

30<sup>th</sup> June 2021

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**Replacement of physical shares with book-entry form**

Respected Shareholder,

We would like to inform you that as per the requirement of Section 72 of the Companies Act, 2017 (**"the Act"**), companies are required to convert shares issued in physical form with the shares in book-entry form (electronic form or CDC), within a period not exceeding four years from the date of the promulgation of the Act. The four-year period ended on 31<sup>st</sup> May 2021. The Securities & Exchange Commission of Pakistan (**"SECP"**) vide its letter dated 26<sup>th</sup> March 2021 (copy enclosed), has advised all listed companies, having physical shares to pursue with their such shareholders who still hold shares in physical form, requiring conversion of their shares in the book-entry form.

It may be noted that maintaining shares in book-entry form has many advantages, including safe custody of shares with the CDC, unlike physical share certificates there is no risk of loss, instant credit of bonus/right shares. Whereas, the physical share certificates are not saleable through stock exchange and cannot be pledged, if required.

Accordingly, all shareholders who held their shares in physical form are hereby requested to proceed with the conversion of their physical share certificates into scrip less book-entry form at their earliest.

The scrip less book-entry shares are kept in electronic accounts maintained by the Central Depository Company Limited (**"CDC"**). The CDS Account can be opened and maintained by any CDC Participant (i.e. Stock Brokers) or by CDC Investor Account Services (**"CDC-IAS"**). You may contact any Stock Broker or CDC-IAS (Toll Free Tel. 0800-23275, email: [info@cdcpak.com](mailto:info@cdcpak.com)) in this regard. If you have any query or require any guidance, you may also contact the Bank's Share Registrar M/s. F.D. Registrar Services (Pvt.) Ltd. (Room No. 1705, 17<sup>th</sup> Floor, Saima Trade Tower "A", I.I. Chundrigar Road, Karachi-74000 Phone: (92-21) 32271905-6 and (92-21) 32213243, email: [fdregistrar@yahoo.com](mailto:fdregistrar@yahoo.com), Fax: (92-21) 32621233).

Regards,

Muhammad Akram Sawleh  
**Company Secretary**

Encl. as stated above

*This is a computer generated letter and does not require signature*



File No. CSD/ED/Misc./ 2016 - 639-640

March 26, 2021

The Chief Executive Officer,  
All the listed Companies,  
(Through PUCARS).

**Subject: Follow-up by the Listed Companies with their Such Shareholders who Hold Shares in Physical Form for Conversion of their Shares into the Book-Entry-Form**

Dear Sir,

Please refer to the provisions of Section 72 of the Companies Act, 2017 (the Act) requiring all the then existing companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-Form within a period not exceeding four years from the date of the promulgation of the Act.

2. In this regard, it is to inform you that a recently conducted study revealed that 24% of the total shares issued by the listed companies are still held in physical form. As you know that holding shares in the Book-Entry-Form has a number of benefits not only for the shareholders and the issuers but for the capital market as well.

3. In order to ensure full compliance with the provisions of the aforesaid Section 72 and to be benefitted of the facility of holding shares in the Book-Entry-Form, all the listed companies are requested to pursue with their such members / shareholders who still hold shares in physical form, requiring them to convert their shares in the Book-Entry-Form. The listed companies while pursuing with the said shareholders may share with them benefits of holding shares in the Book-Entry-Form and procedure for conversion. The listed companies are also requested to continue this follow-up exercise with their shareholders till conversion of all the shares currently held in physical form, into the Book-Entry-Form.

Kind Regards

Imran Saif  
Deputy Director  
Corporate Supervision- Department

Copt to:

- (i) The Chief Executive Officer, the Pakistan Stock Exchange Limited, Karachi.
- (ii) The Chief Executive Officer, Central Depository Company Pakistan Limited, Karachi.
- (iii) The Chief Executives Officers, All the Share Registrars.
- (iv) Office Copy.