



KARACHI STOCK EXCHANGE LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi-74000

UAN: 111-001-122

KSE/N-5125

NOTICE

Dated: September 25, 2013

ALL LISTED COMPANIES AND ISSUERS OF LISTED SECURITIES

Reproduced hereunder letter No. SMD/BO-Policy/1(2)2001 dated September 13, 2013 received from Securities & Exchange Commission of Pakistan for information and compliance.



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Securities Market Division
Market Supervision & Registration Department (MSRD)

No. SMD/BO-Policy/1(2)2001

Islamabad, September 13, 2013

CIRCULAR No. 16 of 2013

Subject: Raising of demand by listed companies pursuant to section 224(2) of the Companies Ordinance, 1984, for recovery of gain made by directors/officers/more than ten percent Beneficial Owner of Equity Securities.

Pursuant to the provisions of sub-section (2) of section 224 of Companies Ordinance, 1984 ("Ordinance") a listed company is required to raise demand, within the stipulated time limit, for recovery of gain made in terms of sub-section (1) of section 224 of the Ordinance by any director, chief executive, chief accountant, secretary or auditor of the listed company or any person who is directly or indirectly the beneficial owner of more than ten per cent of its listed equity securities.

2. In some cases where cognizance has been taken by the Commission for not raising demand by the respective listed company for recovery of the aforesaid gain, it has been pleaded that the company was not aware about the accrual of the said gain to its respective director, officer, beneficial owner etc.

3. In this regard, it is pointed out that every listed company is required under section 220 of the Ordinance to maintain a register of shareholding in respect of each director, specified officers and every other person holding not less than ten per cent of the beneficial interest in the company on the basis of information reported by each director, officer etc. in pursuance of the requirements of section 221 of the Ordinance.

4. In view of the foregoing, the Securities and Exchange Commission of Pakistan is pleased to direct under section 506B of the Ordinance that every listed company shall ensure the maintenance of the register of shareholding mentioned in section 220 of the Ordinance in such a manner, which *inter alia* may enable the company to raise demand for recovery of the gain mentioned in sub-section (1) of section 224 of the Ordinance.


(Imran Inayat Butt)
Director/HoD (MSRD)

Distribution:

- i. All Listed Companies.
- ii. The Managing Director, Karachi Stock Exchange Limited, for circulation to all listed companies.
- iii. The Managing Director, Lahore Stock Exchange Limited, for circulation to all listed companies.
- iv. The Managing Director, Islamabad Stock Exchange Limited, for circulation to all listed companies.
- v. IT Department, OE Division, SECP for placement on website of the Commission.
- vi. Office Copy

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Chief Regulatory Officer-KSE
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All HoDs-KSE
KSE Website
S.E.C.P. Islamabad

S.E.C.P. Karachi
Head of Operations, CDC
National Clearing Company of Pakistan Limited
Lahore Stock Exchange Limited
Islamabad Stock Exchange Limited