

**GOVERNMENT OF PAKISTAN  
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Islamabad, the 5<sup>th</sup> August, 2016

**NOTIFICATION**

S.R.O. **730** (I)/2016.– In exercise of the powers conferred by section 95A read with sub-section (1) of section 506A of the Companies Ordinance, 1984 (XLVII of 1984) and having been previously published in the official Gazette vide Notification No. S.R.O.18(I)/2016 dated January 5, 2016 as required by sub-section (1) of section 506A of the said Ordinance, the Securities and Exchange Commission of Pakistan hereby makes the following regulations, namely:-

**CHAPTER I**

**PRELIMINARY**

1. **Short title, commencement and applicability.**– (1) These regulations shall be called the Listed Companies (Buy-Back of Shares) Regulations, 2016.
  - (2) These regulations shall come into force at once.
  - (3) These regulations shall be applicable to buy-back of shares of companies listed on the securities exchange, in pursuance of section 95A of the Ordinance.
2. **Definitions.**– (1) In these regulations, unless there is anything repugnant in the subject or context:
  - (a) “Designated CDC Account” means the investor account opened with the central depository in the name of the manager to the purchase for the purpose of the purchase under regulation 4, 5 and 6 of these regulations. Name of the purchasing company shall be suffix to the title of such investor account;
  - (b) “Inside Information” has the same meaning as assigned to it under section 129 of the Securities Act;
  - (c) “Manager to the Purchase” means a securities broker licensed by the Commission under the Securities Act and appointed by the purchasing company as its agent for the purchase in accordance with these regulations;
  - (d) “Offer Letter” means the letter containing an offer for the purchase, on the format prescribed in **Schedule I** and includes, purchase through tender offer and purchase through securities exchange;
  - (e) “Ordinance” means the Companies Ordinance, 1984 (XLVII of 1984);
  - (f) “Public Announcement” means announcement of the purchase on the format prescribed in **Schedule II**;

- (g) "Purchase" means buy-back by a purchasing company of its own shares under section 95A of the Ordinance and these regulations;
  - (h) "Purchasing Company" means a listed company that buys its own shares under section 95A of the Ordinance and these regulations;
  - (i) "Purchase Period" means the time period specified in sub-regulation (1) of regulation 7 of these regulations within which the purchase is to be made;
  - (j) "Schedule" means schedule annexed to these regulations;
  - (k) "Securities Act" means the Securities Act, 2015 (III of 2015);
  - (l) "Share Tender Form" means the application form, for tendering of shares by the shareholders to the manager to the purchase, on the format as prescribed in Schedule III;
  - (m) "Tender Offer" means an offer to the shareholders by the purchasing company for buy-back of its shares, and
  - (n) "Treasury Shares" means the shares purchased and held by the purchasing company in its own name in accordance with section 95A of the Ordinance and these regulations.
- (2) All other words and expressions used but not defined in these regulations shall have the same meanings as are assigned to them in the Ordinance, the Securities Act and the Securities and Exchange Commission of Pakistan Act, 1997.

## CHAPTER II

### ELIGIBILITY FOR PURCHASE

3. Eligibility Requirements for the Purchase.- (1) A company shall be eligible to purchase if it fulfils the following conditions, namely:-
- (a) it is listed on the securities exchange for a period of not less than two (2) years;
  - (b) it is included in the list of margin eligible securities for the last one year issued by the clearing house;
  - (c) it has paid-up capital of not less than two hundred million rupees after the purchase;
  - (d) it is compliant with the minimum capital or equity requirements, if any, after the purchase;
  - (e) it is compliant with the minimum free float requirement of the securities exchange, after the purchase and has obtained a certificate from the securities exchange to this effect;
  - (f) it has obtained approval of its members for purchase through special resolution;
  - (g) it has obtained a certificate from the statutory auditors certifying therein that

the funds specified for the purchase by the board of directors of the purchasing company are available;

- (h) it has obtained no objection from its creditors; and
  - (i) it shall disclose all the price sensitive information on a full and prompt basis and submit to the Commission, an undertaking on non-judicial stamp paper, to this effect.
- (2) The board of directors of a company shall not propose or recommend a purchase:
- (a) in any of the following cases, namely:-
    - (i) voluntary winding up is commenced;
    - (ii) winding up proceedings commenced by the Commission or the registrar;
    - (iii) inquiry or investigation is commenced and not yet concluded against the purchasing company in any matter by the Commission or any other regulatory body or any investigating agency;
    - (iv) proceedings related to oppression, mismanagement or change of management are initiated by the Commission or any other regulatory body and yet not concluded;
    - (v) a scheme of arrangement, compromise, reconstruction, merger, de-merger is in process;
    - (vi) a public offer for acquisition of shares of the purchasing company under the Securities Act is commenced; and
  - (b) before the expiry of three months from the date of an earlier general meeting in which the purchase was disapproved by the members.

#### **4. The Purchase Procedure.-**

- (1) The general meeting in which the special resolution is to be passed shall be held not later than five (5) weeks of the date of the meeting of the board of directors in which the purchase is recommended.
- (2) The purchasing company shall make a public announcement within two (02) working days of passing of the special resolution.
- (3) The purchasing company shall, before making the public announcement, appoint a manager to the purchase in accordance with clause (c) of regulation 10 of these regulations.
- (4) The purchasing company shall, within five (05) days of the public announcement, dispatch through registered mail or courier or any other mode of communication approved by the Commission, to all its members including custodian of depository receipts and other securities convertible into the shares being purchased, if any, whose names appear on the register of members:
  - (a) the offer letter;
  - (b) a copy of the public announcement; and

(c) in case of a tender offer, the share tender form.

**5. Purchase Procedure for Tender Offer.-** Where the purchase is made through a tender offer to the shareholders, the following procedure shall be followed in addition to the procedure provided in regulation 4, namely, -

- (1) the purchasing company shall, before making the public announcement, open an escrow account with a scheduled bank;
- (2) the purchasing company shall deposit the following amount of cash in the escrow account for making payments against the purchase,
  - (a) in case the total consideration payable for the purchase is up to Rs.100 million, twenty five percent (25%) of the consideration payable; and
  - (b) in case the total consideration payable for the purchase is above Rs.100 million, twenty five percent (25%) for Rs.100 million and a further ten percent (10%) of the remaining consideration payable:

Provided that where the purchasing company arranges an unconditional and irrevocable bank guarantee from an A+ rated scheduled bank in favour of the manager to the purchase in lieu of the amount specified in sub-clauses (i) or (ii), it shall not be required to deposit the money in the escrow account;

- (3) the remaining or where a bank guarantee has been arranged, the entire consideration shall be deposited by the purchasing company in the escrow account at least three (3) working days before the close of the purchase period;
- (4) the purchasing company shall open a designated CDC account;
- (5) shares tendered for sale in physical form shall not be accepted for the purchase;
- (6) the shares shall be tendered through the share tender form to the manager to the purchase before the closing of the purchase period;
- (7) within five (5) days of the closing of the purchase period, the manager to the purchase shall prepare a list containing names of all those shareholders who have tendered shares for sale, the number of shares tendered and the number of shares accepted by the purchasing company for the purchase from each shareholder;
- (8) where the shares tendered for sale by shareholders exceed the number of shares announced to be purchased, the following procedure shall be adopted;
  - (i) If all applications for up to 500 shares can be accommodated, then all such applications shall be accommodated first. If all applications for 500 shares cannot be accommodated, then balloting will be conducted among applications for 500 shares only.
  - (ii) If all applications for up to 500 shares have been accommodated and shares are still available for Purchase, then all applications for upto 1,000 shares shall be accommodated. If all applications for upto 1,000

shares cannot be accommodated, then balloting will be conducted among applications for upto 1,000 shares only.

- (iii) If all applications for up to 500 shares and 1,000 shares have been accommodated and shares are still available for purchase, then all applications for upto 1,500 shares shall be accommodated. If all applications for upto 1,500 shares cannot be accommodated, then balloting will be conducted among applications for upto 1,500 shares only.
  - (iv) If all applications for up to 500 shares, 1,000 shares and 1,500 shares have been accommodated and shares are still available for purchase, then all applications for upto 2,000 shares shall be accommodated. If all applications for upto 2,000 shares cannot be accommodated, then balloting will be conducted among applications for upto 2,000 shares.
  - (v) After the purchase in the above mentioned manner, the balance shares, if any, shall be purchased on prorata basis from all the shareholders who have tendered more than 2000 shares.
- (9) where the shares tendered for sale by a shareholder are less than the minimum marketable lot, the entire lot so tendered shall be accepted and shall not be included in the pro-rata calculation;
  - (10) the payment for accepted shares shall be made by the manager to the purchase through a bank draft or pay order out of the escrow account not later than seven days of the closing of the purchase period; and
  - (11) the unaccepted shares, if any, shall be returned within seven days of the closing of the purchase period.

**6. Purchase through securities exchange.-** Where the purchase is made through securities exchange-

- (1) the following procedure shall be followed in addition to the purchase procedure provided in regulation 4, namely, -
  - (a) the purchase shall be made through the automated trading system of the securities exchange;
  - (b) bid(s) for the purchase shall not be made during the first half hour and the last half hour of each trading session;
  - (c) at the end of each trading day on which the purchase is made, the executed transactions shall be reported to the purchasing company by the manager to the purchase; and
  - (d) the purchasing company shall deposit the consideration payable in the clearing bank account of the manager to the purchase at least one (1) day before the settlement date.

(2) the bid(s) for the purchase shall be made in accordance with the purchase price; and

**7. Purchase Period.-** (1) The purchase period,-

(a) in case of purchase through tender offer, shall be a period of thirty (30) days commencing from the date of dispatch of the offer letter; and

(b) in case of purchase through the securities exchange, shall be a period of one hundred and eighty (180) calendar days commencing from the date of dispatch of the offer letter; or till such date that the purchase is completed or approved allocated funds are utilized, whichever is earlier.

(2) The purchase period shall not be extended.

**8. Purchase Price.-** The purchase price:

(a) in case of purchase through tender offer, shall be the price as recommended by the board of directors and approved by the members through special resolution;

Provided that it shall not be less than the thirty days weighted average price of the share; and

(b) in case of purchase through the securities exchange, shall not be more than five percent (5%) above the weighted average market price of the share of the purchasing company for the last ninety (90) days immediately prior to the date on which the shares are purchased;

**9. Maximum holding of Treasury Shares.-** (1) Treasury shares shall not at any time exceed ten percent (10%) of the total paid up share capital of the purchasing company.

(2) Where the purchasing company has different classes of shares, the treasury shares for any class of shares shall not at any time exceed ten percent (10%) of total issued and paid up shares of such class of shares.

(3) The treasury shares shall be held in the name of the purchasing company in a CDC Blocked Account

(4) The treasury shares shall not be used for taking any fund based or non-fund based exposure including pledging, guaranteeing, etc. by the purchasing company or any other person.

(5) Any shares allotted as fully paid bonus shares in respect of the treasury shares, shall be treated as treasury shares for the purposes of these regulations and shall be held in the name of the company in CDC Blocked Account.

(6) Treasury shares shall not be entitled to any right issue or voting rights.

## CHAPTER III

### OBLIGATIONS AND RESTRICTIONS

10. **Obligations of the Purchasing company.-** The purchasing company shall-
- (a) communicate to the Commission and the securities exchange, the decision of the board of directors regarding recommendation of the purchase on the day the decision is made;
  - (b) make public announcement on the format specified in **Schedule II** and publish it in at least two daily newspapers, one each in Urdu and English languages having nationwide circulation at least seven days before the commencement of the purchase period;
  - (c) appoint a manager to the purchase under an agreement explicitly stating the role and responsibilities of both the parties to the agreement in accordance with the provisions of these regulations;
  - (d) appoint an officer, well conversant with the purchase, as the contact person who shall be responsible for complaints lodged and queries made regarding the purchase;
  - (e) cancel the shares within ten (10) days of the closing of the purchase period where the purchase is made for the purpose of cancellation;
  - (f) within three days of the board meeting wherein the purchase decision is recommended, submit, electronically or manually, to the securities exchange, the minutes of the meeting and also provide the following documents:
    - (i) latest publicly available accounts and the audited accounts of the purchasing company for the last financial year;
    - (ii) except where the purchasing company is a financial institution, current ratio of the purchasing company calculated on the basis of its audited accounts for the last financial year and latest publicly available accounts and calculations thereof;
    - (iii) auditor's certificate as required under regulation 3(1) of these regulations;
    - (iv) declaration of solvency ; and
    - (v) an undertaking by the purchasing company that it meets all the conditions for the purchase laid down in the regulations.
  - (g) submit to the Commission a statement containing all material facts required under the Ordinance, including the following along with the notice of general meeting in which the purchase is to be considered for the approval of members, namely:
    - (i) purpose of the purchase (i.e. cancellation or retention as treasury shares);
    - (ii) justification for the purchase and the purchase price;

- (iii) total number of issued shares;
  - (iv) quantum of the purchase, both in terms of number of shares to be purchased and as a percentage of issued shares;
  - (v) the price at which the shares will be purchased, in case of tender offer;
  - (vi) mode of the purchase i.e. purchase through tender offer or through the securities exchange;
  - (vii) the purchase period;
  - (viii) funds allocated for the purchase;
  - (ix) source of funds for the purchase;
  - (x) effect of the purchase on the balance sheet of the purchasing company;
  - (xi) nature and extent of the interest in the purchase, if any, of every director, whether directly or indirectly; and
  - (xii) risks and benefits of the proposed purchase to the purchasing company and its members;
- (h) submit to the Commission, the securities exchange and depository company, a copy of the special resolution authorizing the purchasing company to purchase within fifteen days of the general meeting in which it is passed and such resolution shall specify the exact number and percentage of shares to be purchased, mode of the purchase, allocated funds and the purchase period;
- (i) submit to the Commission and the securities exchange, the published copies of the public announcement within two (2) days of its publication;
- (j) submit to the Commission and the securities exchange an undertaking duly signed by all the directors, including the chief executive officer, stating that:
- (i) the public announcement has been seen and approved by us;
  - (ii) the information provided in the public announcement is true and accurate to the best of our knowledge and belief; and
  - (iii) we individually and collectively accept full responsibility for the accuracy of the information given and confirm that no facts have been concealed.
- (k) intimate to the Commission and the securities exchange on the day of the closing of the purchase period, the number of shares purchased, and advertise the same within two (02) days of the closure of purchase period in same newspapers in which the public announcement was published;
- (l) comply with the International Financial Reporting Standards relating to the treasury shares;
- (m) comply with all legal and procedural requirements relating to cancellation of shares in case the purchase is for the purpose of cancellation of shares;



- (n) disclose in its annual report, detail of the shares purchased and detail of the treasury shares disposed of and such disclosures shall contain at least the number of shares purchased or sold and the price of the purchase or sale; and
- (o) file with the registrar concerned within thirty (30) days of the closing of the purchase period the following documents:
  - (i) copy of the board of directors resolution regarding the purchase;
  - (ii) copy of the special resolution authorizing the purchase;
  - (iii) copy of the notice of the general meeting in which the special resolution was passed;
  - (iv) copy of the declaration of solvency; and
  - (v) copy of the public announcement.
- (p) report to the securities exchange the number of shares purchased on daily basis for public dissemination.

**11. Restriction on the purchasing company.-** The purchasing company shall not:

- (a) apply for voluntary delisting or voluntary winding up within a period of twelve (12) months of the close of the purchase period;
- (b) engage in the sale of the already held treasury shares through the securities exchange;
  - (i) during the purchase period and during the two trading days immediately after the closing of the purchase period; and
  - (ii) during the period it is in possession of price sensitive information.
- (c) save as provided in regulation 12, withdraw, cancel or postpone the purchase once announced;
- (d) make a purchase before the expiry of twelve months from the last date of subscription by shareholders in respect of any further issue of capital.
- (e) make a new purchase before the expiry of at-least one year from the date of submission of the final report of the previous purchase to the Commission by the manager to the purchase.

Explanation: For the purposes of sub-regulation (d) and (e), the purchase or the new purchase shall be deemed to commence from the date of general meeting of the purchasing company wherein the purchase is approved.

**12. Restriction on directors, etc.-** (1) Except where the recommendation for the purchase is not approved by the members in the general meeting, the recommendation for the purchase by the board of directors or the public announcement made by the purchasing company shall not be withdrawn.

(2) The directors, officers, associated companies and undertakings, shareholders holding ten (10) percent or more of the voting shares of the purchasing company, manager to the purchase shall not disclose inside information about the purchase to any person and shall not misuse their positions to gain any benefit for themselves directly or indirectly or for any other person.

(3) The directors, officers, associated companies and undertakings, shareholders holding more than ten (10) percent of the voting shares of the purchasing company shall not directly or indirectly trade in shares of the purchasing company during the period from the date of meeting of the board of directors in which the purchase is recommended till the commencement of the purchase period.

**13. Manager to the Purchase.-** (1) The manager to the purchase shall not be an associated company or undertaking of the purchasing company.

**14. Obligations of the Manger to the Purchase.-** (1) The manager to the purchase shall:

- (a) at all times ensure that the purchasing company is in compliance with the provisions of section 95A of the Ordinance and these regulations and shall inform the Commission of any non-compliance immediately;
- (b) acknowledge the receipts of shares tendered for sale and hold the same in safe custody;
- (c) accept shares tendered for sale in accordance with these regulations;
- (d) make payment against the shares accepted within the time period specified under regulation 5(10);
- (e) return, in case of withdrawal of the offer for the Purchase, all shares tendered for sale in the manner as provided under regulation 5(11);
- (f) submit a final report on the purchase to the Commission and the securities exchange, within fifteen days of the closing of the Purchase Period containing such details as specified in Schedule IV in case of purchase through tender offer and Schedule V in case of purchase through the securities exchange; and
- (g) open a designated CDC account for the purpose of the purchase.
- (h) make arrangements for the purchase to be done at the securities exchange;
- (i) ensure that the purchase is made through the automated trading system of the securities exchange;
- (j) make bid(s) for the purchase only in the manner specified in regulation 6; and
- (k) report to the purchasing company details of the executed transactions at the end of each trading day;

(2) The shares tendered to the manager to the purchase, through Designated CDC Account, for sale to the purchasing company shall, till the time the consideration for the shares is paid to the shareholders, be held in trust by him in favour of the shareholders who tendered the shares,

and thereafter be held in trust in favour of the purchasing company till the time the shares are transferred in the CDC blocked account.

#### CHAPTER IV

#### MISCELLANEOUS

15. **Disposal of the Treasury Shares and procedure.-** (1) The treasury shares shall not be sold, transferred or otherwise disposed of by the purchasing company within a period of six (6) months from the closure of the purchase period.
- (2) Except where the purchasing company is restricted from disposing of the treasury shares under clause (d) of sub-regulation (5) of regulation 17, it shall not issue further capital, other than bonus shares unless the treasury shares held by it are disposed of.
- (3) The treasury shares shall not be disposed of through negotiated deals.
- (4) The purchasing company may, subject to sub-regulation (1), dispose of treasury shares in full or any part thereof in any of the following manners or combination thereof:
- (a) sell the treasury shares against consideration in the market through the securities exchange's automated trading system; and
  - (b) sell the treasury shares to its employees under the Public Companies (Employees Stock Options Scheme) Rules, 2001 under the authority of a special resolution and with prior written approval of the Commission.
- (5) In case of sale of treasury shares through the securities exchange, the following procedure shall be followed:
- (a) the decision of sale shall be made by the board of directors and such decision shall be communicated to the Commission and the securities exchange on the day the decision is made;
  - (b) the Treasury Shares shall not be sold before the expiry of the seventh (7<sup>th</sup>) day of the decision of the board of directors regarding such sale;
  - (c) daily sale volume shall not be higher than twenty percent (20%) of the average traded volume over the last thirty trading days; and
  - (d) the price for sale of Treasury Shares shall not be less than the weighted average market price for the thirty trading days immediately prior to the sale or the weighted average cost per Treasury Share whichever is higher.
- (6) Where the purchasing company decides to dispose of the Treasury Shares under clause (b) of sub-regulation (4), it shall annex a statement of facts to the notice of general meeting containing information required under the Ordinance and any other law including the following:
- (a) number and price of the Treasury Shares to be sold;
  - (b) purpose of the sale and its benefits to the company and its shareholders; and
  - (c) price at which the Treasury Shares were purchased.

(7) The purchasing company shall not dispose of the Treasury Shares in any manner from the date of a public announcement of offer for acquisition of shares of the purchasing company made by an acquirer under the Securities Act till the time the acquisition process is complete.

(8) The purchasing company shall file the following information with the registrar concerned within thirty (30) days of the disposal of the Treasury Shares:

- a) mode of disposal;
- b) Maximum number of Treasury Shares available for sale;
- c) Total number of shares sold;
- d) Date-wise and price-wise breakup of shares sold;
- e) Total consideration received;
- f) Cumulative number of Treasury Shares sold to date;
- g) Number of balance Treasury Shares if any; and
- h) Cumulative number of shares cancelled to date.

**16. Declaration of Solvency.-** (1) All directors, chief executive officer and chief financial officer of the purchasing company shall make a declaration of solvency on non-judicial stamp paper, duly certified by Oath Commissioner, stating that "they have made full and detailed enquiry into the affairs of the company and after having done so we are of the opinion that the company is a going concern and is capable of meeting its liabilities on time for the period of twelve months from the date of this declaration and that the proposed Purchase will not prejudice the interest of any creditors of the company".

(2) The date of declaration of solvency shall be a date following the date of board of director's meeting in which the Purchase has been recommended.

(3) Where any director or officer refuses to make the declaration of solvency, the purchasing company shall inform in writing the Commission and its shareholders in the general meeting in which the Purchase is to be approved.

**17. Power to give directions:-** Where the Commission is satisfied, on its own motion or on the basis of any information received by it, that it is necessary and expedient so to do:

- (a) in the interest of the shareholders of the purchasing company;
- (b) in the interest of investors or the market generally; or
- (c) to prevent the abuse of law or the process laid down in these regulations;

it may issue directions to the purchasing company, any of its directors, officers, the manager to the purchase or any other person; including but not limited to:

- (i) stopping the purchasing company at any stage from making the purchase;
- (ii) to do or desist from doing such acts as the Commission may determine; and
- (iii) carry out such steps as are necessary to rectify the situation.

18. **Penalty.**- Any person who fails to comply with or contravenes any provision of these regulations shall be punishable in the manner prescribed in sub-section (12) of section 95A of the Ordinance.

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## SCHEDULE I

### OFFER LETTER IN CASE OF PURCHASE THROUGH TENDER OFFER OR PURCHASE THROUGH SECURITIES EXCHANGE

[See Regulation 4(4)]

*(To be on the letterhead of the purchasing company and to be sent to all its members)*

To: [Name and address of the member]

Subject:- Offer for buy-back of shares by ... (name of the purchasing company) ... .

Dear Sir/Madam,

1. Pursuant to the Public Announcement dated ... *(date of the Public Announcement)* ... (copy enclosed) by ... *(name of the purchasing company)* ... (hereinafter referred to as the Company) published in various daily newspapers on ... *[name and date of the Newspapers in which the Public Announcement is published]* this is to inform you that the Company intends to buy-back its own ... *[number of shares]* shares.

2. Therefore, the Company hereby makes you an offer to buy-back shares held by you at a purchase price of Rs. ... *(Purchase Price approved by members of the purchasing company in general meeting)* ... per share. Please note that this offer for Purchase is valid till closing of the Purchase Period, i.e., \_\_\_\_\_ *(date of the close of the Purchase Period)*.

3. In case you are willing to sell the shares or part thereof held by you in the purchasing company, you may;

**(a) (In case of Tender Offer)** tender the same through the Share Tender Form supporting by the free-delivery note evidencing credit of shares in the Designated CDC Account to the Manager to the Purchase. The Share Tender Form shall contain details of shares to be tendered, CDS account number, full name of the shareholder, father's name/husband's name, CNIC number, folio number, signature, phone number and postal & email addresses.

**(b) (In case of purchase through Securities Exchange)** sell such shares or part thereof to the manager to the purchase through the securities exchange by placing a sale order through your securities broker.

4. The Manager to the Purchase shall acknowledge receipt of the shares.

5. Purchase shall be made in accordance with the provisions of section 95A of the Companies Ordinance, 1984 and the Listed Companies (Buy-back of Shares) Regulations, 2016.

6. In case of any query regarding this offer for buy-back of shares, you may contact the Company or the Manager to the Purchase at the following addresses:

[Name, phone & fax numbers and postal & e-mail addresses of the contact person of the purchasing company]

\_\_\_\_\_

\_\_\_\_\_

[Name, phone & fax numbers and postal & e-mail addresses of the contact person of the Manager to the Purchase]

\_\_\_\_\_  
\_\_\_\_\_

7. The directors of the purchasing company accept full responsibility for the correctness of information contained in this Offer Letter.

Yours truly,

Date: \_\_\_\_\_

Place: \_\_\_\_\_

[Name, signature phone number and postal address of the secretary of the Purchasing company]

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## SCHEDULE II

### PUBLIC ANNOUNCEMENT FOR BUY BACK OF SHARES BY {NAME OF THE PURCHASING COMPANY

[See regulation 10(b)]

To be published in the newspapers and to be dispatched to all the members of the purchasing company

1. The public announcement shall contain at least the following information:
  - (a) Name and address of the registered office of the purchasing company;
  - (b) purpose of the purchase;
  - (c) quantum of the purchase both in terms of number and as a percentage of the paid up capital of the purchasing company;
  - (d) date of commencement of the purchase i.e. effective date of the purchase;
  - (e) duration of the purchase period: From ... ( the date of commencement) to ... (the date of closing) ... both days inclusive
  - (f) in case the purchase is through tender offer:
    - i. name, Designated CDC Account number, phone number, postal and email addresses of the Manger to the Purchase;
    - ii. the mode and procedure of payment against the shares accepted for purchase;
    - iii. price at which a share will be purchased.
  - (g) in case the purchase is through the securities exchange;
    - i. name of the securities exchange;
    - ii. name, phone number, postal and email addresses of the Manger to the Purchase; and
    - iii. the process of selling the shares by the shareholders;
  - (h) name, contact number(s), postal & email address of the contact person(s) appointed by the Company to handle queries and complaints regarding the Purchase;
  - (i) any other information the purchasing company or the Manager to the Purchase deems necessary to provide.
  
2. It is clarified that all those persons who validly hold shares of the purchasing company are eligible to participate in the purchase even if their names do not appear on Members' register of the purchasing company.



Date: \_\_\_\_\_

Place: \_\_\_\_\_

Name, signature & address of the Secretary  
of the purchasing company

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SCHEDULE III

SHARES TENDER FORM

[See Regulation 4(4) and Regulation 5(6)]

*(Letter to be sent to the purchasing company by all those shareholders of the purchasing company who accepts the offer for Purchase and intend to sell shares in full or part thereof held by them in the purchasing company)*

To,

The Chief Executive Officer,

... (full name of the Manager to the Purchase and address of its registered office) ...

Subject:- Tendering of shares for sale to ..... (name of the purchasing company)

Pursuant to Offer Letter dated ... (date of Offer Letter) ... and the Public Announcement dated ... (date of the Public Announcement) published in the newspapers, I hereby tender ... (No. of shares) shares held by me in ... (full name of the purchasing company) ... for sale to ... (full name of the purchasing company) through you being the Manager to the Purchase.

Free-delivery note evidencing credit of shares in the Designated CDC Account is attached herewith in original. Detail of the transfer is as under:-

CDC Transaction ID	CDC sub-account		CDC Investor account No.	No. of shares
	Participant ID	Sub-account No		

I hereby undertake and affirm that I have read the contents of the Offer Letter and the Public Announcement.

Yours truly,

Date: \_\_\_\_\_ [Full name, father's name/husband's name, CNIC number, folio number, signature, phone number and postal & email addresses of the shareholder]

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**SCHEDULE IV**

**FINAL REPORT ON THE PURCHASE TO BE SUBMITTED TO THE COMMISSION AND THE  
SECURITIES EXCHANGE BY THE MANAGER TO THE PURCHASE**

**[See Regulation 14(f)]**

**{To be on the letter head of the Manager to the Purchase}**

To,

- (i) The Director,  
Securities and Exchange Commission of Pakistan,  
Islamabad.
  
- (ii) The Chief Executive,  
The Pakistan Stock Exchange Limited,  
Karachi.

As required under regulation 14(f) of the Companies (Buy-Back of Shares) Regulations, 2016, information on the Purchase by ... *{Name of the purchasing company}* is as under,

- (i) date of the board of directors meeting in which the Purchase was decided;
- (ii) date of the general meeting of the members of the purchasing company in which special resolution regarding the Purchase was passed;
- (iii) date of publication of the Public Announcement;
- (iv) Purchase Period;
- (v) Purchase price;
- (vi) date of publication of the Public Announcement;
- (vii) date of dispatch of the Offer Letters;
- (viii) total number of shares tendered for sale;
- (ix) total number of shares accepted;
- (x) criteria/procedure adopted for acceptance of shares;
- (xi) number and date of return of unaccepted shares;
- (xii) amount, date and mode of payment against the shares accepted;
- (xiii) number of treasury shares; and
- (xiv) number of purchased shares cancelled, if any.

Yours truly,

Date: \_\_\_\_\_

Place: \_\_\_\_\_

[Name, signature phone number and postal  
address of the secretary of the Manager to the  
Purchase]

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SCHEDULE V

FINAL REPORT ON THE PURCHASE TO BE SUBMITTED TO THE COMMISSION AND THE  
SECURITIES EXCHANGE BY THE MANGER TO THE PURCHASE

[See Regulation 14(f)]

{To be on the letter head of the Manger to the Purchase }

To,

- (i) The Director,  
Securities and Exchange Commission of Pakistan,  
Islamabad.
- (ii) The Chief Executive,  
The Pakistan Stock Exchange Limited,  
Karachi.

As required under regulation 14(f) of the Listed Companies (Buy-Back of Shares) Regulations, 2016, information on the Purchase of Shares by ....{Name of the purchasing company} is as under,

- (a) date of the board of directors meeting in which the Purchase was decided;
- (b) date of the general meeting of the members of the purchasing company in which special resolution regarding the purchase was passed;
- (c) date of publication of the public announcement;
- (d) total number of shares purchased;
- (e) date-wise and price-wise breakup of the purchase;
- (f) high, low and weighted average price of shares purchased;
- (g) total amount of cash paid for the Purchase;
- (h) number of Treasury Shares and their percentage to paid-up capital; and
- (i) in case of cancellation of any purchased shares, number of shares cancelled.

Yours truly,

Date: \_\_\_\_\_

Place: \_\_\_\_\_

[Name, signature phone number and  
postal address of the secretary of the  
Manger to the Purchase]

[No. SMD/CIW/Misc/2016]



(Bushra Aslam)

Secretary to the Commission