

Emco Industries Limited

Manufacturers of High Tension Electrical Porcelain Insulators, High Voltage Switchgear



June 29, 2021

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi, Pakistan.

Subject: **NOTICE TO MEMBERS (SHAREHOLDERS) OF EMCO INDUSTRIES LIMITED.**

Dear Sir,

In compliance of Regulation No. 5.6.9 (b) of the Rule Book of Pakistan Stock Exchange Limited, please find attached copy of notice (as Annexure-A) for conversion of physical shares into book-entry form (CDC Account).

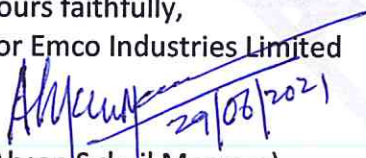
Further, members are also intimated through this notice to provide their details for updation of data which need to be updated in Company's Record and for **Corplink (Pvt) Limited**, who are the Share Registrar of the Company **EMCO Industries Limited** as per (Annexure-A) attached.

The above is submitted for your information of the Exchange.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours faithfully,

For Emco Industries Limited


(Ahsan Suhail Mannan)
Company Secretary/Director

CC:

The Director / HOD,
Surveillance, Supervision and Enforcement Department,
Securities and Exchange Commission of Pakistan,
NIC Building, 63-Jinnah Avenue, Blue Area,
Islamabad, Pakistan.



HEAD OFFICE: 4th Floor, National Tower, 28-Egerton Road, P.O. Box 36, Lahore - 54000, Pakistan
PABX: (042) 3630 6545 - 46 **FAX:** (042) 3636 8119 **WEBSITE:** www.emco.com.pk **E-MAIL:** info@emco.com.pk
FACTORY: 19-Km, Lahore - Shiekhupura Road, Lahore. **PABX:** (042) 3716 8922-28, **FAX:** (042) 3716 8932
E-MAIL: insulator@emco.com.pk

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Annexure-A

CONVERSION OF PHYSICAL SHARES INTO BOOK-ENTRY FORM NOTICE UNDER SECTION 72(2) OF THE COMPANIES ACT, 2017

AND

UPDATION OF SHARE HOLDERS DETAIL FOR THE SHARE REGISTRAR OF THE COMPANY

Dear Members,

1. Transfer of Physical Shares into Book-Entry Form:

Please note that as per requirement of Section 72 (2) of the Companies Act, 2017, every listed company is required to replace its physical shares with book- entry form in a manner as may be specified and from the date notified by the Commission, A brief regarding conversion of physical shares into book-entry form as per requirement of section 72 of the Act is attached as Annexure-B.

Accordingly, you are encouraged to convert your physical shares into electronic form by opening CDC Sub-account with any of the broker or investor account directly with CDC. This will facilitate you in many forms including safe custody, trading of shares at any time in much faster way as compared to physical shares.

2. Details of Shareholders for Share Registrar of the Company to update the record for the Company:

The Shareholders (CDC & Physical) of the Company are requested to submit their details to the Share Registrar in following format:

Name of Shareholder as per CNIC:	
CNIC No.:	Mobile Phone:
Profession:	
Permanent Address:	
Mailing Address:	
Folio No/ CDC ID:	
Bank Name:	
Title of Bank Account:	
Bank Account No. (IBAN):	
Bank Branch Address:	
	Signature of Shareholder

Please send details to the share registrar of the Company at the following address:

The Corplink (Pvt) Limited,
Share Registrar & Corporate Consultants, Wings Arcade, 1-K, Commercial, Model Town, Lahore

Yours faithfully,

For Emco Industries Limited


29/06/2021

(Ahsan Suhail Mannan)

Company Secretary/Director



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IMPLEMENTATION OF SECTION 72 OF THE COMPANIES ACT, 2017-CONVERSION OF PHYSICAL SHARES INTO BOOK-ENTRY FORM

Background

Section 72 of the Companies Act, 2017 (the "Act") requires every company having share capital to have its shares in book-entry form only, from the date notified by the Commission. Further, every existing company is required to replace its physical shares with book-entry form. A period of four years is specified in the Act for implementation of this provision and the deadline will end on May 30, 2021. Section 72 is reproduced below for ready reference:

"72. Issuance of shares in book-entry form.—(1) After the commencement of this Act from a date notified by the Commission, a company having share capital, shall have shares in book-entry form only.

(2) 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 the Commission, within a period not exceeding four years from the commencement of this Act:

Provided that the Commission may notify different dates for different classes of companies:

Provided further that the Commission may, if it deems appropriate, extend the period for another two years besides the period stated herein.

(3) Nothing contained in this section shall apply to the shares of such companies or class of companies as may be notified by the Commission."

2. Furthermore, Regulation 17 of the Companies (General Provisions and Forms) Regulations, 2018 states as under:-

"17. Issuance of shares in book-entry form.—Subsequent to the notification under section 72 of the Act, all companies required to replace its physical shares with book-entry form shall apply to a Central Depository in terms of the relevant Regulations for declaration of company's shares as eligible securities and comply with the requirements of the Central Depository for issuance of shares in book entry form."

3. In view of the above-mentioned requirements of the Act and as a step further towards digitization, the Securities and Exchange Commission of Pakistan (SECP) is considering to make it obligatory for all public listed, public unlisted, public interest and private limited companies to have their shares in book-entry form in compliance with Section 72 of the Companies Act, 2017. Shares held in book-entry form shall have the same rights and privileges as shares held in physical certificate form. However, rights and privileges of shares held in physical form may be restricted at a future date due to non-compliance with the provision of section 72 of the Companies Act, 2017. Once notified, all companies required to replace their physical shares with book-entry form shall apply to a central depository licensed by the SECP for conversion of existing physical shares and further issuance of shares in the book entry form. The central depository shall prescribe procedures for such conversion and issuance of shares including documentation required, process to be followed and applicable fee and charges.

4. SECP is of the view that conversion of shares into book-entry form will make the process of share handling more efficient, risk free and would help to minimize shareholding disputes. Handling of shares in case of corporate actions i.e. issue of bonus/right shares and transfer or selling of shares would be much easier, if shares are converted into book-entry form. Book entry securities can be pledged to a bank to obtain financing against them. Furthermore, it would help to reduce the risks and costs associated with storing of physical share certificates, which are susceptible to be lost, stolen and /or damaged and conversion of shares would help to avoid such problems.
