

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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Islamabad, September 5, 2022

NOTIFICATION

S.R.O. 1715 (I)/2022.— The following draft amendments to the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 proposed to be made by the Securities and Exchange Commission of Pakistan, in exercise of the powers conferred under section 169 of the Securities Act, 2015 (III of 2015), are hereby published in the official Gazette for information of all persons likely to be affected thereby and notice is hereby given that objections or suggestions, if any, received within fourteen days from the date of its placement on the website of the Commission, shall be taken into consideration by the Securities and Exchange Commission of Pakistan, namely:-

DRAFT AMENDMENTS

In the aforesaid Regulations,

- (1) in regulation 13, in sub-regulation (1),-
 - (a) in clause (c), for the words ‘six months’, the expression “one hundred and eighty (180) days” shall be substituted.
 - (b) in clause (d), -
 - (i) for the words “four weeks”, the expression “twenty-eight (28) days” shall be substituted, and
 - (ii) for the semi colon at the end, a colon shall be substituted and thereafter the following proviso shall be inserted namely:

“Provided that the weighted average share price shall be calculated as total value/total volume of the Target Company in the ready market and only those days shall be incorporated where the shares of the Target Company have been traded;”;
- (2) in regulation 15, in sub-regulation (1), after the sub-clause (d), for the full stop at the end a semi colon shall be substituted and after thereafter the word “or” shall be inserted and thereafter the following new clauses shall be inserted, namely: -
 - “(e) listed securities having listing history of at least 2 years from the date of announcement of offer and trading at normal counter of securities exchange that are proposed to be offered as non-cash consideration in the takeover transaction; or

(f) a combination thereof.”;

(3) in regulation 17, in sub-regulation (5), for the proviso, the following shall be substituted namely:

“Provided that if no such announcement is made within the time lines prescribed with reference to withdrawal or upward revision as per section 122 of the Act, the earlier offer on the original terms shall continue to be valid and binding on the acquirer who has made the earlier public offer, except that the date of closing of such public offer shall stand extended to the date of closure of public offer under the last subsisting competitive bid(s).”;

(4) for regulation 19, the following shall be substituted, namely: -

“19. Mode of payment. — (1) The consideration for the voting shares to be acquired by the acquirer shall be payable in the form of, -

- (a) cash; or
- (b) by exchange or transfer of listed shares having listing history of at least 2 years from the date of announcement of offer and trading at normal counter of securities exchange, owned/held by the acquirer or any person acting in concert;
- (c) by exchange or transfer of listed debt instruments owned/issued by the acquirer or held by any person acting in concert; or
- (d) by exchange or transfer of listed convertible debt securities owned/issued by the acquirer or held by any person acting in concert; or
- (e) a combination of the modes of payment for consideration stated in clause (a), clause (b), clause (c) and clause (d).

(2) For the purpose of calculating the consideration, 90 days average closing price of respective security before the public offer shall be considered.”;

(5) in regulation 20, after the full stop in the end, a colon shall be substituted and thereafter the following proviso shall be added, namely: -

“Provided that where the consideration involves only securities, or a combination of cash and securities, as the case may be, the offeror shall post or credit the non-cash consideration to the persons’ securities account, as the case may be, accepting the take-over offer within 2 days from the date of closure of public offer.”;

(6) in regulation 21, in sub-regulation (1), in clause (e), for the words “if granted”, the words “if availed” shall be substituted and the following proviso shall be inserted, namely: -

“Provided that the withdrawal notice shall be submitted to the Securities Exchange and the Commission not later than one working day of expiry of time period for making the public offer or extension thereof if availed, has lapsed.”;

(7) in regulation 22, sub-regulation (2) shall be omitted;

(8) in Schedule VI, -

(a) in Part-B, in clause 1), in sub-clause (g),

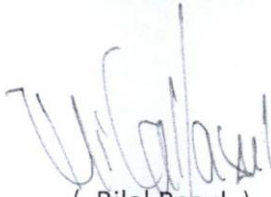
(i) for the heading “in case of individuals” and para (i), the following shall be substituted namely: -

“Name(s) of the natural person(s), CNIC/Passport Number, nationality and address of each person.”

(ii) the second heading “In case of Fund/Company etc.” and clauses (i), (ii) and (iii) shall be omitted; and

(b) in Part-C, in para (2), in clause (f), for the words “four weeks”, the expression “twenty-eight (28) days” shall be substituted.

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(Bilal Rasul)
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