



PAKISTAN STOCK EXCHANGE LIMITED

PSX/N-996

NOTICE

February 16, 2018

Reproduced hereunder Circular No. 01 of 2018 dated February 16, 2018 received from **CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**, regarding **Establishment and Operations of the Centralized Cash Dividend Register**, for information of all concerned.

(Copy of the same is also available on our Website www.psx.com.pk).



Central Depository Company
of Pakistan Limited

Head Office: CDC House, 99-B,
Block 'B', S.M.C.H.S.,
Main Shahr-e-Faisal,
Karachi-74400

Ref. No. CDC/LC&R/34/2018

February 16, 2018

Circular No. 01 of 2018

Sub: Establishment and Operations of the Centralized Cash Dividend Register

To,
The Chief Executive Officers of
all CDS Elements and Share Registrars,

We are pleased to inform you regarding the introduction of CDC's e-Service Portal. Amongst other services, the e-Service Portal will also maintain details relating to cash dividends paid, unpaid or withheld by listed companies in the Centralized Cash Dividend Register. Such arrangement will provide a safer, efficient and cost-effective alternative to the physical notice portion of dividend warrant (counter foil), whereby eliminating the major cost incurred by the listed companies towards printing and dispatching of counter foils at the time of processing of cash dividend.

2. As per the Companies (Distribution of Dividends) Regulations, 2017 ("Dividend Regulations") issued by the Securities and Exchange Commission of Pakistan vide S.R.O. No. 1145 (I)/2017 dated November 6, 2017, all the listed companies announcing cash dividends are required *inter alia* to provide a certificate to their shareholders through the central depository; specifying the calculation of dividend amount including the number of shares held, total amount of cash dividend, tax and zakat deductions and the net amount credited into the designated bank account of the shareholders.

3. As a process provided under the Dividend Regulations, all such listed companies shall provide the information referred to in paragraph 2 above to the central depository. Such information shall also include cases where cash dividends could not be paid or where cash dividends have been withheld or deferred by the listed companies with reasons thereof.

4. The Registrar / Transfer Agent of listed companies shall enter the relevant details relating to cash dividend in the Centralized Cash Dividend Register established and maintained by the central depository through a web portal i.e. www.eservices.cdcaccess.com.pk.

5. All the listed companies declaring cash dividend and their shareholders and Registrars / Transfer Agents shall have access to the Centralized Cash Dividend Register in the manner provided in the Procedures placed on our website www.cdcpakistan.com. The shareholders may obtain the Dividend/Zakat and Tax Deduction Report from the Centralized Cash Dividend Register in electronic form for record purposes or tax filings.

[Handwritten signature]
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Central Depository Company
of Pakistan Limited

Head Office: CDC House, 99-B,
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Karachi-74400

6. The electronic Dividend/Zakat and Tax Deduction Report to be provided by listed companies to their shareholders through the central depository shall eliminate the existing practice of preparing and sending the notice portion of dividend warrant (counter foil) in physical form.
7. The Procedures also specifies the duties of listed companies and their Registrars / Transfer Agents in more detail including the manner of uploading details relating to cash dividends in the Centralized Cash Dividend Register.
8. It shall be the responsibility of the listed companies to ensure correctness and completeness of the data entered in the Centralized Cash Dividend Register including payment of fee to CDC at each event as per the Fees and Deposits Schedule.
9. For the purpose of aforesaid arrangement, necessary amendments have also been made in the CDC Regulations and the Fees and Deposits Schedule with the approval of the Securities and Exchange Commission of Pakistan with the effective date of **February 12, 2018**, as placed on our website.
10. For more insight into the Centralized Cash Dividend Register, please review the enclosed leaflet. You may also send your queries or seek clarification by contacting our Customer Support Services at 0800-23275 or send us an email at info@cdcpak.com

Regards,


Badiuddin Akber
Chief Compliance & Risk Officer

Copy for Information to:

The Executive Director / HOD-LRAD (SMD)
Securities and Exchange Commission of Pakistan
Islamabad

The Chief Executive Officer
Pakistan Stock Exchange Limited
Karachi

The Director / HOD-PRDD (SMD)
Securities and Exchange Commission of Pakistan
Islamabad

The Chief Executive Officer
National Clearing Company of Pakistan Limited
Karachi



Centralized Cash Dividend Register – Leaflet

For almost two decades now, CDC has been recognized as the infrastructure backbone of Pakistan Capital Market and the only securities depository in the country. We are the sole entity handling the electronic settlement of transactions carried out in Pakistan Stock Exchange, while also offering other diversified services to the Capital Market.

As you may be aware that with the promulgation of the new Companies Act, 2017, it has become mandatory for all listed companies to process their dividends electronically. Under the Companies (Distribution of Dividends) Regulations, 2017 recently issued by SECP, every listed company shall provide to the Central Depository the details of cash dividends including calculation of dividend amount, tax and zakat deductions and accordingly a certificate will be made available to the shareholders in electronic form through the Central Depository.

In this regard, we are pleased to inform you regarding the introduction of CDC's e-Service portal. The e-Service portal of CDC will provide a safer and cost effective alternative to the physical notice portion of dividend warrant (counter foil), eliminating the major cost of printing and dispatching of counter foil incurred by the listed companies at the time of processing of cash dividend.

The Centralized Cash Dividend Register developed and implemented by CDC as a web-based service provides investors with a consolidated view of all their cash dividends due or credited by issuers. History of all cash dividends pertaining to the investor is maintained in the Centralized Cash Dividend Register on the basis of data provided by the issuers. Also, record of each dividend is displayed with relevant status. In case an investor's cash dividend has not been credited or has been withheld or deferred, the reason for non-disbursement of dividend is also displayed. **This service is offered by CDC free of cost to the investors.**

Investors can also obtain Dividend/Zakat and Tax Deduction Report in electronic form from the web portal containing details of gross cash dividend amount, number of shares, dividend rate, tax and zakat deductions and net dividend amount paid. For availing such services, Investors will have to get themselves registered at our e-Service portal by visiting www.eservices.cdcaccess.com.pk.

Listed companies and Registrars / Transfer Agents are requested to refer the detailed Procedures placed on our website www.cdcpakistan.com and ensure compliance.

For more information regarding CDC's eService portal, please feel free to call our Customer Support Services at 0800-CDCPL (23275) or send us an email at info@cdcpak.com.

Comparative statement – Proposed amendments in CDC Regulations relating to Centralized Cash Dividend Register:

S. #	Proposed Regulations by CDC	Regulations approved by SECP
1.	<p>2.11.1 Centralized Cash Dividend Register means an electronic register developed and maintained by CDC in accordance with the e-Dividend Regulations containing following information relating to cash dividends as provided by issuers of listed Securities to CDC pursuant to the e-Dividend Regulations:</p> <p>a) Details of cash dividends paid by the Issuer;</p> <p>b) Details of cash dividend withheld by the Issuer with reasons thereof; and</p> <p>c) Details of cases where cash dividends could not be paid with reasons thereof;</p>	Same as proposed
2.	2.11.1 e-Dividend Regulations means the Companies (Distribution of Dividends) Regulations, 2017 issued by the Commission vide S.R.O. No. 1145(I)/2017 dated November 06, 2017 as amended or substituted from time to time;	Same as proposed
3.	5.9 Centralized Cash Dividend Register and related matters	Same as proposed
4.	5.9.1 CDC shall develop and maintain a Centralized Cash Dividend Register in accordance with the e-Dividend Regulations.	Same as proposed
5.	5.9.2 All Issuers of listed Securities to which the e-Dividend Regulations apply shall, in accordance with the Procedures, provide all relevant information relating to cash dividends to CDC in the manner prescribed under the e-Dividend Regulations.	Same as proposed
6.	5.9.3 CDC shall, upon receipt of information from an Issuer pursuant to Regulation 5.9.2, record such information in the Centralized Cash Dividend Register in accordance with the Procedures.	Same as proposed
7.	5.9.4 CDC shall, in accordance with the Procedures, provide access of the relevant shareholders or owners of other Securities of an Issuer to whom Regulation 5.9.2 applies to the Centralized Cash Dividend Register for the purpose of retrieval of information recorded therein.	Same as proposed
8.	5.9.5 An Issuer of listed Securities shall be responsible for ensuring the correctness and completeness of information relating to cash dividends provided to CDC pursuant to Regulation 5.9.2.	Same as proposed
9.	5.9.6 Notwithstanding anything to the contrary contained in these Regulations, CDC shall not be responsible or liable to any CDS Element or to any other person whatsoever for preparing and making available under these Regulations any Report or information relating to Centralized Cash Dividend Register on the basis of and incorporating the information supplied to CDC by an Issuer pursuant to Regulation 5.9.2. Every CDS Element and other person shall indemnify CDC and its directors, officers, employees and agents and hold them harmless from and against any losses, damages, costs and expenses incurred or suffered by CDC or any of its directors, officers, employees and agents as a consequence of preparing and making available under these Regulations any Report or information based upon the information supplied by such Issuer.	Same as proposed

SCHEDULE OF FEES						
S. No.	NAME	RATE	BASIS	LEVIED ON	COLLECTION	
					WHEN	MODE
21.	Centralized Cash Dividend Register fee	Rs.10/-	Per record (Note 13)	Issuer	With Application	P.O/ Draft/ Cheque

Note 13: The fee will be charged for each record uploaded in Centralized Cash Dividend Register for each event.