

# Bhanero Textile Mills Limited

BTM-SEC-167-2023

June 7, 2023

**The General Manager**

Pakistan Stock Exchange Limited,  
Karachi.

Sir,

## **Material Information - Scheme of Arrangement Sanctioned by the Sindh High Court**

In accordance with the provisions of section 96 and 131 of the Securities Act, 2015 and clause 5.6.1(a) of the PSX Rule Book we would like to inform that:

We have received the Court Order Number JCM No 10 of 2022 from Hon'ble Sindh High Court sanctioning the Scheme of Arrangement ("**Scheme**") between Bhanero Textile Mills Ltd ("**Company**") and Bhanero Energy Ltd Unit I ("**BEL-I**") under section 279 to 283 and 285 of the Companies Act, 2017 and includes *inter alia*:

- i) The BEL- I Kotri Unit Undertaking (as defined in the Scheme) to stand demerged from the Bhanero Energy Ltd ("**BEL**").
- ii) The BEL-I Kotri Unit undertaking to stand transferred to and vest in the Company, against the allotment and issuance of 40,964 shares in the Company by the Company to the shareholders of BEL as described in the Scheme in proportion to their respective shareholding in BEL.
- iii) The cancellation of 5.99% of the shareholding of each shareholder of BEL (as described in the Scheme) and consequently reduction in the issued and paid-up share capital of BEL.

A separate notice will be issued for the book closure for issuance of shares under the Scheme along with the necessary regulatory compliance. The certified copy of Court Order is attached herewith.

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

Regards,

**For Bhanero Textile Mills Limited**



Director

**CC:** The Executive Director/HOD, Offsite-II Department,  
Supervision Division, Securities & Exchange Commission of Pakistan,  
63, NIC Building, Jinnah Avenue, Blue Area, Islamabad.

<b>Karachi Office :</b> Umer House. 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi - 74900 Phones : (92-21) 35115177-80 Fax : (92-21) 35115190 & 35115191 E-mail : <a href="mailto:khioff@umergroup.com">khioff@umergroup.com</a> Website : <a href="http://www.umergroup.com">www.umergroup.com</a>	<b>Lahore Office :</b> 9 <sup>th</sup> Floor, City Towers, 6-K, Main Boulevard, Gulberg-II, Lahore - 54660 Phones: (92-42) 111 – 130 - 130, Fax: (92-42) 35770015 E-mail : <a href="mailto:lhroff@umergroup.com">lhroff@umergroup.com</a> Website : <a href="http://www.umergroup.com">www.umergroup.com</a>
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# Bhanero Textile Mills Limited

## Disclosure Form in Terms of Section 96 and 131 of the Securities Act 2015

Name and Address of Company	Bhanero Textile Mills Limited, Umer House, 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi
Date of Report	June 7, 2023
Contact Information	Mohammad Ahmed; Company Secretary Bhanero Textile Mills Limited Umer House, 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi. Telephone: 02135063004, Cell 0300-8441726 Email: btm.corporate@umergroup.com

Please mark the appropriate box below:

**[\*] Disclosure of the inside information by the listed company**

Public disclosure of inside information, which directly concern the listed securities

*The Court Order Number JCM No. 10 of 2022 from Hon'ble Sindh High Court sanctioning the Scheme of Arrangement ("Scheme") between Bhanero Textile Mills Ltd ("Company") and Bhanero Energy Ltd Unit I ("BEL-I") under section 279 to 283 and 285 of the Companies Act, 2017.*

*The certified copy of Court Order is attached herewith.*

**For Bhanero Textile Mills Limited**



**Mohammad Salim**  
(Director)

Pursuant to the requirements of the Securities Act 2015, the company has duly caused this form/statement to be signed/ on its behalf by the undersigned hereunto duly authorized.

<b>Karachi Office :</b> Umer House. 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi - 74900 Phones : (92-21) 35115177-80 Fax : (92-21) 35115190 & 35115191 E-mail : <a href="mailto:khioff@umergroup.com">khioff@umergroup.com</a> Website : <a href="http://www.umergroup.com">www.umergroup.com</a>	<b>Lahore Office :</b> 9 <sup>th</sup> Floor, City Towers, 6-K, Main Boulevard, Gulberg-II, Lahore - 54660 Phones: (92-42) 111 – 130 - 130, Fax: (92-42) 35770015 E-mail : <a href="mailto:lhroff@umergroup.com">lhroff@umergroup.com</a> Website : <a href="http://www.umergroup.com">www.umergroup.com</a>
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IN THE HIGH COURT OF SINDH AT KARACHI

Company Jurisdiction

Judicial Companies Miscellaneous No. 10 of 2022

13/5/2022  
2/5  
Copy Reg. No. 2022

7496/AD (6)  
7497/AD (6)

**BHANERO ENERGY LIMITED**

A public unlisted company limited by shares  
established and existing under the laws of Pakistan  
with its registered office situated at  
23/1 Umer House, S.M. Farooq Road,  
Korangi Industrial Area, Sector 23

**Petitioner No. 1**

**BHANERO TEXTILE MILLS LIMITED**

A public company limited by shares listed on the Pakistan Stock Exchange  
established and existing under the laws of Pakistan  
with its registered office situated at  
23/1 Umer House, S.M. Farooq Road,  
Korangi Industrial Area, Sector 23

**Petitioner No. 2**

**PETITION UNDER SECTION 279 READ WITH SECTIONS 282 OF THE  
COMPANIES ACT, 2017**



Order Sheet

IN THE HIGH COURT OF SINDH KARACHI

J. C. M. No. 10 of 2022

Date	Order with signature of Judge
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For hearing of Main Petition :

Petitioners : 1. Bhanero Energy Limited,  
2. Bhanero Textile Mills Limited,  
through M/S Omer Soomro and Shahbakht Pirzada  
Advocate.

SECP through Law Officer Syed Hafiz Ibad.

Date of hearing : 31.05.2023.

ORDER

**NADEEM AKHTAR, J.** – The petitioners viz. Bhanero Energy Limited (petitioner No.1) and Bhanero Textile Mills Limited (petitioner No.2) have filed the present petition under Section 279 read with Section 282 of The Companies Act, 2017 (**'the Act'**), as amended by the Companies (Amendment) Ordinance, 2020, seeking the sanction of this Court for the Scheme of Arrangement (**'the Scheme'**) (page 31) proposed and approved by their respective Boards of Directors. The Scheme, *inter alia*, provides the demerger of BEL-Kotri Unit-1 Undertaking from petitioner No.1 whereafter the same shall stand transferred to and vest in petitioner No.2 ; reduction in the issued and paid-up share capital of petitioner No.1 ; and, issue of the BTML shares by petitioner No.2 to BEL shareholders in proportion to their existing shareholding. In this background, the petitioners have prayed, *inter alia*, that the Scheme be sanctioned by this Court so as to make it binding on the petitioners and their respective members and creditors. Further consequential relief under Sections 282(1)(f), 282(3)(b), 282(3)(c) and 282(3)(f) of the Act has also been prayed for by the petitioners. It is stated in the petition that the respective Boards of Directors of the petitioners, in their meetings held on 07.04.2022, have duly approved the Scheme by way of resolutions dated 07.04.2022 (pages 65 and 71).

2. The main object of the Scheme submitted by the petitioners for the sanction of this Court is the demerger of BEL-Kotri Unit-1 Undertaking from petitioner No.1 whereafter the same shall stand transferred to and vest in petitioner No.2. The Scheme states that the proposed demerger will, *inter alia*,



enable petitioner No.2 to directly exercise control over and manage the affairs of BEL-Kotri Unit-1 Undertaking in its best interest and its members, and it will no longer be entirely depended on purchase of electricity for its textile facility at Kotri from another city and its energy requirements will be fully or substantially met.

3. Notice of this petition was published in the Gazette of Pakistan dated 06.07.2022 and also in newspapers viz. English daily 'The News' and Urdu daily 'Jang' on 23.06.2022. Notice was also affixed on the Court notice board and it was issued to the Additional Registrar of Companies too. Vide order dated 01.06.2022 passed on CMA No.1194/2022 filed by the petitioners, they were allowed to convene separate meetings of their respective members for approving the Scheme. In compliance of the said order, separate meetings were held whereafter separate reports were filed on 21.07.2022 by the Chairman of the meetings of the members of the petitioners held on 14.07.2022. As per the said reports, the Scheme was placed before the members of the petitioners who approved the same.

4. Para-wise comments were filed by SECP on 03.12.2022, wherein it was stated that petitioner No.1 has one secured creditor viz. UBL and petitioner No.2 has thirteen registered creditors, and the petitioners have not filed the no-objection certificates (NOCs) from their said creditors. Prior to the comments filed by SECP, a statement was filed on 09.06.2022 on behalf of the petitioners along with copies of the no objections certificates issued by all their creditors. As copy of this statement was not received by learned counsel for SECP, time was sought by him on 23.05.2023 to examine the same. He has made a categorical statement today that after examining the aforesaid statement and the no objections certificates of creditors filed therewith, SECP has no objection to the sanction of the Scheme, provided the proposed demerger is effected strictly in terms of the Scheme and all post-demerger requirements are fulfilled by the petitioners in accordance with law.

5. I have examined the Scheme wherein the demerger of BEL-Kotri Unit-1 Undertaking from petitioner No.1 and transferring to and vesting of the same in petitioner No.2 as well as the procedure and the implications thereof have been set forth in detail. The petitioners have disclosed before the Court all material facts relating to them including their latest financial position and the latest audited accounts for the year ended December 31, 2021. The Scheme has been duly approved by the members of the petitioners in their respective meetings held with the permission of this Court, and their creditors and SECP have also accorded their no objection to the sanction of the Scheme. Thus, all



legal and formal requirements for the sanction of the Scheme have been duly complied with by the petitioners.

6. The object of the Scheme, as disclosed therein, appears to be lawful, and the proposed demerger of BEL-Kotri Unit-1 Undertaking from petitioner No.1 does not appear to be against the public interest or policy, or in violation of any law for the time being in force. Thus, there appears to be no impediment in sanctioning the Scheme. In view of the above and also as the members of the petitioners have unanimously approved the proposed demerger, the Scheme is hereby sanctioned and accordingly the petition is granted as prayed.



Sgt. Nadeem Akhtar

Judge

THE HIGH COURT OF SINDH, KARACHI  
CERTIFIED TO BE TRUE COPY

(MUHAMMAD SARFARAZ)  
J/C: ASSISTANT REGISTRAR (COPYING)

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COMPARING BY/  
OFFICE ASSOCIATE

(MUHAMMAD SARFARAZ)  
J/C: ASSISTANT REGISTRAR (COPYING)