

**GOVERNMENT OF PAKISTAN**  
**MINISTRY OF COMMERCE**  
**(TEXTILE WING)**  
5<sup>th</sup> Floor, Kohsar Block, Pak Secretariat  
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F. No. 9(45)-18/TW

Islamabad, the 16<sup>th</sup> August, 2021

**OFFICE MEMORANDUM**

Subject: **Request for Concessionary Tariff Rate on Supply of Electricity and Gas**

The undersigned is directed to enclose Federal Board of Revenue (FBR)'s self-explanatory O.Ms (as mentioned in the table below) on the above cited subject and state that Export-oriented Sectors Registration Cell (ESRC) of Federal Board of Revenue (FBR) has verified the enclosed lists of manufacturers/exporters for concessionary tariff rates of electricity and gas.

Sr. No.	Office Memorandum (O.M) Number	Ref. No.	Date
1.	C.No.4(12) ST-L&P/ESRC/off//21/118119-R	94	13-08-2021
2.	C.No.4(1) ST-L&P/ESRC/APTMA/21/118226-R	-	13-08-2021

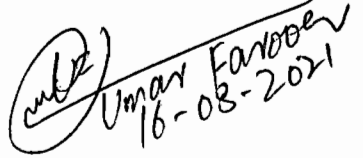
2. Therefore, Ministry of Energy (Power Division & Petroleum Division) is requested to direct the DISCOs/K. E and Gas Companies for necessary action.

3. This issue with approval of the competent authority.

**Encl: As Above**

**The Secretary,**  
Power Division,  
Ministry of Energy,  
Islamabad.

**The Secretary,**  
Petroleum Division,  
Ministry of Energy,  
Islamabad.

  
**(Umar Farooq)**  
Section Officer (Textile)  
051-9207736

Government of Pakistan  
Revenue Division  
Federal Board of Revenue  
Inland Revenue

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C. No.4(12)ST-L&P/ESRC/off/21/118119-R

Islamabad, the 13<sup>th</sup> August 2021

**Office Memorandum Ref: 94/2021**

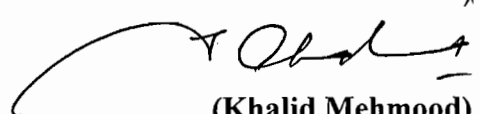
**Subject: Request for Concessionary Tariff Rate on Supply of Electricity and Gas.**

I am directed to refer to Ministry of Commerce O.M letter No 9(34)TID/13-RDA dated 28.07.2021 whereby FBR was requested for continuation of processing and registration of the cases of new entrants of five export-oriented sectors though decision of ECC of the cabinet in case No.ECC-434/59/2020 dated 02.12.2020 for provision of concessionary utility tariff was valid till 30.06.2021.

2. Field formations of FBR have forwarded the cases of following taxpayers duly verified and recommended for grant of concessionary tariff rate on supply of electricity on the prescribed format in terms of Circular No. 04 of 2020 dated 30.12.2020. The applications of taxpayers have been verified with the data available with FBR and found in order:

S. No	Business Name & STRN	NTN	Ref# for which Concessionary Rate is Required
1	M/s Sunrex Textile and Polymers (SMC-Private) Limited (STRN 3277876204311)	5425882-7	24262160054070U PESCO
2	M/s A.R Fibres (STRN 3277876160218)	3410579-4	27155521577300R MEPCO
3	M/s Sunrise Traders (STRN 0890999980919)	0270673-3	24131535314953R FESCO 24131535312853U FESCO

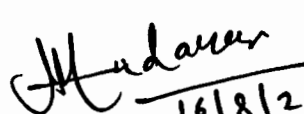
3. The cases are being forwarded on an understanding given by Ministry of Commerce in their O.M. letter dated 28.07.2021 referred to above that concessionary tariff shall be allowed once the ECC approves extension of time beyond 30.06.2021.

  
(Khalid Mehmood)  
Second Secretary (ST L&P)

The Secretary  
Ministry of Commerce  
Government of Pakistan  
Islamabad

Cc:

- Regional Tax Offices, Peshawar/Sahiwal/Faisalabad
- DG (Textile) Ministry of Commerce, Islamabad.
- Master File.

  
16/8/2021  
So (Textile)

  
16-8-21

SO (Textile)  
Dy. No. 627  
Dated: 16-8-21

Director (Textile) Office  
Dy. No. 878  
Dated: 16-8-21

DG (Textile) Office  
Dy. No. 979  
Dated: 16/8/21

Government of Pakistan  
Revenue Division  
Federal Board of Revenue  
Inland Revenue

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C. No.4(1)ST-L&P/ESRC/APTMA/215/118226-R

Islamabad, the 13<sup>th</sup> August 2021

**Office Memorandum**

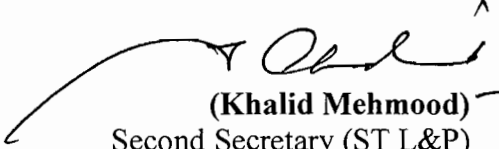
**Subject: Request for Concessionary Tariff Rate on Supply of Electricity and Gas**

I am directed to refer to the subject and to say that **M/s Tata Textile Mills Limited** has informed that M/s Island Textile Mills Limited, M/s Salfi Textile Mills Limited and M/s Tata Energy Limited have been merged into M/s Tata Textile Mills Limited through Honorable Sindh High Court's order dated 02.03.2021 and addendum order dated 17.03.2021 (copies enclosed).

2. The taxpayer has requested that merging companies were availing reduced rate tariff before amalgamation being falling under export-oriented sectors and are still working in the textile sector after the merger, hence, their entitlement of the reduced rate tariff allowed on various connections of the merging companies should be continued after transfer to **M/s Tata Textile Mills Limited**.

3. In the light of above it is proposed that as per the Honourable Sindh High Court's approved Scheme of Arrangements, **M/s Tata Textile Mills Limited** be allowed reduce rate tariff on utility connections where the facility was being availed by the merging companies before amalgamation.

Encl: as above

  
(Khalid Mehmood)  
Second Secretary (ST L&P)

**The Secretary**  
Ministry of Commerce  
Government of Pakistan  
Islamabad

Cc:

- (i) DG (textile) Ministry of Commerce, Islamabad.
- (ii) M/s Tata Textile Mills Limited.
- (iii) Master File.

Director (Textile) Office

Diary No: 88

Date: 17-8-21

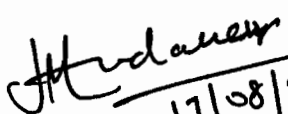
SECY. OFFICE  
Diary No: 62/2  
Date: 16/8

SO (Textile)

Dr. No: 630

Date: 17-8-21

  
16/8  
Dn (Textile)

  
17/08/2021  
SO (Textile)



**AHMED & QAZI**  
ADVOCATES & LEGAL CONSULTANTS

To. **Mr. Aamer Amin Bhatti,**  
Chief (Sales Tax Operations),  
Federal Board of Revenue, Head Quarter,  
Opposite Supreme Court of Pakistan Constitution Avenue,  
Islamabad.

Put up  
SS (L/A)  
A 12/07

07 July 2021

Dear Sir,

**INTIMATION REGARDING MERGER OF THREE COMPANIES INTO TATA  
TEXTILE MILLS LIMITED**

We are writing on behalf of our client, Tata Textile Mills Limited ("TTML"), to state as follows:

1. That, on August 18, 2020, a scheme of arrangement (the "Scheme"), a copy of which is attached herewith as *Annexure A*, was filed in the Honorable High Court of Sindh at Karachi ("SHC") vide JCM No. 13 of 2020 seeking sanction of the Scheme in terms whereof the entire undertakings, assets, rights and liabilities of the companies listed herein below are to be amalgamated with and into TTML:

10B6S-R

- (i) Island Textile Mills Limited ("ITML"),
- (ii) Salfi Textile Mills Limited ("STML"), and
- (iii) Tata Energy Limited ("TEL").

(hereinafter collectively referred to as the "Merging Companies")

2. That, as per Honorable High Court of Sindh at Karachi Order dated March 02, 2021 and an addendum order dated March 17, 2021, certified true copies of which are attached herewith as *Annexure B*, the Scheme was sanctioned in pursuance of which the entire undertakings, assets, rights and liabilities of the Merging Companies now stand merged with and into TTML with effect from July 01, 2021 (the "Effective Date").

3. That, in this particular case, the Merging Companies have been enjoying concessionary tariff on the grounds of being Export Oriented Units (EOU) and operating in one of the five export-oriented sectors that are entitled to concessionary tariff. The Merging Companies and their various connections should continue to enjoy this concessionary tariff as all the Merging Companies continue to remain in the same textile business as before. TTML should not be stopped or interrupted during the process when names of Merging Companies are changed to

On priority  
Amulled M  
13/2



**AHMED & QAZI**  
ADVOCATES & LEGAL CONSULTANTS

Tata Textile Mills Limited and the various gas and electricity connections are transferred in the name of Tata Textile Mills Limited from Merging Companies.

4. That, for avoidance of any doubt whatsoever, Article 8.1 of the Scheme, as sanctioned by SHC, states as follows:

*"All licenses, permits, quotas, rights, permissions, concessions, privileges, sanctions, approvals, licenses, registrations and entitlements held by the Companies, shall with effect from the Effective Date, stand vested in and transferred to Tata Textile without any further act, or deed, and shall be appropriately amended/transferred/mutated by the relevant authorities in favour of such."*

It should now be absolutely clear from the above provision that all concessions, rights and entitlements of the Merging Companies now stand transferred to TTML with effect from the Effective Date, with TTML automatically becoming entitled to those rights and concessions pursuant to SHC's orders.

In view of the above, we are hereby intimating you to kindly make necessary amendments in your record, as required by the Scheme approved by SHC, to ensure that all the rights and concessions that were previously being enjoyed by each of the Merging Companies, are now vested entirely with TTML.

Needless to mention that, since the Scheme has been sanctioned by SHC, non-compliance from any relevant party may lead to contempt of court proceedings.

We would be happy to answer any query that you may have in relation to the above.

Yours sincerely

For and on behalf of  
**AHMED AND QAZI**  
Advocates and Legal Consultants

Ali Hyder  
Associate

Saim Hashmi  
Partner  
Head - Corporate

IN THE HIGH COURT OF SINDH AT KARACHI

J.M. No. 13 / 2020

IN THE MATTER OF SECTION 279-283 and 285 OF THE COMPANIES ACT, 2017 AND IN THE MATTER OF

1. Tata Textile Mills Ltd  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Presented on 11/08/2020

Deputy Registrar (O.S.)

Petitioner No. 1

2. Island Textile Mills Ltd  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th Floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Petitioner No. 2

3. Salfi Textile Mills Ltd  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th Floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Petitioner No. 3

4. Tata Energy Ltd  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th Floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Petitioner No. 4



AND IN THE MATTER OF THE SCHEME OF  
AMALGAMATION BETWEEN TATA TEXTILE MILLS  
LTD, ISLAND TEXTILE MILLS LTD, SALFI TEXTILE  
MILLS LTD AND TATA ENERGY LTD.

PETITION UNDER SECTION 279-283 AND 285 OF  
THE COMPANIES ACT, 2017

"B"

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SCHEME OF ARRANGEMENT under ss. 279 to 283 and 285 of the  
COMPANIES ACT, 2017 between

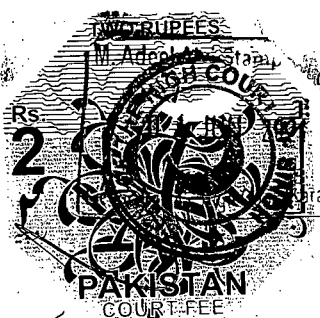
Island Textile Mills Limited  
(Hereinafter also referred to as "Island")  
and its Members; and

Salfi Textile Mills Limited  
(Hereinafter also referred to as "Salfi")  
and its Members; and

Tata Energy Limited  
(Hereinafter also referred to as "Tata Energy")  
and its Members; and

Tata Textile Mills Limited  
(Hereinafter also referred to as "Tata Textile")  
and its Members;

FOR



The amalgamation of Island, Salfi and Tata Energy with and into Tata Textile, and the transfer of the entire undertaking of Island, Salfi and Tata Energy and all their respective Assets and Liabilities to Tata Textile, in exchange for the issue of shares of Tata Textile to the shareholders of Island, Salfi and Tata Energy respectively, resulting in the dissolution without winding up of Island, Salfi and Tata Energy.

## 1. Interpretation

1.1. In this Scheme, unless the subject or context otherwise requires, the following expressions bear the meanings specified below:

"Assets" means all assets (whether tangible or intangible), properties (whether movable or immovable), rights, titles, privileges, powers, licenses, permissions, claims, and interests, including but not limited to:

- i. all rights, title and interest (whether freehold, leasehold, or otherwise) in or to immovable properties; including to buildings, offices and structures;
- ii. all plant, machinery, equipment, furniture, fixtures, computer hardware and software, software applications and licenses, motor vehicles, office equipment, appliances, accessories, spare parts and tools;
- iii. all data, information, records, instruments, documents of title, market statistics, marketing surveys, and report, marketing research, advertising or other promotional material and information, accounting and financial data, whether physically or digitally stored on or in any medium;
- iv. all claims, choses-in-action, receivables, book trade, trade debts, credit notes, promissory notes, and other debts or sums due, owing, accrued or payable (whether or not invoiced and whether or not immediately due or payable), advances, deposits, prepayments and all receivables, investments, cash in hand or at bank, bank balances, goodwill, revaluation surplus, share premium account, capital and revenue reserves;
- v. all equity, stocks, debentures, bonds, debts (and all dividend, repayment, voting, preferential and other rights associated therewith), rights under futures, options and other derivative contracts, commodities, foreign exchange and negotiable instruments;
- vi. all benefits and rights under contract or deed including rights under or relating to contracts or deeds of employment, consultancy, loans, financial facilities, sale or transfer of property, insurance, franchise, distribution, trusts, indemnity, guarantee, warranty, performance, letters of credit, secrecy and non-disclosure, and including any rights and benefits under contracts and agreements already determined in the form of





continuing benefits and rights, compensation, damages, rights to adjudication and choses-in-action, and the Contracts;

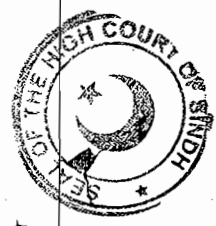
vii. all rights and benefits under claims, petitions, suits, applications, references, revisions, and appeals filed or pending before any court, authority, tribunal, official, regulatory officer or body;

viii. all intellectual property rights, whether registered or not, including trade mark, copyrights, patents, designs, trade secrets, technical data, processes and know-how, confidential information, results of research and development work, whether physically or digitally stored on or in any medium;

ix. all connections, equipment, installations and facilities pertaining to telecommunications, water, gas, electricity, sewerage or other utilities, and all licenses, permits and grants related thereto;

x. all regulatory and governmental rights, titles, permissions, permits, grants concessions, privileges, sanctions, approvals, licenses, registrations and no-objection certificates;

xi. without prejudice to the generality of the foregoing it shall expressly include the immovable properties listed in Schedule "A";



"Contracts" means all the contracts, deeds, share certificates, bonds, documents, correspondence, records, agreements, and instruments of any nature, relating to Island, Salfi and Tata Energy and respectively and expressly (without limitation);

"Court" means the court having jurisdiction for the time being in connection with this Scheme under section 279 to 283 and 285 of the Act;

"Completion Date" means the date on which this Scheme (once sanctioned and approved by the Court) is lodged with the Registrar of the Securities & Exchange Commission of Pakistan;

"Effective Date" means the start of business on 1<sup>st</sup> day of October, 2020 or another date as approved by the Court;

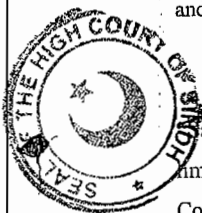
"Liabilities" means all liabilities, duties and obligations of every kind, actual or contingent, whether arising from or payable under any contract.

agreement, deed, bond, statute or law, and all liens, charges (floating and fixed), pledges, hypothecations, assignments, securities, mortgages (legal and equitable), interests and claims of whatever nature, and it includes, without limitation, the Securities;

"Act" means the 'Companies Act, 2017';

"Tata Textile Mills Ltd." means Tata Textile Mills Limited, a public limited company incorporated in Pakistan on April 15, 1987 under the Companies Ordinance, 1984 (repealed) (now The Companies' Act 2017) and listed on Pakistan Stock Exchange Limited having its registered office at 6th floor, Textile Plaza, M.A. Jinnah Road, Karachi, Sindh. The authorised capital of Tata Textile Mills Ltd. is Rs. 200,000,000/- divided into 20,000,000/- ordinary shares of Rs. 10/- each out of which 17,324,750 shares are issued and fully paid up;

"Island Textile Mills Ltd." means Island Textile Mills Limited, a public limited company incorporated in Pakistan on May 20, 1970 under the Companies Act 1913 (repealed) now Companies Act 2017 and listed on Pakistan Stock Exchange Limited having its registered office at 6th Floor Textile Plaza, M.A. Jinnah Road, Karachi, Sindh. The authorised capital of Island Textile Mills Ltd. is Rs. 10,000,000/- divided into 1,000,000 ordinary shares of Rs. 10/- each out of which 500,000 shares are issued and fully paid up;



"Salfi Textile Mills Ltd." means Salfi Textile Mills Limited, a public limited company incorporated in Pakistan on January 05, 1968 under the Companies Act, 1913 (repealed) now The Companies' Act 2017 and listed on Pakistan Stock Exchange Limited having its registered office at 6th floor Textile Plaza, M.A. Jinnah Road, Karachi, Sindh. The authorised capital of Salfi Textile Mills Ltd. is Rs. 50,000,000/- divided into 5,000,000 ordinary shares of Rs. 10/- each out of which 3,342,570 shares are issued and fully paid up;

"Tata Energy Ltd." means Tata Energy Limited., a company limited by shares incorporated in Pakistan on November 28, 1994 under the Companies Ordinance, 1984 (repealed) now the Companies Act, 2017 having its registered office at 6th Floor Textile Plaza, M.A. Jinnah Road, Karachi, Sindh. The authorised capital of Tata Energy Ltd. is Rs.

20,000,000/- divided into 2,000,000 ordinary shares of Rs. 10/- each out of which 1,031,250 shares are issued and fully paid up;

“Scheme” means this Scheme of Arrangement in its present form with any modification thereof or addition thereto approved by the Court;

“Security” or “Securities” means interest, right or title in and to any and all mortgage, or charges (whether legal or equitable), debentures, bills of exchange, promissory note, guarantee, lien, pledge (whether actual or constructive), hypothecation, assignment by way of security, right of set-off, undertaking or other means of securing payment or discharge of any liabilities and obligations;

“Tax” means all present and future taxes, duties and levies of any kind, including income tax, sales tax, stamp duties, octroi, customs or excise duty, registration charges, levies, deductions, imposts, and any other charges and withholdings whatsoever, together with any interest, mark-up or penalties payable in connection with any failure to pay or delay in paying any of the above; and

**2. Object of the Scheme**

2.1. The principal object of this scheme is to give effect to the following:

i. amalgamate Island with and into Tata Textile and the transfer of the entire undertaking of Island and all its Assets and Liabilities to Tata Textile, in exchange for the issuance of ordinary shares of Tata Textile to the shareholders of Island, in accordance with Article 10 hereunder; resulting in the dissolution without winding up of Island.

simultaneously amalgamate Salfi with and into Tata Textile and the transfer of the entire undertaking of Salfi and all its Assets and Liabilities to Tata Textile, in exchange for the issuance of ordinary shares of Tata Textile to the shareholders of Salfi, in accordance with Article 10 hereunder, resulting in the dissolution without winding up of Salfi.

iii. simultaneously amalgamate Tata Energy with and into Tata Textile and the transfer of the entire undertaking of Tata Energy and all its Assets and Liabilities to Tata Textile, in exchange for the issuance of ordinary shares of Tata Textile to the shareholders of Tata Energy, in accordance with



Article 10 hereunder, resulting in the dissolution without winding up of Tata Energy.

2.2. It is hereby clarified that although all of the above steps will take place on the same date, the same shall be deemed to be effective as of the Effective Date.

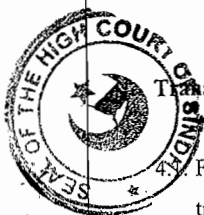
### 3. Capital

3.1. The authorised capital of Island is Rs. 10,000,000/- (Ten Million Rupees) divided into 1,000,000 ordinary shares of Rs.10/- (Ten Rupees) each out of which 500,000 shares have been fully subscribed and paid up.

3.2. The authorised capital of Salfi is Rs.50,000,000/- (Fifty Million Rupees) divided into 5,000,000 ordinary shares of Rs. 10/- (Ten Rupees) each out of which 3,342,570 shares have been fully subscribed and paid up.

3.3. The authorised capital of Tata Energy is Rs. 20,000,000 (Twenty Million Rupees) divided into 2,000,000 ordinary shares of Rs. 10/- (Ten Rupees) each out of which 1,031,250 shares have been fully subscribed and paid up.

3.4. The authorized capital of Tata Textile is Rs.200,000,000/- (Two Hundred Million Rupees) divided into 20,000,000 ordinary shares of Rs. 10/- (Ten Rupees) each out of which 17,324,750 shares have been fully subscribed and paid up.



### Transfer of Assets & Liabilities

From the Effective Date all Assets of Island, Salfi and Tata Energy shall be transferred to and vest in (or be deemed to be transferred to and vested in, as the case may be) Tata Textile.

4.2. Insofar as the Assets of Island, Salfi and Tata Energy (or any part thereof) are subject to any Liabilities immediately prior to the Effective Date they shall be deemed to have been transferred subject to such Liabilities.

4.3. On the Effective Date, without any further act or deed, all Liabilities of Island, Salfi and Tata Energy and all Liabilities in relation to their respective Assets shall be deemed to have been created by Tata Textile as of that day.

4.4. From the Effective Date, the Assets and Liabilities of Island, Salfi and Tata Energy shall be deemed to be and/or assumed to be the Assets and Liabilities of

Tata Textile. Simultaneously, from the Effective Date, Island, Salfi and Tata Energy shall stand released from all rights and obligations in respect of such Assets and Liabilities.

**5. Substitution of Name**

5.1. From the Effective Date, in the Contracts, and in all other contracts, deeds, share certificates, bonds, documents, correspondence, records, agreements, and instruments of any nature whatsoever in relation to Island, Salfi and Tata Energy, any and all references to Island, Salfi and Tata Energy and their Assets shall be deemed to be a reference to Tata Textile and, all such contracts, deeds, Share Certificates, Register of Members, bonds, documents, correspondence, records, agreements, and instruments shall be given effect accordingly.

**6. Employees**

6.1. All employees of Island, Salfi and Tata Energy shall as and from the Effective Date, become the employees of Tata Textile on the same terms and conditions on which they were employed immediately prior to the Effective Date.

6.2. The terms and conditions of service applicable to the aforesaid employees shall not in any way be less favourable to them than those applicable to them immediately prior to the transfer. The services of the aforesaid employees prior to the Effective Date shall be taken into account for the purposes of all benefits to which such employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.



**7. Legal Proceedings**

7.1. All legal actions and legal proceedings of any nature whatsoever by or against Tata Textile pending immediately prior to the Effective Date, shall not abate, be discontinued or be in any way prejudiced by reason of the transfer of Island, Salfi and/or Tata Energy or of anything contained in this Scheme. Any legal action and/or legal proceedings in relation to Island, Salfi and/or Tata Energy shall be continued, prosecuted and/or enforced by or against Tata Textile, in the same manner and to the same extent as they would or might have been continued.

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prosecuted and enforced by or against Island, Salfi and/or Tata Energy, prior to the transfer.

**8. Licenses, Permits, and Approvals**

8.1. All licenses, permits, quotas, rights, permissions, concessions, privileges, sanctions, approvals, licenses, registrations and entitlements held by Island, Salfi and/or Tata Energy, shall, with effect from the Effective Date, stand vested in and transferred to Tata Textile without any further act or deed, and shall be appropriately amended/transferred/mutated by the relevant authorities in favour of such.

**9. Tax**

9.1. With effect from the Effective Date, all Liabilities in relation to Tax with regards to Island, Salfi and Tata Energy and their respective Assets shall become the Liabilities of Tata Textile and Island, Salfi and Tata Energy shall cease to have any Tax liabilities from such date.

9.2. With effect from the Effective Date, all rights of Island, Salfi and Tata Energy to refunds, credits, advance payments or any other benefits shall stand transferred to Tata Textile. Where any such Tax refund or benefit is due to Island, Salfi and Tata Energy after the Effective Date, the same shall become due to Tata Textile.



10.1. In consideration for the transfer of the entire undertaking of Island and all its respective Assets, Tata Textile shall as of the Effective Date, issue to all the shareholders of Island, 15,100,000 fully paid-up ordinary Tata Textile shares of Rs. 10/-, in the ratio of 30.2 Tata Textile shares for each Island share held by each shareholder immediately prior to the Effective Date.

10.2. In consideration for the transfer of the entire undertaking of Salfi and all its respective Assets, Tata Textile shall as of the Effective Date, issue to all the shareholders of Salfi, 17,381,364 fully paid-up ordinary Tata Textile shares of Rs. 10/-, in the ratio of 5.2 Tata Textile shares for each Salfi share held by each shareholder immediately prior to the Effective Date.

10.3. In consideration for the transfer of the entire undertaking of Tata Energy and all its respective Assets, Tata Textile shall as of the Effective Date, issue to all the shareholders of Tata Energy, 6,187,500 fully paid-up ordinary Tata

Textile shares of Rs. 10/-, in the ratio of 6.0 Tata Textile shares for each Tata Energy share held by each shareholder immediately prior to the Effective Date.

**11. Scheme's Effect**

11.1. As and from the Completion Date, the provisions of this Scheme shall be effective and binding by operation of law.

11.2. The transfer of Assets and Liabilities, and the issuance of fresh shares in Tata Textile in terms of this Scheme shall not:

11.2.1. Constitute (or be deemed to constitute) any assignment, transfer, devolution, conveyance, alienation, parting with possession, issuance of bonus shares, or other disposition under any applicable law including Tax law (other than as contemplated under Section 282 of the Act); give rise to any forfeiture; and/or

11.2.2. Give rise to any right of first refusal or pre-emptive right to any person.

11.3. As and from the date on which an order by the Court sanctioning this Scheme is filed with the Registrar of Companies, the terms of this Scheme shall be binding on Island, Salfi, Tata Energy and Tata Textile and also on the shareholders and creditors of each of the above, and on any and all other persons including persons having any contractual or other right against, or obligation to, any one of more of them.

**12. Dissolution of Island, Salfi and Tata Energy**

12.1. The transfer of Assets and Liabilities under the terms of this Scheme shall result in the immediate dissolution without winding up of Island, Salfi and Tata Energy without any further act or deed and its name shall be struck off the register of companies maintained by the Securities & Exchange Corporation of Pakistan.



13. Miscellaneous

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13.1. This Scheme is subject to the sanction of the Court and may be sanctioned in its present form or with any modification thereof or addition thereto as the Court may approve and this Scheme with such modification or addition, if any, is also subject to any conditions which the Court may impose.

13.2. If the Court requires Island, Salfi, Tata Energy and Tata Textile to consent to any modification to this Scheme, such consent may be given on their behalf by their respective Chief Executive Officers or their legal counsel.





SCHEDULE "A"

LIST OF IMMOVABLE PROPERTIES

1. Details of immovable property of Island

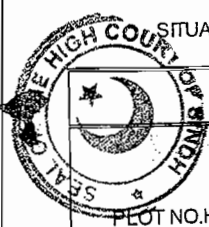
The following immovable property of Island, as listed hereunder, is without prejudice and in addition to the "Assets" as defined under this Scheme.

M/S. ISLAND TEXTILE MILLS LIMITED SITUATED AT PLOT NO. A/12, 15, SITE, KOTRI	
Location	Total Area (Acres)
PLOT NO. A/12 & A/15, S.I.T.E., KOTRI SINDH	13.73

2. Details of immovable property of Salfi

The following immovable property of Salfi, as listed hereunder, is without prejudice and in addition to the "Assets" as defined under this Scheme.

M/S. SALFI TEXTILE MILLS LIMITED,  
SITUATED AT PLOT NO. HX-1, LANDHI INDUSTRIAL AREA, KARACHI.



Location	Total Area (Acres)	Total Area Square Yard
PLOT NO. HX-1, LANDHI INDUSTRIAL AREA, KARACHI.	18.80	90,992 90,992
Plot No. W5/02	5	24,200
Plot No. W5/03	5	24,200
<b>TOTAL:</b>	<b>28.80</b>	

IN THE HIGH COURT OF SINDH AT KARACHI

J.M. No. 13 /2020

IN THE MATTER OF SECTION 279-283 and 285 OF THE COMPANIES ACT, 2017 AND IN THE MATTER OF

1. Tata Textile Mills Ltd.  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Presented on 11/08/2020

Deputy Registrar (O.S.)

Petitioner No. 1

2. Island Textile Mills Ltd.  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th Floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Petitioner No. 2

3. Salafi Textile Mills Ltd.  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th Floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Petitioner No. 3

4. Tata Energy Ltd.  
incorporated under the laws  
of Pakistan and having its  
registered office at  
6th Floor, Textile Plaza,  
M.A. Jinnah Road,  
Karachi.

Petitioner No. 4

AND IN THE MATTER OF THE SCHEME OF  
AMALGAMATION BETWEEN TATA TEXTILE MILLS  
LTD., ISLAND TEXTILE MILLS LTD., SALFI TEXTILE  
MILLS LTD. AND TATA ENERGY LTD.

PETITION UNDER SECTION 279-283 AND 285 OF  
THE COMPANIES ACT, 2017



**ORDER SHEET**  
**HIGH COURT OF SINDH AT KARACHI**  
**J.C.M. No. 13 of 2020**

Date: \_\_\_\_\_ Order with signature of Judge \_\_\_\_\_

For hearing of Main Petition.

- i) Copies of publication in daily "Jang" (Urdu) dated 10.09.2020 & daily "The News" (English) dated 05.09.2020, Karachi.
  - ii) Comments filed by SECP as flagged.
  - iii) The Official Gazette Notification, still awaited.
  - iv) Chairman's Meeting Report dated 10.11.2020 filed, as flagged.
  - v) C/A's filed to Main Petition & CMA 66/2020, as flagged.
- (Notice could not be issued to the creditors as per order dated 18.08.2020, as list of creditors not supplied by learned counsel)

02.03.2021.

M/s. Raashid Anwer and Ali Mehdi, advocates for the petitioners.

**SYED HASAN AZHAR RIZVI, J:-** Through this petition under Sections 279 to 283 and Section 285 of the Companies Act, 2017, the petitioners which are private companies with limited liability incorporated under the Companies Ordinance 1984 have sought permission of this Court for a Scheme of Arrangement between them more particularly described in the Scheme as set forth in Annexure 'B' to the petition.

2. The object of this petition is to obtain the sanction of this Court to a Scheme of Arrangement whereby the Petitioners No.2, 3 and 4 shall, alongwith all their respective assets and liabilities, be amalgamated with and into the petitioner No.1 in exchange for the issuance of ordinary shares of Petitioner No.1 to the shareholders of petitioners No.2, 3 and 4 respectively, in accordance with Article 10 of



the Scheme. This will result in the dissolution without winding up of the Petitioners No.2, 3 and 4.

3. Pursuant to order dated 18.08.2020 notice of this petition to consider scheme of arrangement proposed between the petitioners in terms of Rule 76 r/w Rule 19 of the Companies Ordinance (Court) was issued. Notice was also issued to the Registrar, Joint Stock Companies. Publication was also effected in daily "Jang" (Urdu) dated 10.09.2020 and daily "The News" (English) dated 05.09.2020, Karachi and so also in the official Gazette of Pakistan.

4. Comments by the Syed Iftikhar Ul Hassan Naqvi, Additional Registrar of the Companies, Securities and Exchange Commission of Pakistan were filed on 12.12.2020, wherein it has been stated that as per sub-section (2) of Section 279 of the Companies Act, 2017, a required majority of the petitioners in number representing three-fourths in value of the creditors or class of creditors, or members, present and voting either in person or, where proxies are allowed, by proxy at the meeting, who agree to the Scheme of Arrangement. It is further stated in the report that as per the Chairman's reports shared by the Petitioners' representatives with the SECP, the members' and creditors' meetings of the petitioners were convened on September 24, 2020 and September 23, 2020 respectively under the directions of this Court. The report enunciate that the members of Petitioners No.2 to 4 have unanimously approved the instant Scheme of Arrangement. In respect of petitioner No.1 the report mentioned that 78.2% of the



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*[Redacted area]*

members present in person or by proxy at the meeting have approved and adopted the instant Scheme, while one member i.e. National Investment Trust Ltd., (NIT) holding 1,731,998 ordinary shares of petitioner No.1 (equivalent to 10% shareholding) recorded its dissent to the aforesaid resolution of members on the basis of certain objections. The Chairman's report reflect that the creditors representing 97.02%, 90%, 97% and 89% of the value of creditors of petitioners No.1, 2, 3 and 4 respectively have approved/adopted or provided no objection certificates (NOCs) to the instant Scheme of Arrangement.

5. Under Rule 955 of the Sindh Chief Court Rules (Original Side) and Rule 57 of the Companies (Court) Rules, 1997 the Chairperson has submitted reports dated 10.11.2020 of the extraordinary general meeting of members and creditors of the Petitioners No.1, 2, 3 and 4 (available on record). In the report it is stated that voting on the above resolution was by way of show of hands and 100% voters were in favour of the resolution in respect of petitioners No.2, 3 and 4 whereas in respect of petitioner No.1 78.2% voters were in favour of the resolution. The members present in person and by proxy represented issue, subscribed and paid-up share capital of the values shown in the table available at para-6 of the plaint. Thus the members representing 88.2% of the value of the shares of the petitioner No.1 were present in person or proxy at the meeting out of these 78.2% voting in favour of the resolution approving and adopting the Scheme of Arrangement. With regard to the creditors of the petitioner





No.1 out of those who were present 100% voted in favour of the resolution approving of Scheme of Arrangement.

6. I have perused the proposed Scheme of Arrangement for amalgamation, transfer of undertaking, assets and liabilities, which has already been approved by the Board of Directors of each of the petitioners No.1, 2, 3 and 4.

7. There is no material on record to suggest that the scheme of arrangement would be against public interest or in violation of any law. Instant petition is, therefore, allowed as prayed for and Scheme of Arrangement (Annexure 'B' to the Petition) is sanctioned.

The petition stands disposed of in the foregoing terms.

Sd/- Syed Hasan Azhar Rizvi  
Judge



ORDER SHEET  
**IN THE HIGH COURT OF SINDH AT KARACHI**

J.C.M. No.13 of 2020

DATE

ORDER WITH SIGNATURE OF JUDGE

1. For orders on CMA No.100/2021
2. For orders on CMA No.101/2021

17.03.2021.

Mr. Ali Mehdi, advocate for the petitioner.

- 1) Urgency granted.
- 2) Present application is filed to rectify / amend the omission in order dated 02.03.2021 (whereby the present petition was allowed) to the effect that it may be recorded that the Scheme (attached as Annexure "B" to the petition) is to be effective from 01.07.2021 and /or any other date as deemed appropriate by this Court. Per learned counsel, the term 'Effective Date' of the scheme means "the start of business on 1<sup>st</sup> day of October, 2020 or any other date as approved by the Court" as mentioned in the scheme enclosed with the petition filed on 11.08.2020. Learned counsel requests to record the effective date of the scheme as 01.07.2021 to avoid the retrospective application of the scheme, which (retrospective application) will cause serious accounting, procedural and practical issues in the process.

Learned counsel for the petitioner further points out that in para-1 of the order dated 02.03.2021 all petitioners have been mentioned as private limited companies whereas the petitioners No.1, 2 and 3 are public limited companies whereas petitioner No.4 is a private limited company and requests to correct such typographical error in the aforementioned order.

In view of above circumstances, in the order dated 02.03.2021 the Effective Date of the Scheme (Annexure "B" to the petition) is to be treated as 01.07.2021 and petitioners No.1, 2 and 3 be deemed to be public limited companies whereas petitioner No.4 as private limited company. Present application stands disposed of accordingly.

Sd/- Syed Hasan Azhar Rizvi  
Judge

