



# PAKISTAN STOCK EXCHANGE LIMITED

(Formerly: Karachi Stock Exchange Limited)

Stock Exchange Building, Stock Exchange Road, Karachi-74000, Phones: 111-001-122

PSX/N-353

NOTICE

Dated: January 20, 2016

## All Listed Companies / Issuers of Listed Securities

### THE DRAFT COMPANIES (BUY-BACK OF SHARES) REGULATIONS, 2016

The Securities & Exchange Commission of Pakistan vide its letter No. SMD/CIW/Misc./18/2008 dated January 13, 2016 has forwarded the Draft Companies (Buy-Back of Shares) Regulations, 2016 for dissemination of the same to all the listed companies for their information and comments/feedback. The letter received from the Commission is attached for information / necessary action.

The draft Companies (Buy-Back of Shares) Regulations, 2016 is available on the website of the Exchange at: <http://psx.com.pk/newsimage/075560-1.pdf>.

**MUHAMMAD GHUFRAN**

Deputy General Manager – Operations

**Copy to:**

01. The Executive Director (SM)/HOD PRDD), SECP **E-mail:** [smd.notices@secp.gov.pk](mailto:smd.notices@secp.gov.pk)
02. The Managing Director, Pakistan Stock Exchange Limited
03. The Chief Regulatory Officer-PSX
04. The Deputy Managing Director-PSX
05. The Head of Operations, Central Depository Company of Pakistan Limited
06. The Chief Executive Officer, National Clearing Company of Pakistan Limited
07. All Head of Departments-PSX
08. Notice Board-PSX
09. Website-PSX



Securities and Exchange Commission of Pakistan  
Securities Market Division – Licensing and Capital Issues Department

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No. SMD/CIW/Misc./18/2008

January 13, 2016

**Mr. Nadeem Naqvi,**  
Chief Executive,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

**Subject: The Draft Companies (Buy-Back of Shares) Regulations, 2016**

Dear Sir,

As you might be aware that Section 95A of the Companies Ordinance, 1984 (the Ordinance) has been substituted with a new Section 95A through the Companies (Amendment) Act, 2015 (XXI of 2015) dated December 15, 2015. The new Section 95A provides option to a listed company that purchases its own shares either to cancel or retain as treasury shares the purchased shares.

2. In terms of sub-section (1) of the said Section 95A, the Securities and Exchange Commission of Pakistan (SECP) has drafted the attached the Companies (Buy-Back of Shares) Regulations, 2016 (the draft Buy-Back Regulations), which have been published in the official Gazette of Pakistan vide notification No.S.R.O.18(I)/2016 dated January 5, 2016 and has also been placed on SECP's website for eliciting public comments.

3. Pakistan Stock Exchange (PSX) being one of the key stakeholders, is requested to kindly review the attached draft Buy-Back Regulations and provide us its valuable comments/feedback/input, if any, on the same by January 22, 2016.

4. PSX is also requested to kindly circulate/disseminate the attached draft Buy-Back Regulations to all the listed companies for their information and comments/feedback please.

Yours truly,

(Amir M. Khan Afridi)  
Director (CI)

Encl: Notification S.R.O.18(I)/2016 dated January 5, 2016

## PART II

### Statutory Notifications (S.R.O.)

#### GOVERNMENT OF PAKISTAN

#### SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

#### NOTIFICATION

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

**S.R.O. 18 (I)/2016.**— In exercise of the powers conferred by sub-section (1) of section 506A read with section 95A of the Companies Ordinance, 1984 (XLVII of 1984), the following draft of the Companies (Buy-Back of shares) Regulations, 2016 is hereby published by the Securities and Exchange Commission of Pakistan for the information of all persons likely to be affected thereby and notice is hereby given that objections or suggestions, if any, received within a period of fourteen days from the date of its publication in the official Gazette, will be taken into consideration.

#### CHAPTER I

#### PRELIMINARY

**1. Short title, commencement and applicability.**— (1) These Regulations shall be called the 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 Pakistan.

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

- (a) “Designated CDC Account” means the account opened with the central depository in the name of the Manager to the Purchase or a Purchase Agent for the purpose of the Purchase under regulations 4 and 5 of these Regulations;
- (b) “DFI” means a Development Financial Institution as notified by the State Bank of Pakistan;
- (c) “Inside Information” has the same meaning as assigned to it under section 129 of the Securities Act;
- (d) “Free Float” means the number of shares readily available for sale according to the free float methodology of the securities exchange as approved by the Commission;
- (e) “Manager to the Purchase” means the manager appointed by the Purchasing Company as its agent for the Purchase through tender offer in accordance with these Regulations;
- (f) “Offer Letter” means the letter containing an offer for the Purchase, on the format prescribed in **Schedule II and III** and includes, Purchase through tender offer and Purchase through securities exchange respectively;

- (g) "Ordinance" means the Companies Ordinance, 1984 (XLVII of 1984);
- (h) "Public Announcement" means announcement of the Purchase on the format prescribed in **Schedule I**;
- (i) "Purchase" means buy-back by a company of its own shares under section 95A of the Ordinance and these Regulations;
- (j) "Purchase Agent" means a company appointed by the Purchasing Company as its agent for the Purchase through the securities exchange in accordance with these Regulations;
- (k) "Purchasing Company" means a listed company that buys back its own shares under section 95A of the Ordinance and these Regulations;
- (l) "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;
- (m) "Purchase Price" means the price per share approved by the members of the Purchasing Company in accordance with these Regulations;
- (n) "Regulations" means the Companies (Buy-back of Shares) Regulations, 2016;
- (p) "Schedule" means schedule annexed to these Regulations;
- (q) "Securities Act" means the Securities Act, 2015 (III of 2015);
- (r) "Share Tender Form" means the application form on the format as prescribed in **Schedule IV**;
- (s) "Sponsor" includes,-
  - (i) a person who has contributed initial capital in the Purchasing Company and has the right to appoint majority of the directors on the board of the Purchasing Company directly or indirectly by virtue of shareholding held in its own name or in the names of his relatives, associated companies and associated undertakings;
  - (ii) a person who replaces the person referred to in clause (i) above; and
  - (iii) a person or group of persons who has management control of the Purchasing Company whether directly or indirectly.

Explanation: For the purpose of this sub-rule the term "relative" includes a spouse, father, mother, brother, sister and son or daughter, including a step or adopted child.
- (t) "Tender Offer" means an offer by the Purchasing Company for buy-back of its shares, held by the shareholders, after tendering such shares to the Manager to the Purchase before the closing of the Purchase Period; and
- (u) "Treasury Shares" means the shares Purchased and held by the Purchasing Company in its own name.

(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, 2015, the Securities and Exchange Commission of Pakistan Act, 1997 and the Book Building Regulations, 2015.

## 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 has paid-up capital of not less than two hundred million rupees;
- (c) it is compliant with the minimum capital or equity requirements, if any, before and after the Purchase;
- (d) it is compliant with the minimum free float requirement, if any, before and after the Purchase;
- (d) it has obtained the approval of its members to Purchase through special resolution;
- (e) 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 and that the Purchasing Company fulfils the requirements of clause (d) of sub-regulation regulation 3; and
- (f) it has made public all the Inside Information.

(2) A company shall not make a Purchase before the expiry of six months from the last date of payment of any further issue of capital.

(3) A company shall not make a new Purchase before the expiry of twelve months from the date of submission of the final report of the previous Purchase to the Commission by the Manager to the Purchase, Purchase Agent or the Book Runner, as the case may be.

Explanation: For the purposes of sub-regulation (2) and (3), the Purchase or the new Purchase shall be deemed to commence from the date of the decision of the board of directors of the Purchasing Company regarding such Purchase.

(4) 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;
  - (ii) winding up proceedings commenced by the Commission or the registrar;
  - (iii) inquiry or investigation commenced by the Commission or the State Bank of Pakistan;
  - (iv) proceedings related to oppression, mismanagement or change of management;
  - (v) a scheme of arrangement, compromise, reconstruction, merger, de-merger; and

- (vi) a public offer for acquisition of shares of the company under the Securities Act; and
- (b) before the expiry of twelve 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, a Purchase Agent or the Book Runner, as the case may be, in accordance with clause (c) of regulation 10 of these Regulations.
- (4) The Purchasing Company shall, within three (03) days of the Public Announcement, dispatch through registered mail or courier 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 relevant 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, 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 shares,
  - (i) in case the total consideration payable for the Purchase is up to Rs.100 million, twenty five percent (25%) of the consideration payable; and
  - (ii) 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 a double A ('AA') rated scheduled bank in favour of the Manager to the Purchase in lieu of the amount specified in sub-clauses (i) and (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 free-delivery note evidencing credit of shares in the Designated CDC Account along with the Share Tender Form to the Manager to the Purchase before the closing of the Purchase Period;
- (7) within seven (7) 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 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 shares shall be accepted on *pro-rata* basis;

Provided that the Purchasing Company shall give preference to individual shareholders holding up to 0.1% shares of the total issued capital of the Purchasing Company.

- (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 ten days of the closing of the Purchase Period; and
- (11) the unaccepted shares, if any, shall be returned within ten 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; and
  - (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 Purchase Agent; and
  - (d) the Purchasing Company shall deposit the consideration payable in the clearing bank account of the Purchase Agent 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
- (3) daily Purchase volume shall not be higher than twenty percent (20%) of the average traded volume over the last thirty trading days.

**6A. Purchase through book building.-** Where the Purchase is made through book building, the following procedure shall be followed in addition to the Purchase procedure provided in regulation 4, namely, -

- (a) the Purchasing Company shall comply with all the applicable clauses of the Commission's Book Building Regulations, 2015;
- (b) the Purchasing Company shall fix a floor price;
- (c) purchase shall be made through the book building system of the Designated Institution;
- (e) the Book Runner shall ensure that the shares offered for sale by the shareholders are not transferred in the name of the Purchasing Company unless payment is made to the respective shareholders;
- (f) the bidding shall commence within fifteen days from the date of the publication of the public announcement;
- (g) the Bidding Period shall remain open for at least fourteen working days;
- (h) the shareholders may withdraw or revise their bids upward or down ward till 3:00 pm on the last bidding day;
- (i) the Purchase Price shall be determined through book building by arranging all the accepted bids in ascending order i.e. the lowest bid shall be placed in the top row of the bidding book; and
- (j) The Purchase Price shall be determined as the price at which the maximum number of shares offered can be purchased. The Purchasing Company shall have the choice to accept the price. If the price is accepted then the acquirer shall be required to accept all offers up to and including the final price but may not have to accept higher priced offers

**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 eighth (8<sup>th</sup>) day of the Public Announcement; and
- (b) in case of Purchase through the securities exchange, shall be a period of one hundred and eighty (180) days commencing from the eighth (8<sup>th</sup>) day of the Public Announcement 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 or rolled over.

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

- (a) in case of Purchase through tender offer, shall not be lower than the average market price of the share of the Purchasing Company for the last thirty (30) trading days from the date of meeting of the board of directors in which the Purchase is recommended or the Book Value as per latest disclosed financial statements whichever is higher;
- (b) in case of Purchase through the securities exchange, shall not be more than (5%) above the weighted average market price of the share of the Purchasing Company for the five trading days immediately prior to the date on which the shares are purchased; and
- (c) in case of Purchase through book building, shall not be lower than the price determined

through the book building.

**9. Maximum holding of Treasury Shares.-** (1) Treasury Shares shall not at any time exceed ten percent (10%) of the total issued and 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) Where the Treasury Shares exceed the threshold stated in sub-regulation (1) and (2), the excess number of Treasury Shares shall be disposed of within a period of three (3) months from the date the Treasury Shares first exceeded the said threshold or such other lesser period as the Commission may direct.

(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.

### 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:

Explanation:- The communicated decision shall clearly state the number of shares to be purchased, the Purchase Price, mode of the Purchase, purpose of the Purchase i.e. cancellation or holding as Treasury Shares, the Purchase Period, funds allocated, source of fund, justification for the Purchase and effect of the Purchase on the balance sheet of the Purchasing Company;

(b) make Public Announcement on the format specified in **Schedule I** 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, Purchase Agent or the Book Runner, as the case may be, 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) in case of the Purchase through securities exchange, Purchase the approved number of shares or fully utilize the approved allocated fund, as the case may be, within the Purchase Period;

(f) cancel the shares within ten (10) days of the closing of the Purchase Period where the Purchase is made for the purpose of cancellation;

- (g) submit to the Commission and the securities exchange, 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, the Purchase Price, mode of the Purchase, allocated funds and the Purchase Period;
- (h) within three days of the board meeting wherein the Purchase decision is taken, submit, electronically or manually, to the Commission and the securities exchange, the minutes of the meeting and also provide the following documents:
  - (i) Memorandum and Articles of Association of the Purchasing Company;
  - (ii) latest publicly available accounts and the audited accounts of the Purchasing Company for the last financial year;
  - (iii) 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;
  - (iv) auditor's certificate as required under regulation 3(1) of these Regulations;
  - (v) declaration of solvency on the format prescribed in **Schedule V**; and
  - (vi) an undertaking by the Purchasing Company that it meets all the conditions for the Purchase laid down in regulation 3 and that the said Purchase is not in contravention of any of the applicable laws, rules, regulations, approvals, contracts, agreements or any obligations of the Purchasing Company.
- (i) 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;
  - (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;
  - (vi) justification for the Purchase Price;
  - (vii) mode of the Purchase i.e. Purchase through tender offer or through the securities exchange;
  - (viii) the Purchase Period ;
  - (ix) funds allocated for the Purchase;
  - (x) source of funds for the Purchase;
  - (xi) effect of the Purchase on the balance sheet of the Purchasing Company;
  - (xii) nature and extent of the interest in the Purchase, if any, of every director, whether directly or indirectly; and
  - (xiii) risks and benefits of the proposed Purchase to the Purchasing Company and its shareholders;
- (j) submit to the Commission and the securities exchange, the published copies of the Public Announcement within two (2) days of its publication;

- (k) submit to the Commission and the securities exchange an undertaking duly signed by all the directors, including the chief executive officer, on the format as specified in **Schedule VIII**;
- (l) submit, in case of the Purchase and sale of the Treasury Shares through securities exchange, a report to the securities exchange in this respect, on the same day on the format as specified **Schedule IX**;
- (m) 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;
- (n) comply with the International Financial Reporting Standards relating to the Treasury Shares;
- (o) comply with all legal and procedural requirements relating to cancellation of shares;
- (p) disclose in its annual report, month-wise break-up of the shares purchased and month-wise break-up of the Treasury Shares disposed of and such disclosures shall contain at least the number of shares purchased or sold and high, low and weighted average price of the Purchase or sale; and
- (q) file a return on the format as specified in the **Schedule VI** with the registrar concerned within thirty (30) days of the closing of the Purchase period.

**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 Purchase and sale of the 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 Inside Information.
- (c) save as provided in regulation 12, withdraw, cancel or postpone the Purchase once announced; and
- (d) buy-back shares from its sponsors or persons in control of the company.

**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, the Purchase Agent, the Bok Runner and consultants 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 ten (10) percent or more 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 be-

- (a) a securities broker licensed under the Securities Act;
- (b) a scheduled bank licensed under the Banking Companies Ordinance, 1962 (LVII of 1962);
- (c) a DFI; or
- (d) an investment finance company licensed under the Non-Banking and Finance Companies Rules, 2003.

(2) 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); and
- (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 X**;

(2) The shares tendered to the Manager to the Purchase 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.

**15. Purchase Agent.-** (1) The Purchase Agent shall be a securities broker licensed under the Securities Act.

(2) The Purchase Agent shall not be an associated company or associated undertaking of the Purchasing Company.

**16. Obligations of the Purchase Agent.-** The Purchase Agent 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) make arrangements for the Purchase to be done at the securities exchange;
- (c) ensure that the Purchase is made through the automated trading system of the securities exchange;
- (d) make bid(s) for the Purchase only in the manner specified in regulation 6;
- (e) report to the Purchasing Company details of the executed transactions at the end of each trading day ;
- (f) submit a monthly report to the Commission within seven (7) days of the end of each month till completion of the Purchase, on the format specified in **Schedule XI**; and
- (g) submit to the Commission and the securities exchange, final report of the Purchase within fifteen days of the closing of the Purchase Period containing such details as specified in **Schedule XII**.

#### CHAPTER IV

#### MISCELLANEOUS

**17. 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 Treasury Shares to be sold under clause (b) of sub-regulation (4) shall not be sold at a price lower than the three month's average market price or current market price of such share whichever is higher, and the three months period shall be reckoned from the date which is one (1) day preceding the date of meeting of the board of directors in which such sale is recommended.

(8) 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.

(9) The Purchasing Company shall file a return on the format as specified in **Schedule VII** with the registrar concerned within thirty (30) days of the disposal of the Treasury Shares.

**18. Declaration of Solvency.-** (1) All directors, chief executive officer and chief financial officer of the Purchasing Company shall make a declaration of solvency on the format prescribed in **Schedule V**.

(2) The declaration of solvency shall be dated not before 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.

**19. 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, the Purchase Agent, the Book Runner 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.

**20. Penalty.-** Any person who fails to comply with or contravenes any provision of these Regulations shall be punishable in the manner prescribed in section 95A of the Ordinance.

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## SCHEDULE I

### 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, registration number, date of incorporation and address of the registered office of the Purchasing Company;
  - (b) purpose of the Purchase;
  - (c) justification for the Purchase;
  - (d) potential risk and benefits of the Purchase to the Purchasing Company and its shareholders;
  - (e) the authorized and paid up capital of the Purchasing Company. In case the Purchasing Company has different kinds of share capital, quantum and nature of each kind of paid up capital shall be disclosed;
  - (f) quantum of the Purchase both in terms of number and as a percentage of the paid up capital of the Purchasing Company;
  - (g) the price at which the shares will be purchased;
  - (h) justification for the Purchase Price;
  - (i) funds allocated for the Purchase and source of funds for the Purchase;
  - (j) details of the highest and the lowest prices of the share, being purchased, on the securities exchange during the last 12 months and its latest closing price;
  - (k) date of commencement of the Purchase i.e. effective date of the Purchase;
  - (l) duration of the Purchase Period: From ... ( the date of commencement) to ... (the date of closing) ... both days inclusive
  - (m) current ratio based on the latest publicly available accounts and the audited accounts of the Purchasing Company for the last financial year;
  - (n) latest pattern of shareholdings of the Purchasing Company showing names and number of shares (including percentage of total paid-up capital) held or beneficially owned by each director, sponsor and their associates, persons holding more than 10 percent shares, institutional investors and general public;
  - (o) 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 process of tendering the shares by the shareholders; and
    - iii. the mode and procedure of payment against the shares accepted for Purchase;
  - (p) 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 Purchase Agent; and
    - iii. the process of selling the shares by the shareholders;

- (q) detail of earlier Purchases, if any, [like number of shares purchased, date of Purchase, weighted average Purchase Price per share, high, low & average Purchase Price per share (for Purchase through securities exchange) and total consideration paid for each Purchase] made by the Company during preceding three years;
- (r) number of Treasury Shares and their percentage to paid-up capital, their kind and current status, if any;
- (s) detail of the disposal of Treasury Shares (like number of shares disposed of, mode of disposal and sale price if any) during preceding three years, if any;
- (t) effect of the Purchase on the balance sheet and cash flows of the Purchasing Company;
- (u) nature and extent of the interest, if any, of every director of the Purchasing Company, whether directly or indirectly;
- (v) name, contact number(s), postal & email address of the contact person(s) appointed by the Company to handle queries and complaints regarding the Purchase;
- (w) the information concerning the Purchase as shareholders and their professional advisors would reasonably require and would reasonably expect to find in the Public Announcement for the purpose of making an informed assessment/decision as to the potential merits of the Purchase and the extent of the risks involved in doing so; and
- (x) any other information the Purchasing Company or the Manager to the Purchase or the Purchase Agent or the Book Runner, 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.

3. The shareholders who intend to sell the shares may consult their professional advisors/consultants, if so required.

4. It is stated that auditor's certificate certifying the source of funding for the Purchase has been obtained and declaration of solvency has been made as required under these Regulations.

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

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

Name, signature & address of the Secretary  
of the Purchasing Company

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**SCHEDULE II**

**OFFER LETTER IN CASE OF PURCHASE THROUGH TENDER OFFER  
[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 tender the same through the Share Tender Form attached herewith supporting by the free-delivery note evidencing credit of shares in the Designated CDC Account to the Manager to the Purchase.

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

5. Purchase shall be made in accordance with the provisions of section 95A of the Companies Ordinance, 1984 and the Companies (Buy-back of Shares) Regulations, 2016. The Purchase procedure, however, has been given in brief in the Public Announcement.

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 III**

**OFFER LETTER IN CASE OF 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 approved by members of the Purchasing Company in general meeting. Please note that this offer for the Purchase is valid upto closing of the Purchase Period.

3. In case you are willing to sell the shares held by you in the Purchasing Company, you may sell such shares or part thereof through the securities exchange by placing a sale order through a registered broker.

4. Purchase shall be made in accordance with the provisions of section 95A of the Companies Ordinance, 1984 and the Companies (Buy-back of Shares) Regulations, 2016. The Purchase procedure, however, has been given in brief in the Public Announcement.

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

[Name, phone and fax numbers and postal and e-mail addresses of the contact person of the Purchasing Company]

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

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

\_\_\_\_\_

6. 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 IV

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 V**

**DECLARATION OF SOLVENCY**

**(See Regulation 18)  
(On non-judicial stamp paper)**

**Declaration of Solvency**

We, ... (names of the directors, the chief executive officer and chief financial officer of ... (name of the Purchasing Company) do hereby solemnly affirm and declare that we 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.

We make this declaration believing the same to be true.

S. No.	Name	Designation	Signature

[Name and signature of all directors, chief executive officer and chief financial officer of the Purchasing Company.]

Solemnly affirm that this declaration is made before me at ... (place) ... the ... (date) ... day of ... (name of the month) ... 20.....

[Seal and signature of the oath commissioner or the notary public]

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## SCHEDULE VI

### RETURN ABOUT THE BUY-BACK OF SHARES [See Regulation 10(q)]

1. Name of Purchasing Company: \_\_\_\_\_
2. Company's registration No. \_\_\_\_\_
3. Date of listing of the Purchasing Company: \_\_\_\_\_
4. Name of the securities exchange: \_\_\_\_\_

Presented by: \_\_\_\_\_ (name and designation of the officer of the Purchasing Company signing this return) ....

Fee paid Rs: ..... [amount of fee paid] ..... through ..... [name and address of the bank] vide receipt No. .... dated ..... or bank draft or pay order No. .... dated ...  
(To be attached in original).

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To

The Registrar of Companies  
Companies Registration Office,  
.....

#### INFORMATION RELATING TO BUY-BACK OF THE COMPANY'S OWN SHARES

- (i) purpose i.e. cancellation or holding as Treasury Shares and mode of the Purchase i.e. whether the Purchase made through tender offer or through securities exchange;
- (ii) date of the board of directors meeting in which the Purchase was recommended;
- (iii) date of declaration of solvency;
- (iv) date of dispatch of the notice of the meeting to all the members of the Purchasing Company;
- (v) date of the general meeting of the members of the Purchasing Company in which special resolution regarding the Purchase was passed;
- (vi) Purchase Period;
- (vii) date of publication of the Public Announcement;
- (viii) date of dispatch of the Offer Letters;
- (ix) the following details in case of Purchase through tender offer:
  - a) total number of shares tendered for sale;
  - b) total number of shares accepted;
  - c) criteria/procedure adopted for acceptance of shares;
  - d) date of return of unaccepted shares;
  - e) Purchase price; and
  - f) amount, date and mode of payment against the shares accepted.

(x) the following details in case of Purchase through securities exchange:

- a) total number of shares purchased;
- b) date-wise breakup of the Purchase;
- c) high, low and weighted average price of shares purchased; and
- d) total amount of cash paid for the Purchase.

(xi) number of shares cancelled, if any, after the Purchase; and

(xii) number of shares held as Treasury Shares.

**The following documents shall be provided along with this return:**

- (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 on the format as prescribed in **Schedule V**.
- (v) copy of the Public Announcement;
- (vi) copy of the agreement executed with the Manager to the Purchase or the Purchase Agent as the case may be;
- (vii) copy of the Memorandum and Articles of Association of the Purchasing Company if the same has not been provided earlier.

Yours truly,

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

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

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

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**SCHEDULE VII**

**RETURN ABOUT THE DISPOSAL OF THE TREASURY SHARES**  
[See Regulation 17(9)]

- 1. Name of Purchasing Company: \_\_\_\_\_
- 2. Company's registration No. \_\_\_\_\_
- 3. Date of listing of the Purchasing Company: \_\_\_\_\_
- 4. Name of the securities exchange: \_\_\_\_\_

Presented by: \_\_\_\_\_ (name and designation of the officer of the Purchasing Company signing this return)

Fee paid Rs: ..... [amount of fee paid] ..... through ..... [name and address of the bank] vide receipt No. .... dated ..... or bank draft or pay order No. .... dated ...  
(To be attached in original).

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To  
The Registrar of Companies  
Companies Registration Office,  
.....

**INFORMATION RELATING TO 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.

Yours truly,

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

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

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**SCHEDULE VIII**

**UNDETAKING BY THE DIRECTORS OF THE PURCHASING COMPANY REGARDING  
ACCURACY OF THE CONTENTS OF THE PUBLIC ANNOUNCEMENT**

**[See Regulation 10(k)]**

We, ... *(names of the directors including the chief executive officer of the purchasing Company)*... being the directors of ... *(name of the Purchasing Company)* ... do hereby undertake and declare 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.

S. No.	Name	Signature

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

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

[Name and signature of all directors including the chief executive officer of the Purchasing Company]

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## SCHEDULE IX

### DAILY REPORT ON THE PURCHASE OF SHARES OR SALE OF TREASURY SHARES TO BE SUBMITTED TO THE SECURITIES EXCHANGE BY THE PURCHASING COMPANY

[See Regulation 10(I)]

{To be on the letter head of the Purchasing Company}

To,

The Managing Director,  
The Pakistan Stock Exchange Limited,  
Karachi.

As required under regulation 10(l) of the Companies (Buy-Back of Shares) Regulations, 2016, information on the Purchase of shares or sale of the Treasury Shares by ....{Name of the Purchasing Company}... for ...{Date of the Purchase or sale}.. is as under,

#### PART-A

##### Contents of Report in relation to the Purchase of shares:

1.	Date of Purchase	
2.	Maximum number of shares authorized to be Purchased	
3.	Total number of shares Purchased	
4.	Price-wise breakup of shares Purchased	
5.	Total consideration payable for the shares Purchased	
6.	Cumulative number of shares Purchased to date	
7.	Total number of shares retained as Treasury Shares	
8.	Total number of shares cancelled	

#### PART-B

##### Contents of Report in relation to sale of the Treasury Shares:

1.	Date of sale	
2.	Maximum number of Treasury Shares available for sale	
3.	Total number of shares sold	
4.	Price-wise breakup of shares sold	
5.	Total consideration received	
6.	Cumulative number of Treasury Shares sold to date	
7.	Number of balance Treasury Shares, if any	
8.	Cumulative number of shares cancelled to date	

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**SCHEDULE X**

**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 Managing Director,  
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 XI**

**MONTHLY REPORT ON THE PURCHASE TO BE SUBMITTED TO THE COMMISSION BY  
THE PURCHASE AGENT**

[See Regulation 16(f)]

{To be on the letter head of the Purchase Agent}

To,

The Director,  
Securities and Exchange Commission of Pakistan,  
Islamabad.

As required under regulation 16(f) of the Companies (Buy-Back of Shares) Regulations, 2016, information on the Purchase of Shares by ....{Name of the Purchasing Company} is as under,

1.	Date of Purchase	
2.	Maximum number of shares authorized to be purchased	
3.	Total number of shares Purchased in the month	
4.	Price-wise breakup of shares Purchased in the month	
5.	Cumulative number of shares Purchased to date	
6.	Total number of shares retained as Treasury Shares	

Yours truly,

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

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

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

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**SCHEDULE XII**

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

**[See Regulation 16(g)]**

**{To be on the letter head of the Purchase Agent}**

To,

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

As required under regulation **16(g)** of the 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 Purchase Agent]

**SCHEDULE XIII**

**OFFER LETTER IN CASE OF PURCHASE THROUGH BOOK BUILDING**  
[See Regulation (6A)]

*(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 approved by members of the Purchasing Company in general meeting. Please note that this offer for the Purchase is valid upto closing of the Purchase Period.
3. In case you are willing to sell the shares held by you in the Purchasing Company, you may sell such shares or part thereof through the book building mechanism by placing a bid through a registered book runner.
4. Purchase shall be made in accordance with the provisions of section 95A of the Companies Ordinance, 1984 and the Companies (Buy-back of Shares) Regulations, 2016. The Purchase procedure, however, has been given in brief in the Public Announcement.
5. In case of any query regarding this offer for buy-back of shares, you may contact the Company or the book runner at the following addresses:

[Name, phone and fax numbers and postal and e-mail addresses of the contact person of the Purchasing Company]

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

[Name, phone and fax numbers and postal and e-mail addresses of the contact person of the book runner]

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

6. 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]

[No. SMD/CIW/Misc./18/2008]

*Bushra*  
*5/11/16*  
**(Bushra Aslam)**  
Secretary to the Commission