

AVAILABILITY OF NAME GUIDE



SECP

Published by Registration Department

Securities and Exchange Commission of Pakistan

NIC Building, Jinnah Avenue, Islamabad, Pakistan

Ph. No.: 051-9207091-4, Fax: 051-9204915

Website: www.secp.gov.pk e-mail: enquiries@secp.gov.pk

Table of Contents

Page #

Introduction **3**

Chapters

- | | | |
|-----------|------------------------------------------------------------------------|--------------|
| 1. | Guidelines for selection of a name | 4 - 5 |
| 2. | Prior approval of Commission required for certain company names | 5-12 |
| 3. | Name Search Facility on web-site | 12 |
| 4. | Application Procedure and Fee | 12-16 |
| 5. | Application against refusal of a name | 16 |
| 6. | Further Information | 16-19 |

Introduction

Company is a legal entity formed by a person or association of persons for lawful business activities registered under the Companies Ordinance, 1984 (the 'Ordinance').

The first step towards incorporation of a company is to seek the "availability of name" for the proposed company from the concerned registrar of companies. Although, it sounds simple enough, but there are certain prohibitions and restrictions, the applicant has to look into while choosing a name for a company. In this regard, it must be ensured that the name chosen for the proposed company is neither inappropriate, deceptive or designed to exploit or offend the religious susceptibilities of the people, nor identical or closely resembling with the name of an existing company.

This guide is intended for those persons who are desirous of forming a company and to help them in understanding the process of choosing an appropriate name for their company in order to save time and efforts for registering a company. (To know about the procedure of incorporation of a company, please read "Promoters Guide" available in English, Urdu, Arabic and Chinese languages).

Chapter - 1

Guidelines for selection of a name

Section 37 of the Ordinance provides that:

- the proposed name should not be inappropriate, deceptive, or designed to exploit or offend the religious susceptibilities of the people;
- the proposed company name shall not be identical or have close resemblance. It must be distinguishable from the names of existing companies, and any name that has already been reserved by the Registrar for registration of a company.

Following guideline must be kept in mind to avoid applying for identical names:

- A name is not distinguishable by differences in punctuation or capital words, or the presence or absence of articles, conjunctions or prepositions as symbols or words (including "the," "THE", "a," "A", "and," "of," "in", "at", "Al", "New", "Modern").
- A word in the plural form will be regarded as being identical to a word in the singular form and vice versa. For example 'industry' and 'industries' would be regarded as being identical;
- Also, names which have close phonic resemblance with the name of existing companies are not distinguishable.

It is in the interest of promoters of a company to ensure that the name selected for their company should portray true inculcate of their business and have difference with any other name on the register. This will reduce the risk of confusion and the following potential difficulties like:

- Objections to the company name.
- Confusion with other companies with a poor trading record.
- Litigation in civil law.

Important Note Regarding Spellings of Proposed Names

It is pertinent to mention here that the application for availability of name will be considered only if the spelling of proposed name is according to dictionary. Any deviation in dictionary spellings will not be accepted and the name will be rejected. e.g., Imerica for America, carachi for Karachi, etc.

Chapter – 2

Prior approval of Commission required for certain company names

There are certain words and expressions which if used in a company name may imply business pre-eminence, a particular status or specific function. These words are generally allowed on producing sufficient justification by the promoters so as to ensure that public may not mislead with the name. These include names which contain any words suggesting or calculated to suggest:

- patronage of any past or present Pakistani or Foreign Head of State.
- any connection with the Federal Government or Provincial Government or any department or authority of any such Government.
- any connection with any corporation setup by or under any Federal or Provincial law; or
- patronage of or any connection with any Foreign Government or any International organization.

Guideline on prohibitions of certain types of words in a company name, are given below:

Association

This word may be included in the name of companies to be established on grant of license by the Commission under section 42 of Ordinance or which are established as a Trade Organization under Trade Organizations Ordinance, 2007.

Benevolent/ Foundation

These words may be included in the name of companies to be established on grant of license by the Commission under section 42 of Ordinance.

Society

This word may be included in the name of companies if proper justification is provided

Fund

This word may be allowed in the name of company if the company will function as Non-Banking Financial Company under the license of Specialized Companies Division of the Commission or to public sector company on grant of license by the Commission under section 42 of the Ordinance.

Council

This word may be included in the name of companies to be established on grant of license by the Commission under section 42 of Ordinance. Moreover, this expression is also allowed to Sports Association and Professional Bodies.

Chamber of Commerce

This word may be included in the name of entities which are being formed as Trade Bodies under license under Trade Organization Ordinance, 2007, from Director General Trade Organization, Ministry of Commerce Government of Pakistan.

Authority/ Register/ Registered/ Co-operative/ Bureau/ Division

These words are not allowed

Trust

This word may be included in the name of REITs to be established on grant of license by the Specialized Companies Division of the Commission.

**Assurance/ Assurer/ Insurance/ Insurer/ Re-Assurance/
Re-Assurer/ Re-Insurance/ Re-Insurer**

These words may be included in the name of companies involved in Insurance, Assurance, Re-insurance and Re-assurance business. Prior permission of Insurance Division of the Commission would be required at the time of Incorporation.

Board

This word may be included in the name of companies desirous to engage in the business of Paper &/or Board or to public sector companies.

Bahria/ Askari/ Fouji/ Fazaiya/ Cadet

This word may be included in the name of companies to be established by the relevant agency.

Banks/Banking Company

These words may be included in the name of companies on the basis of permission from State Bank of Pakistan under section 8 of the Banking Companies Ordinance, 1962 and section 5(1) of Microfinance Institutions Ordinance, 2001.

Charter/Chartered

These words may be included in the name of companies having charter from the sovereign authority of the Federation and the Province

Exchange/Bourse

These words are only allowed in the name of Stock Exchange, Commodity Exchange and Exchange Companies subject to NOC from relevant authority.

Familiar Trade Names

These words may be included in the name of companies only if NOC of familiar trade name user is provided or proper documentary evidence of ownership/use of trade name is furnished by the applicant

Famous/ Distinct Personalities

These words may be included in the name of companies if proper justification and approval of relevant authority is provided.

Federation

This word may be included in the name of Sports Federations licensed under section 42 of Ordinance or trade bodies under Trade Organizations Ordinance, 2007.

Federal

This word is allowed in the name of company with the approval of the Commission, if the proposed company has a connection or any patronage with Federal Government.

Group

This word may be included in the name of companies if use of this word implies several companies under single corporate ownership and applicants have to provide evidence of

subsidiary/associate relationship with two or more other Pakistani Companies.

Holding

This word may be included in the name of company which establishes that it qualifies to be a holding company as defined in Section 3 of the Ordinance i.e. the company has object clause showing its intention to act as holding company after incorporation.

Institution

This word may be included in the name of the public sector companies

Investment

This word may be included in the name of Non-Banking Finance Companies, REITs and brokerage houses or any public sector financial institution or investment company.

Investment Finance, Investment Advisory, Leasing, Asset Management, Housing Finance

This word may be included in the name of Non-Banking Finance Companies.

Name of Company containing country name or nationality other than Pakistan

These names are not allowed unless sufficient justification is provided.

Name of Company containing name of two countries i.e. Pakistan/Pak and any other foreign company

These words may be included in the name of companies where documentary evidence is provided in support of the fact that the company is a Joint Venture of two Governments or companies of two countries.

New/Modern/The/Al

These words may be included in the name of companies. However, these expressions will not be acceptable if used to make proposed company as distinctive from already existing companies.

Patronage of past or present, Pakistani or Foreign, Head of State/ any connection with Federal or Provincial Government, Department or authority/any connection with corporation set up by or under Federal/Provisional Law/ the patronage of, or any connection with, any Foreign Government or any International Organization

These words may be included in the name of companies with the approval of the Commission provided sufficient justification is furnished.

State

This word may be included in the name of companies formed by the Federal Government

University

This word may be allowed only in the name of University Management Company for the management of University in terms of guidelines of Higher Education Commission.

UNO, World BANK, IMF, Red Cross, Red Crescent
These words are not allowed

Chapter - 3

Name Search Facility on web-site

For the facilitation of general public and promoters desirous of forming a company, the Commission has provided a name search facility on eServices portal at <https://eservices.secp.gov.pk/eServices/NameSearch.jsp>.

Any person can check the availability of a proposed company name i.e., whether the company name is available for registration or otherwise by simply searching the desired name through the facility, before actually applying for a company name.

It may be noted that a company name search for checking the availability of a proposed company name on the website does not necessarily mean that the proposed name is available for registration. Registrar examines and dispose off each request in accordance with law and may reject such a proposed name, if found in violation of Section 37 of the Ordinance

Chapter - 4

Application Procedure and Fee

There are two methods for the submission of application for seeking confirmation of availability of name:-

1. THROUGH ELECTRONIC MODE/ ONLINE:

eServices by Securities and Exchange Commission of Pakistan (the Commission) has enabled the promoters of a company to seek company name availability online, using the eServices Portal, without visiting the Company Registration Office (CRO). Application fee for the availability of name through online is Rs. 200/- only, cheaper than through offline, which is Rs.500/-.

For this purpose, an applicant has to follow certain steps in order to reserve a desired name for the proposed company. The steps are;

Log on to eServices:

The client will connect to, <https://eservices.secp.gov.pk/eServices>, for signup. Click on *sign up* button to open the Form. Fill in the required information and click on *sign up* button to submit the Form.

User will receive an e-mail containing the user activation link. By clicking on the link, user account will be activated.

Enter Information

A successful logon to eServices by entering user ID and password, and clicking login button, will make available Company Name Reservation process. User will click on the Company Name Reservation process. An input page is displayed, wherein the information will be entered by the user. After clicking the 'Continue' button, the process

document listing page is displayed, containing the following links:

a. Update Form(s) Data:

Click link if you want to update the data.

b. View Company Name Reservation Form:

Click link and view the automatically filled eForm based on your input.

c. Fill New Attachment Form:

Click link and an attachment form window will be displayed. Attach document, if any, and click Save Form Button. Please note that only PDF files are allowed for attachment. Process document listing page will be displayed.

d. Fill New Bank Challan Form:

Click link and auto filled bank challan will be displayed. Click Print Form Button. Four copies will automatically be printed as original copy, bank copy, SECP copy and depositor copy. After printing, Click Save Form Button. The fee shall be deposited in the Bank branch selected by the applicant from the designated branches of MCB Bank Limited. The bank shall retain the SECP and bank copies and return remaining two copies (original and depositor copy) to the depositor.

Submit the process:

After saving the Bank Challan, Process document listing page will be displayed. Click on Start Process link. All the documents will be automatically submitted to the SECP. The

process of the SECP will be initiated as soon as the SECP receives the verification of deposit of fee from the Bank.

For more information about the eServices, please visit the website at <https://eservices.secp.gov.pk/eServices/>

2. MANUAL SUBMISSION OF APPLICATION

For this purpose, application can be made on a plain paper addressed to the registrar concerned. A specimen of application for seeking availability of name is appended below.

The application fee for the availability of name is Rs. 500/- for each proposed name. The fee can be paid in the designated branches of MCB Bank Limited through Challan Form which is available "Free of Cost" at the "Facilitation Counters" of the CROs and branches of MCB Bank Limited.

The _____ Registrar of Companies
Company Registration Office

Subject: Application seeking confirmation of Availability of a Name – (Proposed).

Dear Sir,

It is submitted that we want to incorporate a company with the name and style as “ _____Name of the company (Proposed).” under the Companies Ordinance, 1984. A copy of the Original Challan of Rs.----- deposited in MCB Bank Limited, _____Name of City on account of necessary fee for Availability of the proposed name is enclosed.

It is requested that the requisite availability of name certificate may be issued at the earliest.

Yours truly,

Name & Complete Address

On acceptance of application (for a company’s name reservation), the name is reserved for a period of 90 days, further extendable upto the same period on receipt of fresh application.

Confirmation of availability or non-availability of name is instantly sent on the e-mail address (if provided by the company). Simultaneously, letter is also dispatched on the postal address.

Application against refusal of a name

If application for the availability of a proposed company name is refused by the concerned registrar for any reason and the applicant feel aggrieved by his decision, he can file an application for review of the said decision with the Registration Department.

The application for review must be supported by reasons for review of the decision and should be accompanied by the following documents:

- Deposited bank Challan for application fee of Rs. 500/-
- Copy of decision letter by concerned Registrar.
- Affidavit.

Further Information

The Commission is publishing a series of its Guides. These Guides briefly describe procedures of important matters relating to the Ordinance and the rules and regulations made thereunder.

Statutory forms and guidance booklets are available, free of charge from the Commission Headquarters and the following Companies Registration Offices. The quickest way to get these is through our website, <http://www.secp.gov.pk/>.

1. Company Registration Office,
State Life Building, 7-Blue Area, Islamabad
Phone: 051-9208740, Fax 051-9208740
Email: croislamabad@secp.gov.pk
2. Company Registration Office,
4th Floor, SLIC Building No.2, Karachi.
Phone: 021-99213272, Fax 021-9213278
Email: crokarachi@secp.gov.pk
3. Company Registration Office,
3rd & 4th Floors, Associated House,
7-Egerton Road, Lahore.
Phone: 042- 9200274, Fax 042-9202044
Email: crolahore@secp.gov.pk
4. Company Registration Office,
63-A, Nawa-i-Waqt Building, Abdali Road, Multan.
Phone: 061-9200530 Fax 061-9200530
Email: cromultan@secp.gov.pk
5. Company Registration Office,
356-A, Al-Jamil Plaza,
1st Floor, Peoples Colony, Small D Ground, Faisalabad.
Phone: 041-9220284 Fax: 9220284
Email: crofsb@secp.gov.pk
6. Company Registration Office,
1st Floor, State Life Building,
The Mall, Peshawar Cantt.
Phone: 091-9213178, Fax 091-9213178
Email: cropeshawar@secp.gov.pk
7. Company Registration Office,
382/3, (IDBP House), Shahrah-e-Hali, Quetta Cantt.
Ph: 081-2844136
Email: croqta@qta.paknet.com.pk

8. Company Registration Office,
House # 28, Hamdard Housing Society,
Airport Road, Sukkur.
Ph: 071-5630517
Email: croskr@hotmail.com

PUBLIC CONSULTATION

If you have any suggestions for the development in the legal framework or otherwise, please let us know about your opinion/comments on the following address:

Executive Director (Registration),
Securities and Exchange Commission of Pakistan,
NIC building, Jinnah Avenue, Blue Area,
Islamabad, Pakistan.

Comments can also be sent via electronic mail at the following address:

headquarters@secp.gov.pk

DISCLAIMER

The booklet has been published with the intention to create an awareness of the concept of the relevant matters. However, the booklet does not tell everything and the opinions or legal interpretations, contained in the booklet are circumstantial and may vary under different situations. If the reader is in doubt or dealing with any specific condition, it is recommended to refer to the Ordinance and allied laws and consult an adviser for seeking professional advice.