



Gatron (Industries) Limited

Registered Office: Room No. 32, 1st Floor, Ahmed Complex, Jinnah Road, Quetta, Balochistan, Pakistan. Telephone: (92-81) 2849396, Fax: 081-2825304
Liaison Office : 11th Floor, G&T Tower, # 18 Beaumont Road, Civil Lines-10, Karachi-75530, Pakistan.
Tel: 35659500-6, Fax: 021-35659516, E-mail: headoffice@gatron.com

BY HAND / PUCAR

October 8, 2020

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

Dear Sir,

Subject: Disclosure of Material Information

In accordance with Sections 96 of the Securities Act, 2015 and Clauses 5.6.1 of the Pakistan Stock Exchange Regulations, we share herewith the following material information:

The Honourable High Court of Balochistan, Quetta vide its Order dated September 21, 2020 has approved the Scheme of Arrangement under Section 279 of the Companies Act, 2017 between Gatron (Industries) Limited and its Shareholders and Novatex Limited and its Shareholders. Certified copy of the Court Order is attached for your information and record.

Please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking you,

Yours faithfully,
For **Gatron (Industries) Limited**

Muhammad Yasin Bilwani
Company Secretary

Encl: as above

Cc: The Director/HOD
Surveillance, Supervision and Enforcement Department
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue
Blue Area, Islamabad

IN THE HIGH COURT OF BALOCHISTAN QUETTA.

(COMPANY JURISDICTION)

Judicial Miscellaneous Application No. 05/2019

**In the matter of Gatron (Industries) Limited and its Shareholders
and Novatex Limited and its shareholders**

Gatron (Industries) Limited. A Public listed company limited by shares, incorporated under the laws of Pakistan, with its Registered office situated at Room No. 32, 1st Floor, Ahmed Complex, Jinnah Road, Quetta through Muhammad Hanif. **Petitioner.**

VERSUS

Novatex Limited, a public company limited by shares, incorporated under the laws of Pakistan, with its Registered Office situated at office at Room No. 50, 2nd Floor, Ahmed Complex, Jinnah Road, Quetta through Mr. Shameer. **Respondents.**

**APPLICATION U/S 279 TO 283 AND 285 OF THE
COMPANIES ACT, 2017.**

ORDER

21.09.2020

Mr. Ejaz Ahmed, Advocate for petitioners.
Mr. Abdul Rehman Khan Tareen, Deputy Registrar of
Companies, Company Registration office Quetta.

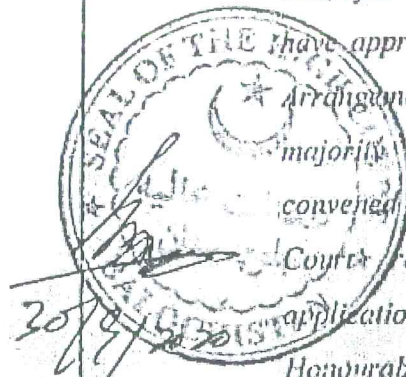
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This order disposes of Civil Miscellaneous
Application Nos.05/2019 & 159 of 2020.

2. CMA No.05/2019 has been filed by Gatron
(Industries) Limited (petitioner No.1) and Novatex
Limited (petitioner No.2) under sections 279 to 283
and 285 of the Companies Act, 2017 (hereinafter "the
Act") wherein the petitioners have prayed as follows:

"32. That petitioners therefore humbly pray
that, after the shareholders of the petitioners
have approved, adopted and agreed to the
Arrangement by the requisite statutory
majority at separate meetings to be
convened under the order of this honourable
Court requested in the interlocutory
application aforesaid of the petitioners, this
Honourable Court may be pleased to make
the following orders:

(a) An order under section 279(2) of the
Companies Act, 2017 sanctioning the
Arrangement as set forth in Annex A



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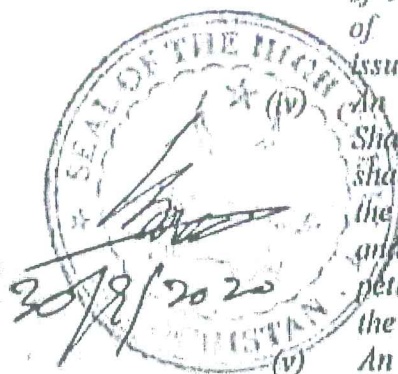
Date

Order with signature of Judge.

hereto so as to make the Arrangement binding on the petitioner No.1 and 2, their respective shareholders;

(b) The following orders so as to take effect at the same time as the order sanctioning the Arrangement takes effect in accordance with the section 279(3) of the Companies Act, 2017, namely:

- (i) An order for the cancellation of 56,700,000 fully paid ordinary shares in the paid up capital of petitioner No.2 owned by petitioner No.1 (defined as the Arrangement Shares in the Scheme) without reduction of the capital;
- (ii) Issuance of 56,700,000 fully paid ordinary New Shares of petitioner No.2 to the Shareholders of petitioner No.1 in a manner that each shareholder of petitioner No.1 gets 1.47793 shares of petitioner No.2 for each share of petitioner No.1 held by such shareholder.
- (iii) An order confirming that paid up capital of petitioner No.2 shall remain Rs.1,539,480,600 divided into 153,948,060 ordinary shares of Rs.10 each, after cancellation of Arrangement Shares and issuance New Shares.
- (iv) An order confirming that the Shareholders of petitioner No.1 shall continue to own and retain the remaining shares in the issued and paid up capital of the petitioner No.1 as are specified in the Schedule to the Arrangement.
- (v) An order confirming that the petitioner No.1 shall continue to own and operate the remaining undertaking (as defined in the arrangement).
- (vi) An order directing that in case of book-entry securities (as defined in the Central Depositories Act,



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		<p>1997) and for the purposes of that Act and the regulations of Central Depository Company of Pakistan Limited the orders under paragraphs (i) and (ii) shall be effected by transfer, cancellation and addition, as the case may be, of the book-entry securities in the respective accounts and sub-accounts in the Central Depository System and cancelation and substitution of any jumbo certificates issued in favour of the Central Depository Company of Pakistan Limited.</p> <p>(C) Such further or other order or orders as may seem just and proper to this Honourable Court.</p> <p>3. Alongwith CMA No.05/2019, the petitioners also filed CMA No.1516/2019 praying therein as follows:</p> <p>"14. The petitioners therefore respectful pray that the Hon'ble Court may be pleased:</p> <p>(i) To make an order under Section 279 (1) of the Companies Act, 2017 read with Rule 55 of Companies Court Rules.</p> <p>(a) Of the Members of the petitioner No.1 and</p> <p>(b) Of the Members of the petitioner No.2:</p> <p>For the purpose of considering and, if thought fit, approving, adopting and agreeing to the</p>

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Scheme of Arrangement as set forth in Annexure A to the petition.

(ii) To issue directions as contemplated in Rule 56 of the Companies Court Rules, 1997 in connection with the meetings to be convened under of this Hon'ble Court prayed for in clause (i) above as follows:

(a) That the meeting of the Members of each petitioner shall be held within ten weeks from the date of the order directing the convening thereof and shall be held at such place, in Quetta and on such date and at such time as the Board of Directors of that petitioner may decide or as this Hon'ble Court may otherwise direct;

(b) That the Chief Executive of petitioner No.1, Chief Executive of Petitioner No.2 or such other persons as this Hon'ble Court may be pleased to appoint for the purpose, shall be the chairman of the meeting of the Members of each of the petitioners respectively, and that the quorum requisite for the conduct of business at each such meeting shall be in accordance with the respective Articles of Association of the petition.

(c) That notice of the meeting of the Members of each petitioner accompanied by a statement of information in the form set forth in Annex J of the petition shall be given in the manner provided in its Articles of Association and shall be sent to all Members of such petitioners and to all other persons entitled to any share of the petitioners in consequence of the death of a Member of which the petitioners has notice.

(d) That the Register of Members of each petitioner shall be closed for period of seven days prior to and inclusive of the date for which the meeting of the Members of the petitioners concerned are convened.

(e) That the chairman of the meeting of the Members of each petitioners shall report the result thereof of this Honourable Court within seven days after holding of meeting".

20/8/2022

APPELLANT

PETITIONER

VERSUS

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		<p>4. CMA No.1517/2019 was also filed by the petitioners wherein the following prayer was made by the petitioners:</p> <p><i>"It is respectfully prayed, on behalf of petitioner No.1 that this Honourable Court may be graciously pleased to dispense with the meetings of creditors of petitioner No.1 and 2".</i></p> <p>5. Notices of the above CMAs were issued to the Securities & Exchange Commission of Pakistan ('SECP').</p> <p>6. On 06.12.2019, CMA No.1516/2019 was accepted by this Court. The office was directed to affix notice of CMA No.1516/2019 on the Notice Board of this Court and to also issue notices to Deputy Registrar of Companies, Company Registration Office Quetta (hereinafter "the Deputy Registrar")/SECP office Quetta as both the petitioner Companies are having their registered offices at Quetta.</p> <p>7. On the above date, publication was also ordered to be made in Daily Jang Quetta, Daily Jang Karachi and Daily Dawn at the cost of the petitioner Companies. Both the petitioner Companies were</p>

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directed to hold Extraordinary Meeting of its members/shareholders for considering/ approving adopting/agreeing to the Scheme of Arrangement as set forth in Annexure-A of CMA No.05/2019 and as per contents of para 14 of CMA No.05/2019.

8. On the same date, i.e. 06.12.2019 CMA No.1517/2019 was also accepted by this court for the reasons that the Arrangement between both the petitioner Companies pertains to its members/ shareholders and it does not relate to the creditors; that the creditors/financial institutions of both the petitioner Companies have issued NOCs and have raised no objection on the Arrangement between the two petitioner Companies.

9. In pursuance of acceptance of CMA No.1517/2019, the holding of meeting of both the petitioner Companies with their creditors was dispensed with by this Court in exercise of powers conferred by section 279 of the Act read with Notification No.S.R.O. 840(I)/2017 dated 17.08.2017 issued by the Finance Division Government of Pakistan Islamabad.

10. In pursuance of publication made in the newspapers, none appeared with any objection of whatsoever nature.

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		<p>11. On 02.01.2020 report of Chairman Novatex Limited (petitioner No.2) was filed in the office confirming that Extraordinary General Meeting of the petitioner No.2 was held on December 26, 2019 in Quetta; that votes were casted by the members through balloting; that the Scheme of Arrangement which was placed before the members was approved unanimously.</p> <p>The above report of the Chairman of petitioner No.2 is annexed with minutes of the Extraordinary General Meeting dated 26th December 2019.</p> <p>12. The report of Chairman Gatron (Industries) Limited (petitioner No.1) was also submitted in office on 19.02.2020 confirming that Extraordinary General Meeting of petitioner No.1 was held on 12.02.2020 in Quetta which was attended by the members and votes were casted by the members through balloting; that Scheme of Arrangement was unanimously approved by the members present in the Extraordinary General Meeting.</p>

Petition No.	Date	Order with signature of Judge.
		<p>The above report of the Chairman of petitioner No.1 is annexed with minutes of Extraordinary General Meeting dated 12.02.2020.</p> <p>13. On 24.02.2020, the petitioners submitted CMA No.159/2020 under Rule 60 of the Companies (Court) Rules, 1997 (hereinafter "the Rules of 1997") read with sections 279 to 283 and 285 of the Act praying therein as follows:</p> <p><i>"The petitioner therefore humbly pray that, after the members of the petitioners have approved, adopted and agreed to the Scheme of Arrangement by the requisite statutory majority at meetings convened pursuant the order dated December 6, 2019 of this Hon'ble Court, this Hon'ble Court may be pleased to make the following orders:</i></p> <p>(a) an order under Section 279(2) of the Companies Act, 2017 sanctioning the Scheme of Arrangement as set forth in Annex "A" hereto so as to make the Scheme of Arrangement binding on petitioner No.1 and 2, their respective shareholders;</p> <p>(b) the following orders so as to take effect at the same time as the order sanctioning the Arrangement takes effect in accordance with the Scheme of Arrangement, namely:</p> <p>(i) an order for the cancellation of 56,700,000 fully paid ordinary shares in the paid up capital of petitioner No.2 owned by petitioner No.1 (defined as the Arrangement Shares in the Scheme) without reduction of the capita;</p> <p>(ii) issuance of 56,700,000 fully paid ordinary New Shares of petitioner No.2 to the Shareholders of petitioner No.1 in</p>

Sl No.	Date	Order with signature of Judge.
		<p>14. The Rules of 1997 have not been repealed by the Act and section 509 (2) of the Act adopts the Rules of 1997.</p> <p>15. Notice of CMA No.159/2020 was issued to Deputy Registrar who submitted preliminary observations of SECP in office on 17.04.2020 copy whereof was provided to learned counsel for the petitioners on 03.07.2020.</p> <p>16. The preliminary observations submitted on behalf of SECP were responded by the petitioners by submitting reply in office copy whereof was received by Deputy Registrar.</p> <p>17. On 28.08.2020, the Deputy Registrar filed another statement on behalf of SECP in response to the reply submitted by the petitioners copy whereof was delivered to learned counsel for petitioners.</p> <p>18. The Scheme of Arrangement reveals that 56,700,000 shares of Novatex Limited (petitioner No.2), are held by Gatron (Industries) Limited (petitioner No.1) and the petitioner No.1 intends to return the above shares to the petitioner No.2 as a result of the Scheme of Arrangement; that petitioner No.2 has to cancel the above shares from the name of petitioner No.1 and has to issue 56,700,000 shares of Novatex to the shareholders of Gatron (Industries) Limited (petitioner No.1).</p>


30/9/2020

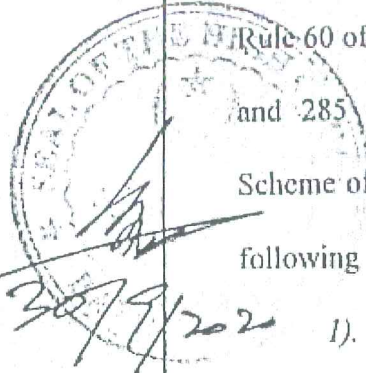
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		<p>19. In its preliminary observations, SECP is wrongly considering the transfer of shares according to the above Scheme of Arrangement as transfer of dividend whereas the Scheme of Arrangement does not relate to transfer of dividend of the petitioners.</p> <p>20. Since the petitioners have complied with all the requisite formalities under the relevant provisions of the Act, therefore, in exercise of powers conferred upon this Court vide Notification No.S.R.O 840 (I)/2017 dated 17th August 2017 issued by Government of Pakistan Finance Division Islamabad, CMA Nos.05/2019 & 159/2020 filed by the petitioners under Rule-60 of the Rules 1997 read with section 279 to 283 and 285 of the Act are hereby accepted and the Scheme of Arrangement is sanctioned/approved in the following terms:</p> <p>1). 56,700,000 fully paid ordinary shares in the paid up capital of Novatex Limited (petitioner No.2) owned by Gatron (Industries) Limited (petitioner No.1) are canceled without reduction of the capital;</p>



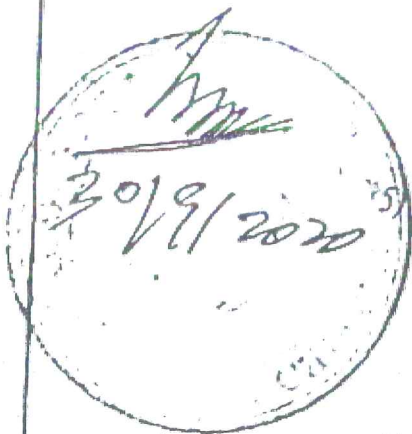
2). 56,700,000 fully paid ordinary new shares of Novatex Limited (petitioner No.2) shall be issued to the shareholders of Gatron (Industries) Limited (petitioner No.1) in the manner that each shareholder of petitioner No.1 gets 1.47793 shares of petitioner No.2 for each share of petitioner No.1 held by such shareholder;

3) It is ordered to confirm that the paid up capital of Novatex Limited (petitioner No.2) shall remain Rs.1,539,480,600 divided into 153,948,060 ordinary shares of Rs.10 each, after cancellation of arrangement shares and issuance of new shares;

4) It is ordered to confirm that the shareholders of petitioner No.1 shall continue to own and retain the existing shares in the issued and paid up capital of petitioner No.1 in accordance with law;

It is ordered to confirm that the petitioner No.1 shall continue to own and operate the remaining undertaking (as defined in the arrangement).

6). It is further directed that in case of book-entry securities (as defined in the Central Depositories Act, 1997) and for the purpose of that Act and the regulations of the Central Depository Company of Pakistan Limited, the term (1) and term (2) above shall be effected by transfer,



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*may be, of the book-entry securities in
the respective accounts and sub-accounts
in the Central Depository System and
cancellation and substitution of any
jumbo certificates issued in favour of the
Central Depository Company of Pakistan
Limited.*

Sd/-Naeem Akhtar Afghan
Company Judge High Court of
Balochistan.

Deputy Registrar
High Court of Balochistan
QUETTA.

Amir
22/9/2020

20/9/20