



# **THE PAKISTAN INSURANCE CORPORATION (RE-ORGANIZATION) ORDINANCE, 2000**



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# THE PAKISTAN INSURANCE CORPORATION (RE-ORGANIZATION) ORDINANCE, 2000

## ORDINANCE No. XXXVI OF 2000

[11th August, 2000]

*An Ordinance to provide for conversion of the Pakistan Insurance Corporation into Pakistan Reinsurance Company Limited*

WHEREAS, it is expedient to provide for conversion of the Pakistan Insurance Corporation into a public limited company for incorporation under the Companies Ordinance, 1984. (XLVII of 1984).

AND WHEREAS the National Assembly and the Senate stand suspended in pursuance of the Proclamation of emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No. 1 of 1999;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and Provisional Constitution Order No. 1 of 1999, as well as Order No. 9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:—

**1. Short title, extent and commencement.**—(1) This Ordinance may be called the Pakistan Insurance Corporation (Re-Organization) Ordinance, 2000.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

**2. Definitions.**—(1) In this Ordinance, unless there is anything repugnant in the subject or context,—

- (a) "Company" means the Pakistan Reinsurance Company Limited incorporated under the Companies Ordinance, 1984; ([XLVII of 1984](#))
  - (b) "Corporation" means the Pakistan Insurance Corporation established under the Pakistan Insurance Corporation Act, 1952; ([XXXVIII of 1952](#))
  - (c) "effective date" means the date on which property, rights and liabilities of the Corporation are vested in the Company under section 3; and
  - (d) "shareholder" means a person holding shares in the Corporation immediately before the effective date.
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**3. Vesting of the rights, property and liabilities of the Corporation in the Company.** —(1) As soon as may be after the commencement of this Ordinance the Federal Government may, by order, published in the official Gazette, direct that as and from such date, as may be specified in the order by the Federal Government, all or any property, rights and liabilities to which the Corporation was entitled or subject, immediately before such orders, and identified therein, shall, on such terms and conditions as the Federal Government may determine, vest in the Company and become the property, rights and liabilities of the Company

(2) An order issued under sub-section (1) shall—

- (a) provide for all such matters consequential and incidental to the matters provided for in sub-section (1) as the Federal Government may consider necessary or expedient; and
- (b) specify the employees of the Corporation who shall, as from the effective date, be transferred to, and become employees of, the Company referred to in the order:

Provided that such order shall not vary the terms and conditions of service of such employees to their disadvantage.

(3) An order issued under sub-section (1) in favour of the Company shall also provide for—

- (a) the continuation by the Company of the operations and undertaking of the Corporation on the same basis as were carried on immediately prior to the date of the order;
- (b) the dissolution of the Corporation from the effective date;
- (c) the applicability and extent of the regulations made under the Pakistan Insurance Corporation Act, 1952 ([XXXVIII of 1952](#)) to the Company from the effective date; and
- (d) the requirement or otherwise of registration of the Company under the Insurance Ordinance, 2000, or any other law for the time being in force relating to registration of insurance companies in Pakistan.

(4) In consideration of the vesting in the Company of the property of the Corporation, the Company shall issue fully paid ordinary shares, to each shareholder in such numbers as shall result in each shareholder having the same proportionate voting rights in the Company as he enjoyed in the Corporation immediately before the effective date:

Provided that at the option of a shareholder exercised in writing to the Federal Government not later than thirty days from the effective date, the Federal Government shall pay the shareholder an amount equal to the principal of the shares in the Corporation held by that shareholder, and in such a case the shares in the Corporation shall be surrendered to the Federal Government and the shares in the Company which would, but for the operation of this proviso, have been issued to that shareholder shall instead be issued in the name of the President of Islamic Republic of Pakistan.