

REGISTERED No. M - 302
L.-7646



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, MONDAY, OCTOBER 30, 2023

PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN

AUDIT OVERSIGHT BOARD

NOTIFICATION

Islamabad, the 26th September, 2023

S. R. O. 1500(I)/2023.— In the exercise of powers conferred by Section 36Z of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), the Audit Oversight Board hereby notifies the following regulations, namely:

AUDIT OVERSIGHT BOARD (OPERATIONS) AMENDMENT REGULATIONS, 2023

I. Short title and commencement.—

- (1) These regulations shall be called the Audit Oversight Board (Operations) Amendment Regulations, 2023.
- (2) They shall come into force at once.
- (3) They shall have effect notwithstanding anything to the contrary contained in any regulations framed by the AOB or any decision of the AOB prior to the commencement of these regulations.

(3301)

Price: Rs. 6.00

[2043(2023)/Ex. Gaz.]

2. **Amendment in Regulation 4.**—In Regulation 4 of the Audit Oversight Board (Operations) Regulations, 2018 (hereinafter called the said Regulations), the following changes shall be made:

- a. In sub-regulation (2), the word “auditors” will be replaced by “auditor”.
- b. In sub-regulation (2) clause (d):
 - i. “or”, at the end of clause (i) shall be removed; and
 - ii. “; or” shall be inserted at the end of clause (ii); and
 - iii. After clause (ii), a new clause (iii) shall be inserted, as follows:

“(iii) suspended for non-filing of specified Form-A and/or non-payment of applicable annual Fee in accordance with clause (e), of Regulation 4(2)”.
- c. In sub-regulation (2), clause (e), the phrase “An authorized officer of AOB shall issue a demand notice” shall be substituted in place of the phrase “AOB shall issue demand notice”.
- d. In sub-regulation (2), clause (e), the following new proviso shall be inserted after the existing proviso, after the phrase “...accuracy and completeness of all information provided therein.”:

“Provided further that where the registered audit firm fails to file Form--A and/or fails to pay the annual Fee by the aforementioned due dates, registration of the audit firm shall be deemed suspended, and AOB or an Authorized Officer of AOB may remove the name of the audit firm from the Register with the approval of Chairman, after giving a 15 days' notice in writing to the authorized Partner of the audit firm and providing it an opportunity of hearing.”

3. **Amendment in Regulation 6A.**—In Regulation 6A of the said Regulations, all of the clauses, from (a) to (f) of sub-regulation (1) shall be omitted, and the following new clauses (a) and (b) shall be substituted in place thereof:

“(a) it shall submit an application to AOB, signed by the authorized Partner of the audit firm, as per Regulation 4(16) of these Regulations, requesting that its name be removed from the Register. Such application shall be accompanied by an undertaking, signed

by all Partners of the audit firm, stating that it does not hold the office of auditor of any PIC(s) and does not intend to carry out audit of PIC(s). Upon receipt of such application, the audit firm shall be removed from the Register; and

(b) the annual Fee shall not be applicable for the year in which the audit firm submits an application under this regulation.”

4. **Amendment in Regulation 8.**—For Regulation 8 of the said Regulations, the following sub-regulations (1) to (7) shall be substituted:

“8. Redressal of Grievance.—

- (1) Any person aggrieved by a decision or order of AOB or an Authorized Officer of AOB under Section 36T and 36CC of the Act read with Regulations 4, 6, and 18, may file a representation with the Chairman within thirty (30) days of such decision or order:

Provided that the Chairman may condone the delay upon an application filed to entertain the representation after the expiry of thirty (30) days if the Chairman is satisfied that there was sufficient cause for not filing it within the said period.

- (2) The Chairman, or any member AOB authorized by the Chairman, or a Committee constituted by the Chairman comprising of member(s) AOB and such other person(s) as deemed fit, may examine the representation and if deemed necessary, may seek expert opinion, direct any officer of AOB or any other person to conduct inquiry or inspection and shall decide the matter:

Provided that, depending on the circumstances, other person(s) for the purposes of the Committee may include an eminent retired judge of the High Court, an advocate, or a Chartered Accountant having a minimum of fifteen years of experience in their respective fields.

- (3) The aggrieved person shall withdraw the appeal pending before any court of law or an appellate authority after the constitution of the Committee under this regulation:

Provided that no proceedings under this regulation shall commence unless a certified copy of the order of withdrawal of pending appeal is submitted to the Chairman.

- (4) The Chairman shall act as the convenor of the Committee. In case the Chairman is not part of the Committee, member AOB authorized by the Chairman shall act as the convenor of the Committee.
- (5) No representation shall be admissible against-
 - (a) an administrative direction given by an employee of AOB;
 - (b) decision made by AOB or an employee of AOB to commence proceedings; and
 - (c) an interim order that does not dispose of the entire matter.
- (6) The decision of the Committee shall be based on the majority. In case of a difference of opinion among the members of the Committee, the opinion of the majority members present shall prevail, and the decision of the Committee shall be expressed in terms of the views of the majority. Any member dissenting from the majority view may record his reasons separately. If members are evenly divided in their opinions, the convenor shall have a second or casting vote.
- (7) Member(s) AOB shall be paid the applicable meeting fee and other members of the Committee shall be paid a fee and other expenses, as may be determined by AOB.

FALAK RAJA,
Secretary.