



# NISHAT CHUNIAN L T D.

July 10, 2020

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

**Commissioner (CLD)**  
Securities & Exchange Commission of Pakistan  
NIC Building, Jinnah Avenue, Blue Area  
63-Jinnah Avenue  
Islamabad

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

**Subject: Disclosure of Material Information**

Dear Sir

In accordance with the applicable provisions of the Securities Act, 2015 and the Rule Book of Pakistan Stock Exchange Limited, Nishat (Chunian) Limited (the 'Company') is pleased to convey the following information:

"The Honorable Lahore High Court, has approved the Scheme for Compromises, Arrangements and Reconstruction between Nishat (Chunian) Limited and its wholly owned subsidiary NC Electric Company Limited. A Certified Copy of the court order is attached herewith.

However, two of the changes that were resolved in the EOGM were inadvertently left out in the Court Order and in this regard management has filed an application for correction of the Order. Changes, resolved by the shareholders were as follows:

- 1) The effective date of merger be changed from 1<sup>st</sup> July, 2020 to 30<sup>th</sup> June, 2020.
- 2) The Authorized Share Capital of NCECL be merged with the Authorized Share Capital of NCL."

A disclosure form is attached herewith.

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

Your's faithfully

**Samina Aslam**  
Company Secretary

Enclosed as abo



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## DISCLOSURE FORM (SECURITIES ACT, 2015)

Name of the Company	Nishat Chunian Limited
Date of Report (Date of earliest event reported if applicable)	27-01-2020
Exact Name of the Company as specified in its Memorandum	Nishat Chunian Limited
Registered address of the Company	31-Q Gulberg-II, Lahore.
Contact Information	<b>Ms. Samina Aslam</b> Company Secretary Tel: 042-35761730 Fax: 042-35878696
Disclosure of Inside Information in terms of the Securities Act 2015 Rule Book of Pakistan Stock Exchange Limited	<p>"The Honorable Lahore High Court, has approved the Scheme for Compromises, Arrangements and Reconstruction between Nishat (Chunian) Limited and its wholly owned subsidiary NC Electric Company Limited. A Certified Copy of the court order is attached herewith.</p> <p>However, two of the changes that were resolved in the EOGM were inadvertently left out in the Court Order and in this regard management has filed an application for correction of the Order. Changes, resolved by the shareholders were as follows:</p> <ol style="list-style-type: none"><li>1) The effective date of merger be changed from 1<sup>st</sup> July, 2020 to 30<sup>th</sup> June, 2020.</li><li>2) The Authorized Share Capital of NCECL be merged with the Authorized Share Capital of NCL."</li></ol>

  
Company Secretary

**ORDER SHEET**  
**IN THE LAHORE HIGH COURT LAHORE.**  
**JUDICIAL DEPARTMENT**

CO No. 9141 of 2020

EXAMINER  
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 Lahore High Court, Lahore.

In the matter of Nishat (Chunian) Ltd and another

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24.06.2020. Mr. Ahmed Pervaiz and Shahjahan Khan, Advocates for the Petitioners  
 Mr. Hafiz Tallaha Yahya, Advocate for Securities and Exchange Commission of Pakistan

This is a petition jointly filed by the petitioner companies under sections 279 to 283 and 285 of the Companies Act, 2017 (the Act) for sanctioning of the Scheme of Compromises, Arrangements and Reconstruction (**Scheme of Merger**) entered into between petitioner No. 1 and petitioner No. 2. Under the terms of the Scheme of Merger, petitioner No. 2, which is a wholly owned subsidiary of petitioner No. 1, shall merge into petitioner No.1 through the transfer and vesting in petitioner No.1 of the Undertaking and business of petitioner No. 2 together with all the property, assets, rights, liabilities and obligations of every description of petitioner No. 2 against set-off of the equity investment against issued, subscribed, and paid-up share capital of petitioner No. 2 by petitioner No. 1 and the dissolution of petitioner No. 2 without winding up, without any further act or deed or documents being required to be executed, registered or filed in respect of such transfer, vesting, assumption and/or dissolution.

2. This Court on 17.02.2020, after preliminary consideration of the petitioners' petition, passed orders for holding the extra ordinary general meetings of the

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shareholders of the petitioner companies to ascertain the wishes of their respective shareholders to the Scheme of Merger and for this purpose appointed M/s Bakhtayar Mehmood Malik and Muhammad Haris Naeem, Advocates as Chairmen to hold and preside over the said meetings and submit their report. In addition to fulfilling other statutory formalities for holding the said extra ordinary general meetings under the law, the petitioner companies were also directed to issue notices for the said meetings through public advertisements in two national newspapers namely daily "Nawa-e-Waqt" and "Dawn" under Rules 55 and 61 of the Companies (Court) Rules, 1997 (the Rules).

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3. Pursuant to the above directions of the Court, the Chairmen submitted their report, which is duly supported by the relevant record. According to the report, the extra ordinary general meetings of the petitioner companies were scheduled and notified for 31.03.2020. The copies of the notices dispatched to the shareholders of the petitioner companies, Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, and the notices published in the newspapers are annexed with the report.

4. According to the report, the meetings were convened and held as per the schedule under the supervision of the Chairmen. The attendance sheets of shareholders of the petitioner companies have also been placed on record, which reflect the participation of the shareholders of the petitioner companies in the meetings, personally or through proxy. The Scheme of Merger was unanimously approved by 100% of the shareholders of the petitioner companies participating in

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their respective meetings. The Scheme of Merger as approved by the shareholders has been annexed at pages 10-21 of the report submitted by the Chairmen.

5. This Court after submission of the report by the Chairmen on 17.02.2020 passed orders for issuance of notices in the main petition to the Securities and Exchange Commission of Pakistan (SECP), Competition Commission of Pakistan and the Creditors of the petitioner companies as per the list annexed at page 255 of the petition. The notices were issued through proclamation in the newspapers namely "Daily Dawn", "Business Recorder" and "Daily Jang" on 08.04.2020.

6. Pursuant to the notices issued by this Court, only SECP filed its reply to the petition in which it primarily raised the objection that petitioner No. 1 has filed Form-26 dated 02.09.2019 with the concerned Registrar with respect to special resolution passed on 31.08.2019 for purchase (buy-back) of its own shares under section 88 of the Act read with the Listed Companies (Buy-Back of Shares) Regulations, 2019 (the **Regulations**) which Form-26 has not been accepted for record. Petitioner No.1 on 23.10.2019 submitted the final report on purchase of its 102,527 ordinary shares of Rs.10 each through tender offer in terms of requirements of regulation 4(5) of the Regulations in which some information/documents, enlisted in the SECP reply, have been missing, which were required for submission by petitioner No.1 through various mails/correspondence. SECP further raised the objections that an inquiry/investigation by National Accountability Bureau (NAB) is under process with respect to petitioner No.1

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and that NOCs from secured creditors have not been appended with the petition.

7. Today, during the course of arguments, learned counsel for the petitioner companies has made a statement that even though the objection raised by the SECP regarding buy-back of its shares by the petitioner No. 1 has no bearing on the Scheme of Merger as it shall have no impact on the paid-up capital of the petitioner No.1, the said petitioner undertakes to provide the required documents to SECP within thirty days and the Scheme of Merger be sanctioned subject to submission of the said documents by the petitioner No. 1 to the SECP. Learned counsel present for SECP has no objection to the same. As far as NAB's inquiry/investigation, if any, is concerned, the same will not be affected in anyway by the sanctioning of the Scheme of Merger. The objection regarding the NOC's by the secured creditors is also not tenable in as much as notices were issued to all the secured creditors of the petitioner companies through the process server of this Court and also through proclamations in three leading national newspapers. Not a single secured creditor has come forward to raise any objection on the Scheme of Merger.

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8. Petitioner No. 1 is a listed public company limited by shares and has an authorized share capital of Rs. 3,000,000,000/-, divided into 300,000,000 ordinary shares of Rs. 10/- each. Subject to paragraph 7 above, the petitioner No.1 has an issued, subscribed and paid-up capital of Rs. 2,401,190,290/- divided into 240,119,029/- ordinary shares of Rs.10/- each.

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Petitioner No. 2 is a public company limited by shares and has an authorized share capital of Rs. 1,200,000,000/- divided into 120,000,000/- shares of Rs. 10/- each. The petitioner No.2 has an issued, subscribed and paid-up capital of Rs. 1,200,000,000/- divided into 120,000,000/- ordinary shares of Rs. 10/- each.

9. None of the stakeholders, creditors, shareholders of petitioner No. 1 and petitioner No. 2 and other interested parties have come forward and raised any objection to the Scheme of Merger, hence this petition is allowed and the Scheme of Merger annexed at pages 10-21 of the report submitted by the Chairmen (Annexure-B to the said report) is hereby sanctioned, subject to fulfilment of the undertaking given in paragraph 7 above, which Scheme of Merger shall form part of this order as Schedule 'A'. The Scheme of Merger shall take effect in accordance with section 282(3) of the Act. In consequence thereof, it is further ordered in terms of Section 282 of the Act as follows:

- a. With effect from 01.07.2020, the entire Undertaking and business of petitioner No. 2 with all the property, assets, rights, liabilities and obligations of every description be stand merged/amalgamated into petitioner No. 1 against set-off of the equity investment against issued, subscribed and paid-up share capital of petitioner No. 2 by petitioner No. 1 and petitioner No. 2 shall stand dissolved without winding up, without any further act or deed or documents being required to be executed, registered or filed in respect of

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 Lahore High Court, Lahore

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such transfer, vesting, assumption and/or dissolution.

- b. Petitioner No. 1 shall within 30 days after the date of issue of a certified copy of this order, cause such certified copy of this order to be delivered to the Registrar of Companies for registration;
- c. Petitioner No. 1 shall deposit the requisite stamp paper in the office within a period of three weeks in lieu of the transfer of the properties of the petitioner No. 2, if any, in terms of the law laid down in judgment reported as In the matter of Fatima Sugar Mills Limited through Company Secretary and others PLD 2015 Lahore 632.



29/06/2020  
C.O. No. 134620  
Examiner: J18 (Commercial Branch)  
Lahore High Court, Lahore

**TRUE COPY**

(Shams Mehmood Mirza)  
Judge

Copy Petition No: 134620  
Case No. 27/6/20  
Submission Date: 6  
No of Pages: 12  
Fee (Rs. 2/- per page): 4/7  
Urgent Fee (if any):  
Total Fee (Rs.):  
Date of Completion:  
Date of Delivery: 20/07/2020

**(EXAMINER)**  
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Authorized under Article 87 of  
The Qanun-e-Shahadat Order, 1984.  
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