

Government of Pakistan
Finance Division
(Internal Finance Wing)

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F. No. 1(7)Bkg-III/2001- 1953

Islamabad, the December 23, 2015

Mr. S.M Ali Zamin,
Secretary (Board),
National Bank of Pakistan,
Head office,
KARACHI

Subject:- AMENDMENTS IN NATIONAL BANK OF PAKISTAN BYE LAWS

Please refer to National Bank of Pakistan's letter No. HO:SBOD:4622 dated December 02, 2015 on the subject noted above. Approval of the Federal Government is hereby conveyed to the revised NBP Bye-Laws which have been finalized in consultant with all stakeholders.

2. A fair-typed copy of the revised NBP Bye-Laws is enclosed. Further necessary action may kindly be taken as per Section 32(1) of NBP Ordinance, 1949 under intimation to this Division.

Encl As above


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NOTIFICATION

S.R.O. (I)/2015.— In exercise of the powers conferred by section 32 of the National Bank of Pakistan Ordinance, 1949 (XIX of 1949), the Board of Directors of the National Bank of Pakistan, with the previous approval of the Federal Government, is pleased to make the following bye-laws, namely:-

1. **Short title and commencement.**—(1) These bye-laws may be called the National Bank of Pakistan Bye-laws, 2015.

(2) They shall come into force at once.

2. **Definitions.**— In these bye-laws unless the context otherwise requires,-

(i) “**auditor**” means the auditor of the Bank who is a chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961);

(ii) “**Bank**” means the National Bank of Pakistan;

(iii) “**Board**” means the Board of the Directors of the Bank duly constituted in accordance with section 11 of the Banks (Nationalization) Act, 1974 (XIX of 1974);

(iv) “**CDCPL**” means a central depository formed to establish and operate a system for the central handling of securities, whether listed or not on a stock exchange, whereby such securities are deposited with and held in custody by, or registered in the name of, the central depository as a nominee for the depositors and dealings in respect of such securities as are effected by means of entries in securities’ accounts without the physical delivery of scrips and shall, where the context so permits, mean and include the Central Depository Company of Pakistan Limited;

- (v) "**Commission**" means the Securities and Exchange Commission of Pakistan established under the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997);
- (vi) "**Director**" means a Director of the Board;
- (vii) "**dividend**" means the distribution of profits, including by way of bonus shares to its members;
- (viii) "**electronic**" includes electrical, digital, magnetic, optical, biometric, electro-chemical, wireless or electromagnetic technology;
- (ix) "**in person**" includes attendance at a Board Meeting or a meeting of a committee of the Board or the general meetings of the Bank, personally or by video or telephone-conference or any other mode or facility in terms permitted by the Commission;
- (x) "**member**" or "**shareholder**" or "**registered holder**" of shares or similar other expressions shall include the persons appearing on the beneficial owners report issued by CDCPL to the Bank pursuant to CDCPL's rules and regulations;
- (xi) "**month**" means the calendar month according to the Gregorian Calendar;
- (xii) "**record**" includes, in addition to a written or printed form, any disc, tape, sound track, film or other device in which sounds or other data are embodied so as to be capable (with or without the aid of some other instrument or machine) of being reproduced therefrom in audible, legible or visual form;
- (xiii) "**Register**" means the Register of all shareholders of the Bank to be kept pursuant to section 6 of the National Bank of Pakistan Ordinance, 1949 (XIX of 1949);
- (xiv) "**Seal**" means the Common Seal of the Bank;
- (xv) "**Secretary**" means the Secretary of the Board;
- (xvi) "**sign**" and "**signed**", in these Bye-laws, includes respectively, lithography, printing, facsimile or "advanced electronic signature" which is capable of establishing the

authenticity and integrity of an Electronic document, as defined under clause (m) of section 2 of the Electronic Transactions Ordinance, 2002 (LI of 2002);

(xvii) “**Special Resolution**” shall have the same meaning as assigned thereto under section 2 (1) (36) of the Companies Ordinance, 1984 (XLVII of 1984); and

(xviii) “**writing**” or “**written**” includes printing, typewriting, lithography or electronic transmission, including but not limited to, facsimile, telex and electronic mail or any other mechanical or electronic processes, or the combination of these processes, as envisaged in section 3 of the Electronic Transactions Ordinance, 2002 (LI of 2002).

3. **Allotment of share.**— The regulations contained in Table A of the First Schedule to the Companies Ordinance, 1984 (XLVII of 1984), shall, save as reproduced herein, not apply to the Bank.

4. **Power to purchase own shares or to provide financial assistance.**— Except as permitted by sections 95 and 95-A of the Companies Ordinance, 1984 (XLVII of 1984), the Bank shall not have the power to purchase its own shares or to provide financial assistance for the purpose or in connection with the purchase by any person of any shares of the Bank.

5. **Authorized capital.**— The authorised share capital of the Bank is Rupees twenty five billion rupees divided into two billion and five hundred million ordinary shares of ten rupees each.

6. **Shares to be fully paid up.**— No shares shall be offered to the public for subscription except upon the terms that the amount payable on application shall be the full amount of the nominal amount of the share.

7. **Allotment of shares.**- (1) No allotment shall be made of any share capital of the Bank unless the amount named in the relative prospectus as the minimum subscription has been subscribed and the sum payable on application thereof has been paid to and received by the Bank.

(2) No application for allotment of shares in or debentures of the Bank in pursuant of a prospectus shall be made for shares or debentures of less than such nominal amount as the Commission may, from time to time, specify either generally or in a particular case. The application shall be in the form as prescribed by the Commission.

(3) Subject to the provisions of Banks (Nationalization) Act, 1974 (XIX of 1974), National Bank of Pakistan Ordinance, 1949 (XIX of 1949), the Companies Ordinance, 1984 (XLVII of 1984) and these bye-laws, the un-issued shares of the Bank shall be under the control of the Board who may allot or otherwise dispose of the same or any of them to such persons on such terms and conditions, either at a premium or at par or, subject to the provisions of the Companies Ordinance, 1984 (XLVII of 1984), at a discount and at such other terms as the Board may deem fit.

8. Power to pay commission.— Subject to section 82 of the Companies Ordinance, 1984 (XLVII of 1984), the Bank may at any time pay a commission to any person subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Bank or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in or debentures of the Bank but so that if the commission shall be paid or payable out of the capital, the statutory conditions and requirements, if any, shall be observed and complied with and the commission shall not exceed such rate percent of the amount as may be fixed by the Commission and shall be payable in cash only. The Bank may also pay brokerage not exceeding one percent ,or at such other rates as may be prescribed by the Commission, in respect of any subscription of shares or debentures. However, the total payment, directly or indirectly, by way of commission, brokerage, discount or remuneration in any form in respect of any shares issued by the Bank shall not exceed in the aggregate two and a half percent or such other percentage as may be set out in the Banking Companies Ordinance, 1962 (LVII of 1962), of the paid- up value of said shares.

9. Share certificates and CDCPL.— No member who shall change his name or address shall be entitled to receive any dividend at the new address or in the new name or to vote in the new name, until notice of the change of name (with documentary evidence sufficient to