

IN THE HIGH COURT OF SINDH AT KARACHI

Judicial Companies Misc. No.04 of 2026

Date	Order with Signature of Judge
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For hearing of Main Petition

02.06.2026

Mr. Ijaz Ahmed Zahid, Advocate for the petitioner
a/w M/s. Waqar Ahmed and Hashmatullah Aleem Advocates
Mr. Imran Shamsi, Law Officer SECP

1. This petition has been filed under Section 89(b) of the Companies Act, 2017 seeking sanction of this Court for the reduction of capital of the Petitioner by way of cancellation of 105,691,400 shares resulting in a corresponding reduction in the issued and paid-up capital of the Petitioner.

2. I have heard the counsel for the Petitioner and the law officer of the Securities and Exchange Commission of Pakistan and perused the available material on the record.

3. The Petitioner is an unlisted public limited company incorporated originally as Phillips Electrical Industries of Pakistan Limited on 01-09-1954. The name was changed to Phillips Pakistan Limited subsequently and finally to Signify Pakistan Limited. The paid-up share capital of the Petitioner is Rs. 1,737,611,420 divided into 173,761,142 paid ordinary shares of Rs. 10/- each. The aforesaid paid-up shares are held by 377 shareholders. Article 36 of the Articles of Association authorizes the Petitioner to reduce its capital in any manner authorized by law by way of special resolution.

4. The learned counsel for the Petitioner has explained that since the Petitioner company is no longer operating as a manufacturing concern, the surplus shares are to be cancelled by paying off the shareholders. A special resolution dated 07.11.2025 was passed at an Extraordinary General meeting convened after due notice resolving reduction of the Petitioner's paid-up capital to Rs. 10,000,000/- through the cancellation and extinguishment of 105,691,400 ordinary shares of Rs. 10/- each to be affected proportionally amongst all shareholders followed with filing of Form-26 with the SECP. Publication as required has been made in the newspapers as well as official gazette on 01.04.2026 but no objection has been received from any quarter. NOCs from all

the creditors as per the list of creditors on the record as well as NOCs from the two concerned Banks are also available on file. CMA No.57 of 2026 filed by the petitioner for dispensation of meeting of the creditors in view of the NOCs was allowed vide order dated 11.03.2026.

5. Today, Mr. Imran Shamsi, Law Officer SECP, has submitted their no objection in writing to the instant petition.

6. This Court in *Din Farm Products Pvt Limited*, 2023 CLD 219 enumerated the factors to be taken into consideration by the Court when granting sanction for reduction of capital. None of the impediments as held in such case exist in the instant matter. Consequently, the proposed reduction in the share capital of the Petitioner as resolved by the company itself appears to be just, fair, and reasonable and not likely to adversely affect the interests of the shareholders who have themselves resolved to grant approval for the scheme of reduction. Therefore, the proposal for the reduction of share capital is hereby confirmed in terms of the applicable provisions of the Companies Act, 2017.

7. Petition stands disposed of in the above terms.


JUDGE

Asif

