	Inspection	To authorize any person to carry out inspection
11.	83 (1)	Investigation	To appoint investigator(s) to investigate any of the matters referred to in sub-clauses (a), (b) or (c) of sub-section (1) of section 83 and to report the results of the investigation to the Commission.

S. No.	Relevant section of Central Depositories Companies Act, 1997	Section Heading	Nature of power / function
1.	21(d)	Central depository to disclose information (Permitted Disclosures)	To require central depository to disclose information to any person investigating into any offence under any law for the time being in force.
2.	21(e)	Central depository to disclose information	To require central depository to disclose information to the Commission for the purpose of enabling or assisting it to exercise any power conferred on it by this Act or by any other law for the time being in force.
3.	21(i)	Central depository to disclose information	To require a central depository for disclosure in the interest of investors or in the public interest.

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4.	23	Central depository to assist the Commission	To require central depository to provide such assistance to the Commission, reasonably require for the performance of its functions and duties under this Act or under any other law for the time being in force.
5.	27(1)	Appointment of inspectors	To appoint inspectors to investigate into the affairs of participants.
6.	27(3)	Provision of information	To call for information or appoint inspector.
7.	27(7)	Investigation report	To direct the inspector for making of an interim and final reports.

S. No.	Relevant regulation of the Central Depositories (Licensing and Operations) Regulations, 2016	Nature of power / function
1.	17(2)	To require a central depository to submit periodic returns.
2.	17(3)	To require a central depository, either generally or in a particular case or class of case, to submit exceptional information and returns.

S. No.	Relevant regulation of the Securities Exchanges (Licensing and Operations) Regulations, 2016	Nature of power / function
1.	18(2)	To require a Securities Exchange, to submit such period return to the Commission as it may direct.
2.	18(3)	To require a Securities Exchange, either generally or in a particular case or class of cases, to submit exceptional returns and other information.

S. No.	Relevant regulations of the Clearing Houses (Licensing and Operations) Regulations, 2016)	Nature of power/function
1	20(2)	To require a clearing house to submit to it such periodic returns as it may direct
2	20(3)	To require a clearing house, either generally or in a particular case or class of case to submit exceptional returns or other information.

S. No.	Relevant regulation of the Futures Exchanges (Licensing and Operations) Regulations, 2017	Nature of power/function
1	21(2)	To require a Futures Exchange, to submit such periodic return to the Commission as it may direct
2	21(3)	To require a Futures Exchange, either generally or in a particular case or class of cases, to submit exceptional returns and any other information.

S. No.	Relevant regulation of the Joint Inspection Regulations, 2015.	Nature of power / function
1.	19(i)	To approve changes in reporting templates recommended by oversight committee.
2.	19(ee)	To assign any responsibility to the oversight
3.	26(5)	To require Secretary oversight committee to Provide information and details/data pertaining to Inspection conducted under these regulations.

S. No.	Relevant regulation of the Securities Brokers (Licensing and Operations) Regulations, 2016	Nature of power / function
1.	16(12)(a)	To require the securities broker for compliance with customers' assets segregation requirements.
2.	23(6)(c)	To require securities broker to keep record of such particulars as may be specified by the Commission.
3.	26(1)	To specify time period to securities broker to furnish reports to its customers.
4.	36(1)	To require securities broker to submit periodic returns or information
5.	36(2)	To require securities broker, either generally or in a particular case or class of cases, to submit to the Commission information or exceptional returns, in addition to any periodic returns required under sub-regulation (1).

S. No.	Relevant regulation of the Futures Brokers (Licensing and Operations) Regulations, 2018	Nature of power / function
1.	16(12)(a)	To require the futuresbrokers for compliance with customers' assets segregation requirements
2.	23(6)(c)	To require futures brokers to keep record of such particulars as may be specified by the Commission.
3.	25(1)	To specify time period to futures brokers to furnish reports to its customers.
4.	32(1)	To require futures brokers to submit periodic returns or information.
5.	32(2)	To require futures brokers, either generally or in a particular case or class of cases, to submit to the Commission information or exceptional returns, in addition to any periodic returns required under sub-regulation (1).

S. No.	Relevant Regulation of the Licensed Persons (Obligation under Voluntary Winding-up) Regulations 2016.	Nature of Dower / function
1.	4(2)	To inspect the books and records of the Licensed person and may also verify genuineness of claims and complaints of customers and their settlement in any of the manners mentioned in the regulation.

S. No.	Relevant regulation of the Securities and Futures Advisers Licensing and Operations' Regulations, 2017	Nature of power/function
1	18(1)(t)	To require the securities advisor or futures adviser to submit any document, report or information as and when required by the Commission.
2	24 (1)	To require a securities adviser or futures adviser to submit periodic returns
3	24(2)	To require securities adviser or futures adviser, either generally or in a particular case or class of cases, to submit such exceptional returns as it may direct.

S. No.	Relevant regulations of Share Registrars and Balloters Regulations, 2017	Nature of power/function
1	10(1)(s)	To require the share registrars and balloters to submit the document, report or information as when required by the Commission.
2	15 (2)	To require the share registrar and balloters to maintain and preserve record as required by Regulation 15(1) for inspection and to appoint any person for such inspection (by the Commission).

S. No.	Relevant regulations of credit rating Companies Regulations, 2016	Nature of power/function
1	11(E)(a)	To requires the credit rating company to furnish documents, information or explanation relating to its affairs
2	23 (1)	To requires the credit rating company to submit period returns.

S. No.	Relevant regulations of credit rating Companies Regulations, 2016	Nature of power/function
1	16 (3) (a)	To require the Debt securities trustee to provide easy access to the record and to appoint any person for the purpose of this regulation.

S. No.	Relevant regulations Public Offering (Regulated Securities Activities Licensing) Regulations, 2017	Nature of power/function
1	11 (2) (a)	To requires the underwriters or consultant to have easy access to record and to appoint any person for the purpose of this regulation.

S. No.	Relevant regulations Public Offering Regulations, 2017	Nature of power/function
1	171 (19)	To require the Consultant to the Issue, Book Runner, Underwriter, Banker to an Issue and Issuing and Paying Agent to submit any document, report or information as and when required by the Commission;

S. No.	Relevant Clauses of Securities (Leveraged Markets and Pledging) Rules, 2011	Nature of power/function
1	7 (f)	To require the authorized intermediaries to submit to the Commission such periodic returns and other information as specified by the Commission,
2	33 (3)	To requires the Brokers to have access to the record and to appoint any person for the purpose of this regulation.

*In case, the posts of Director, Brokers' Compliance Department, Securities Market Division is vacant, or he/she is un-available or un-able to perform his/her functions, the powers and functions delegated to him/her through this notification shall stand delegated to the Commissioner (SMD).*

*This notification shall not affect anything done, order made, notification issued, show cause issued, circular made, proceeding commenced, penalty imposed and/or collected, sanction granted, approval made, fee directed or collected, direction given, investigation, inspection or inquiry conducted or any other action taken or done under or in pursuance of above referred notifications partially superseded by this notification shall be valid and under lawful authority.*

*Any pending adjudication proceedings wherein show cause notices have been issued under the partially superseded notifications prior to the commencement of this notification shall be concluded by the respective authority to whom the powers were delegated under the partially superseded notifications.*

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[File No.SY/SECP/8/13.]

BILAL RASUL,  
*Secretary to the Commission.*