

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI
J.C.M No.46 of 2017

DATE

ORDER WITH SIGNATURE OF JUDGE

For hearing of Main Petition.

07.11.2018.

Mr. Waqas Ahmed Shaikh, Advocate for Petitioner.
Mr. Syed Ibad, Advocate for SECP.

This is a Company Petition under Section 279 read with Section 282 to 285 of the Companies Act, 2017 read with Rule 777 to 780 of the Sindh Chief Court Rules (OS) seeking sanctioning of the Scheme of Arrangement as set-forth in Annexure "A" 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 to establish, erect, setup, manage and operate Lube reclamation plants and to establish a wide network for collection of used oils to reprocessing and blending and to market the said oil and was incorporated on 20.11.1976. On the other hand petitioner No.2 was incorporated as a private company and was established on 07.11.1994 and was established for manufacturing lubricating oil for production, blending and marketing lubricating oil of various kinds. The Petitioner No.1 & 2 are desirous to restructure and merge, by way of amalgamation, more specifically merger of Petitioner No.2 with and into the Petitioner No.1 with the object of better and more economic reasons to run the same business. The Petitioners No.1 & 2 have agreed and entered into an agreement

being the Scheme of Arrangement (Annexure "A") for merger and amalgamation which has been duly approved by the respective Board of Directors of the Petitioners and such resolutions have been placed on record.

The Scheme of Arrangement, attached as Annexure "A" to this petition gives full particulars as to the benefits of the merger / amalgamation, the purpose for the same, the consequences of the arrangement, the effective date of the merger / amalgamation, consideration and related matters, the effect on the employees of the Petitioner No.2 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, the entire undertaking and business, inclusive of all assets, properties, rights, liabilities, obligations and dues of Petitioner No.2, as more specifically stated in the Scheme of Arrangement, will be transferred to, stand vested and assumed by petitioner No.1, whereas, Petitioner No.1 will continue as a going concern under the name of "Oil Industries Pakistan (Private) Limited" and petitioner No.2 at the same time shall stand dissolved.

On 23.01.2018 on an application (CMA No.368/2017) on behalf of the Petitioners under Rule 55 of the Companies (Court Rules), 1997, read with Section 151 CPC, the Court had permitted to convene separate meeting(s) of the members of the petitioners under Section 279(2) of the Companies Act, 2017 after publishing a notice in newspapers, and also inviting creditors, 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 28.4.2018. Comments were filed by SECP and objection was raised regarding obtaining No Objection Certificate(s) from Habib Bank Limited, Bank Al-Habib Limited and Faysal Bank Limited, to which necessary response has been filed today through statement, whereby, all Banks have given their NOC; however, subject to honoring and of satisfying their claims against Petitioner No.2 by the Petitioner No.1. To this SECP has given is consent as well. A proper notice has also been published in the Gazette of Pakistan dated 07.3.2018. Subsequent to passing of orders of this Court Additional Registrar of Companies, In-charge Company Registration Office, Karachi, Securities & Exchange Commission of Pakistan has filed comments dated 5.4.2018, 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.