



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Securities Market Division
Market Supervision and Capital Issues Department

No. SMD/CIW/Misc/19/2009

June 05, 2012

Circular No. 18 of 2012

Subject: Dividend Mandate under Section 250 of the Companies Ordinance, 1984

Section 250 of the Companies Ordinance, 1984 allows the shareholders of a company to order the company to pay them cash dividend, if declared, through their respective banks. It has been observed that most of the shareholders are unaware of the said legal provision. In order to facilitate the shareholders and to encourage payment of dividend through direct credit in the shareholder's bank account an amendment has been made in the Form of Transfer Deed, provided in clause 9 of 1st Schedule to the Companies Ordinance, 1984, which is used for transfer of shares of companies. The revised Form of Transfer Deed will enable the transferees to receive cash dividend directly in their bank accounts, if such transferee provides particulars of its bank account which he/she/it desires to be used for credit of his cash dividend.

2. The Commission, therefore, through this circular being issued under section 506B of the Companies Ordinance, 1984 directs all the listed companies to:

- i. use the revised Transfer Deed in future; and
- ii. approach their shareholders to seek their option for dividend mandate as per the standardized letter attached herewith.


(Imran Inayat Butt)
Director/HOD (MS&CI)

Distribution:

- | | | |
|---|---|--|
| <ol style="list-style-type: none">i. The Managing Director, Karachi Stock Exchange, Karachiii. The Managing Director, Lahore Stock Exchange, Lahoreiii. The Managing Director, Islamabad Stock Exchange, Islamabadiv. The Executive Director, IS&TD, OE Division for placement on website of the Commission.v. The Head of Department, Enforcement Department.vi. The Executive Director, Corporatization & Compliance Department.vii. The Executive Director, PRDD, Specialized Companies Division.viii. The Executive Director, Insurance Division/SCD-SD.ix. Office Copy | } | For circulation to all the listed companies. |
| | } | For information. |

(On letterhead of the listed Company)

To:

(Name and address of the
Members of the Company)

Subject: **DIVIDEND MANDATE FORM**

It is to inform you that under Section 250 of the Companies Ordinance, 1984 a share holder may, if so desire, directs the Company to pay dividend through his/her/its bank account.

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan vide Circular Number.....dated..... we request Mr./Ms/M/s..... S/O,D/O,W/O..... (where applicable)..... being the registered shareholder of(name of the company)..... holding shares having folio number..... tohereby give the opportunity to authorize the Company to directly credit in your bank account cash dividend, if any, declared by the Company in future.

[PLEASE NOTE THAT THIS DIVIDEND MANDATE IS OPTIONAL AND NOT COMPULSORY, IN CASE YOU DO NOT WISH YOUR DIVIDEND TO BE DIRECTLY CREDITED INTO YOUR BANK ACCOUNT THEN THE SAME SHALL BE PAID TO YOU THROUGH THE DIVIDEND WARRANTS.

Do you wish the cash dividend declared by the company, if any, is directly credited in your bank account, instead of issue of dividend warrants. Please tick "✓" any of the following boxes:

YES

NO

If yes then please provide the following information:

Transferee Detail	
Title of Bank Account	
Bank Account Number	
Bank's Name	
Branch Name and Address	
Cell number of Transferee	
Landline number of Transferee, if any	

It is stated that the above-mentioned information is correct, that I will intimate the changes in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur.

Signature of the member/shareholder