

## IMPORTANT NOTES FOR THE SHAREHOLDERS

Dear Shareholder(s)

Please go through the following notes. It will be appreciated if you please respond to your relevant portion at the earliest:

### **1. Withholding of Payment of Dividend – CNIC Requirement:**

The Securities and Exchange Commission of Pakistan (“SECP”) has made it mandatory for listed companies to mention, in the case of Individuals, Computerized National Identity Card (“CNIC”), or passport number and in the case of Corporate Entity, National Tax Number (“NTN”) of the shareholders or their authorized persons, on dividend warrants. In the absence of such information payment of dividend will be withheld in terms of the provisions of the Companies Act, 2017 (“Act”) stating that a company may withhold the payment of dividend of a member where the member has not provided the complete information or documents as specified by SECP. Therefore, shareholders who have not yet provided such information are once again advised to provide the same to the Share Registrar of the Company.

### **2. Deduction of Withholding Tax on the Amount of Dividend at Revised Rates:**

The Government of Pakistan through Finance Act, 2017, has made amendment in Section 150 of the Income Tax Ordinance, 2001, whereby, withholding tax on dividends has been enhanced as follows:

- For Filers of Income Tax Returns: 15.0%
- For Non-Filers of Income Tax Returns: 20.0%

In case of joint-shareholders, tax is to be deducted as per ratio of their respective share in the ownership.

Federal Board of Revenue (“FBR”) has provided the Active Tax-payer List (“ATL”) for identification on the basis of NTN/CNIC number; hence, in case of non-availability of valid NTN/CNIC number with Company Share Registrar, the shareholder will be treated as ‘Non-Filer’ and accordingly tax at the rate of 20% would be deducted. Therefore, shareholders who have not yet provided such information are requested to ensure that their valid NTN/CNIC number is available with the Share Registrar of the Company. Shareholders having CDC Accounts are required to provide their valid NTN/CNIC number to their respective participants.

### **3. Deduction of Withholding Tax on Joint Account Holder(s):**

The Joint Account Holders whose shareholding details as to Principal Shareholder have not yet been determined for deduction of withholding tax, are requested to please furnish to the Share Registrar of the Company the shareholding details of yourself as Principal Shareholder and your Joint Holder(s) in the following manner, to compute withholding tax of each shareholder accordingly:

CDC Account No./Folio No.	Name of Principal Shareholder/Joint Holders	Shareholding Proportion	CNIC No. (Copy attached)	Signature

Kindly note that in case of non-receipt of the information each shareholder will be assumed to hold equal proportion of shares and the deduction will be made accordingly.

#### **4. Deposit of Physical Shares into CDC Account:**

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-less form, this will facilitate them in many ways including safe custody and sale of shares, any time as the trading of physical shares is not permitted as per existing regulations of the Exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Act.

#### **5. Unclaimed Dividend / Shares :**

Shareholders who could not collect their dividend/physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividends and shares, shall be delivered to the SECP.

#### **6. Change of Address / E-mail Address**

All registered shareholders should send information of changes of addresses and e-mail address, if any to the share registrar of the Company:

While sending of NTN/CNIC number, shareholders are requested to quote their respective Folio/CDC Account Numbers for identification purpose.

For any query/problem/information, Members may contact the Company Secretary at phone no. 021-36313222, email [farhan@towelliers.com](mailto:farhan@towelliers.com) and/or THK Associates Pvt Ltd Head Office 1<sup>st</sup> Floor, 40-C Block-6, P.E.C.H.S Karachi. At phone no. 92 (021) 111-000-322, 92 (021) 34168266-68 email, [secretariat@thk.com.pk](mailto:secretariat@thk.com.pk)