

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI
J.C.M No.14 of 2018

DATE

ORDER WITH SIGNATURE OF JUDGE

For hearing of Main Petition.

29.08.2018.

Mr. Mikael Azmat Rahim, Advocate for Petitioner.
Mr. Saad Abbasi, Advocate for SECP.

This is a Company Petition under Section 279 read with Section 280 to 282 and 285(8) of the Companies Act, 2017 seeking sanctioning of the Scheme of Arrangement as set-forth in Annexure “C” to this Petition so as to make the scheme of arrangement binding with Petitioners and the Shareholders of the Petitioners No. 1 & 2 along with other persons.

As stated petitioner No.1 is a company authorized to carry on business of construction, building, civil engineering and allied activities and was incorporated on 27.7.2016; however, is yet to commence its business. On the other hand petitioner No.2 is a newly incorporated private company established for taking over the demerged undertaking of petitioner No.1 and was incorporated on 4.4.2018. The Petitioner No.1 & 2 are desirous to restructure and merge, by way of amalgamation, specific portions of the undertaking of the Petitioner No.1 i.e. the Demerged Undertaking (which shall stand demerged from the Petitioner No.1), with and into the Petitioner No.2. The Petitioners No.1 & 2 have agreed and entered into an agreement being the Scheme of Arrangement dated 17.04.2018 for demerger and amalgamation which has been duly approved by the respective Board of Directors of the Petitioners.

The Scheme of Arrangement, attached as Annexure "C" to this petition gives full particulars as to the benefits of the demerger / amalgamation, the purpose for the same, the details of the undertaking that will be demerged from the Petitioner No.1 and merged with and into the Petitioner No.2 (i.e. the Demerged Undertaking), the consequences of the arrangement, the effective date of the demerger / amalgamation, consideration and related matters, reduction in the issued and paid up share capital of the Petitioner No.1, and general provisions with respect to the arrangement. Such Scheme of Arrangement is part and parcel of the petition. By seeking sanction of the Scheme of Arrangement through this Petition under the Companies Act, as above, the intention is to obtain approval of the terms whereby, specific portions of the undertaking of Petitioner No.1 i.e. demerged undertaking, will be demerged from petitioner No.1 and shall be transferred to, stand vested and assumed by petitioner No.2 against allotment and issue of the shares of petitioner No.2 to the transferring shareholders as per the scheme of arrangement, whereas, the petitioners will continue as going concern(s) under their respective names, and shall not be dissolved. In view of such arrangement, necessary sanction is also being sought in respect of issued and paid-up capital of Petitioner No.1 as a consequence of demerger.

On 11.05.2018 on an application on behalf of the Petitioners the Court had permitted to convene a meeting after publishing a notice in newspapers, whereas, further directions were given for advertisement of the main Petition for publishing in terms of Rule 76 read with Rule 19 of the Companies Ordinance (Court) Rules, 1997 and notice was also ordered to Securities & Exchange Commission of Pakistan. It appears that all requisite formalities have been completed

as publication has been made in daily "JANG" and "THE NEWS" whereas, report has been furnished by the Chairman dated 27.06.2018. Comments have also been filed, whereas, a proper notice has also been published in the Gazette of Pakistan dated 13.06.2018. Subsequent to passing of order dated 11.05.2018 Additional Registrar of Companies, In-charge Company Registration Office, Karachi, Securities & Exchange Commission of Pakistan has filed Statement, wherein, it is stated that report has been examined and SECP has no objection if the Petition is allowed.

In view of such position, since all formalities have been completed whereas, no objections have been received from any quarter, there appears to be no impediment in granting this Petition which is accordingly allowed as prayed.

J U D G E

Ayaz P.S.