MILLAT TRACTORS LIMITED

P.O. Box No. 12023 Sheikupura Road, Shahdara, Lahore, Pakistan.
UAN: +92-42-111-200-786 Tel: 37911021-25 Fax: 37924166, 37925835
URL: www.millat.com.pk, E-mail: info@millat.com.pk

TÜV AUSTRIA HELLAS EN ISO 9001:2015 NO: 0418386052323

Ref: MTL/PSX/2025-7584
February 04, 2025

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

Dear Sir,

Disclosure of Material Information

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1 of the Rule Book of the Pakistan Stock Exchange Limited, we hereby convey the following information:

The Honourable Lahore High Court, Lahore through its judgment passed in Civil Original No.30220/24 has allowed the petition and, inter allia, sanctioned the Scheme of Arrangement for the merger, by way of amalgamation, of Millat Equipment Limited (MEL) with and into Millat Tractors Limited (MTL) along with ancillary matters thereto.

A certified true copy of the said judgment issued on February 04, 2025 is enclosed.

As per the Scheme of Arrangement, and in consideration of the arrangement thereunder, MTL shall allot and issue an aggregate of 7,717,718 ordinary shares to the MEL shareholders (i.e., being the shareholders of MEL other than MTL and its nominees, if any), credited /issued as fully paid up , at par, on the basis of a swap ratio of 1(one) MTL ordinary share for every 2.13 ordinary shares of MEL, of the face value of Rs.10/-, held by each shareholder of MEL as on the record date subject to adjustment of fractional shares.

The directors of MEL will fix the record date to determine the identities and entitlements of the MEL shareholders according to the Scheme of Arrangement and the details will be provided to MTL subsequently.

The shareholders will be updated about significant developments accordingly.

Regional Offices:

Karachi	:3-A, Faiyaz Centre, Sindhi Muslim Co-Operative Housing Society, Tel: 021-34553752, 34556321 UAN 111-200-786, Fax: 021-34556321
Islamabad	:House No, 22, Street 41, Sector F-6/1, Tel: 051-2271470, 2270693 UAN: 111-200-786, Fax: 051-2270693
Multan Cantt	:Garden Town, Daulatabad, Sher Shah Road, Tel: 061-6537371, Fax: 061-6539271
Sukkur	:House No, B-106 Akuwat Nagar Society Near Goal Masjid Airport Road Sukkur. Tel: 071-5815041, Fax: 071-5815042

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

Yours truly,
for Millat Tractors Limited

MUHAMMAD FAISAL AZEEM
Company Secretary
Enclosed: as Stated above

CC:

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

2. The Central Depository Company Limited.

3. CDC Share Registrar Services Limited.

Form No:HCJD/C-121

ORDER SHEET

IN THE LAHORE HIGH COURT, LAHORE

JUDICIAL DEPARTMENT

Case No. C.O. No.30220/2024

In the matter of.

1. Millat Equipment Limited
2. Millat Tractors Limited

Versus

3. Joint Registrar of Companies.

Sr.No. of Order/ Proceeding	Date of Order/ Proceeding	Order with signatures of Judge and that of parties or counsel, where necessary.
	21.01.2025	M/s. Barrister Aun Ali Raza, Minam Karim, Ahmed Nisar Khan and Sajid Asghar Langhra, Advocates for the petitioners. Mr. Kashif Hussain, Advocate for the respondent-Meezan Bank. Mr. Ruman Bilal, Advocate for SECP.

This is a joint petition filed under sections 279 to 282 and section 285 of the Companies Act, 2017 (the "**Act**") by and between Petitioner No. 1 (Millat Equipment Limited) and Petitioner No. 2 (Millat Tractors Limited). The scheme of arrangement (the "**Scheme**") envisages the transfer to and vesting in Petitioner No. 2 of all the undertakings of the Petitioner No. 1 together with all properties, assets, rights, liabilities, and obligations of the Petitioner No. 1, and as consideration for the said transfer, the Petitioner No. 2 shall issue and allot to the shareholders of Petitioner No. 1 (i.e. the persons set out in Petitioner No. 1's register of members as of the Effective Date of the Scheme), other than the shares held by Petitioner No. 2 itself, fully paid up ordinary shares of Rupees 10/- each in the share ratio of one share of Rs.10/- each in Petitioner No. 2 for every 2.13 fully paid-up shares of Petitioner No. 1.

2.

2. On a preliminary consideration of the Petitioners' application under Rule 55 of the Companies (Court) Rules, 1997 (the "**Rules**"), Mr. M. Ilyas Ahmed, Advocate, was appointed as Chairperson to convene and preside over the general meetings of the shareholders of the Petitioners in terms of Rule 56 of the Rules for considering and, if thought fit, approving the Scheme. Notice was also issued to the registrar of Companies under Section 283 of the Act, Competition Commission of Pakistan and to the secured creditors of the Petitioners No. 1 and 2, as per the lists attached as Annexure H and I to the Petition.

3. Pursuant to Rule 57 of the Rules the Chairperson has filed his report on the proceedings of the respective meetings of the shareholders of the Petitioners, both held on June 15, 2024. The Chairperson states that consequent upon notices issued to the respective shareholders of the petitioner companies, in accordance with the applicable provisions of law, separate meetings of the shareholders of the Petitioners No. 1 and 2 were convened on June 15, 2024, results of which have been reported as follows:

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Petitioner No. 1 - EOGM

a. Out of the 29,900,000 issued shares of Petitioner No. 1, members holding 23,932,726 shares, either present in person or though proxies, representing more than 80 percent of the issued share capital of Petitioner No. 1, attended the shareholders' meeting of Petitioner No.1 and unanimously passed the special resolution approving the Scheme.

2.

Petitioner No. 2 - EOGM

b. Out of the 191,798,229 issued shares of Petitioner No. 2, members holding 106,612, 175 shares were either present in person or through proxies and video link. representing more than 55 percent of the issued share capital of Petitioner No. 2, attended the shareholders' meeting of Petitioner No. 2 and passed the special resolution approving the Scheme by a majority with more than 98% of the members present voting in favour of the resolution and less than 2% of the members present voting against it.

4. The report of the Chairpersons makes it apparent that the Scheme has been approved by 100 percent in value of the members of Petitioner No. 1 and more than 98% in value of the members of Petitioner No. 2, present and voting in person or by proxy at the meetings duly convened under the requisite provisions of the Act.

5. Notices under Rule 61 of the Rules regarding filing of this merger petition were also duly published in the newspapers, daily "Business Recorder" and daily "Jang" on November 22, 2024 and daily Dawn on November 23, 2024. No objections have been received from any quarter. All the secured creditors of Petitioners No. 1 and Petitioner No. 2 have given their no objection certificate (NOCs) to the Scheme and copies of their NOCs have been placed on record. The learned counsel for Registrar of Companies / Securities and Exchange Commission of Pakistan (**"SECP"**) had sought an update on the list of secured creditors of the Petitioners identified in Annexures H and I of the Petition, which were duly updated by the Petitioners in their response to the comments filed by the

SECP. The Petitioners in reply to the comments submitted by SECP has brought on record copies the search reports prepared by Total Credit Information (Private) Limited as of July 10, 2024 (for Petitioner No. 1) and Greatax Solution (Private) Limited as of May 08, 2024 (for Petitioner No. 2), which corroborates their stance that no other secured creditors for the Petitioners exist. Attendance sheet of Petitioner No.1, 110th meeting of Board of Directors and Petitioner No. 2, 197th meeting of Board of Directors dated May 06,2024 respectively, have also been brought on record in response to SECP's comments. With respect to the observations of SECP regarding the preparation of financial statements, the Petitioners have provided written response explaining how the financial statements have been prepared, specifically in relation to factoring in tax and litigation related contingencies. Learned counsel for SECP is satisfied with the documents and explanation brought on record by the Petitioners and has no further comments.

6. The Petitioners also filed an application with the Competition Commission of Pakistan seeking a pre-merger clearance in relation to the Scheme. Subsequently, the learned counsel for the Petitioners has brought on record order dated November 14, 2024 of the Competition Commission of Pakistan granting pre-merger clearance to the Scheme.

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7. In view of the above, this petition is **allowed**, and the Scheme is hereby sanctioned, which shall form part of this

order as Annexure 'A', and shall take effect in terms of, *inter alia*, Section 282 of the Act. In consequence thereof, *inter alia*:

a) in terms of Article 4 of the Scheme, the whole of the undertakings of the Petitioner No. 1 be transferred and vest into Petitioner No. 2, without any further act or deed, including all assets, liabilities, properties, rights, privileges, benefits of contracts, sanctions, authorizations, licenses and obligations of Petitioner No. 1, as specified in the Scheme;

b) all pending legal proceedings instituted by or against Petitioner No. 1 shall be continued by or against Petitioner No. 2;

c) Petitioner No. 2 shall issue the requisite number of shares to shareholders of Petitioner No. 1 in terms of Article 3.1 of the Scheme;

d) thereafter Petitioner No. 1 shall be dissolved without winding up in terms of Article 18 of the Scheme, and

e) That all costs and incidental expenses shall be paid by Petitioner No.2.

Sd/-

(SHAHID KARIM)
JUDGE

Abdul Waheed

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C.O. No.
Examiner: J/S (Commercial Branch)
Lahore High Court, Lahore

Copy Petition No.: 85039
Submission Date: 21-1-25
No of Pages: 5
Fee (Rs. /- per Pages)
Urgent Fee (If any)
Total Fee (Rs.) 4220
Date of Completion
Date of Delivery

24/

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High Court, Lahore

Annex="B-1"

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SCHEME OF ARRANGEMENT
BETWEEN

MILLAT EQUIPMENT LIMITED

AND

MILLAT TRACTORS LIMITED

(AND THEIR RESPECTIVE MEMBERS)

Under Sections 279 to 282 of the Companies Act, 2017

Annex: A' (Pages_14 to 36)

Judge
21-01-2025

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C.O. No.....
Examiner JS (Commercial Branch)
Lahore High Court, Lahore

Millat Equipment Limited

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

Millat Tractors Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

ARTICLE – 1

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1. CORPORATE INFORMATION

MILLAT EQUIPMENT LIMITED

		Number of ordinary shares of Rupees 10 each
Shareholders :	Mr. Sikandar Mustafa Khan	2,036,288
	Mr. Laeeq Uddin Ansari	2,660,271
	Mr. Raheel Asghar	115
	Mr. Ahsan Imran Shaikh	152,318
	Mr. Qaiser Saleem	700,502
	Mr. Murad Naseer Uddin Ansari	5,750
	Mr. Muhammad Mustafa Sohail	4,542
	Mr. Muhammad Mustafa Khan	2,463
	Millat Tractors Limited	13,454,992
	Others (417 shareholders who individually own less than 8%)	10,882,759
		29,900,000

Board of Directors : Mr. Sikandar Mustafa Khan (Chairman)
Mr. Ahsan Imran Shaikh (Chief Executive)
Mr. Laeeq Uddin Ansari
Mr. Muhammad Mustafa Khan
Mr. Murad Naseer Uddin Ansari
Mr. Qaiser Saleem
Mr. Muhammad Mustafa Sohail
Mr. Raheel Asghar

Company Secretary : Mr. Mudassar Siddique

Registered Office : 10 KM, Raiwind Road, Lahore

Authorized Share Capital : Rupees 1,300,000,000 divided into 130,000,000 ordinary shares of Rupees 10 each.

Issued, Subscribed and Paid-up Capital : Rupees 299,000,000 divided into 29,900,000 ordinary shares of Rupees 10 each fully paid.

MILLAT TRACTORS LIMITED

		Number of ordinary shares of Rupees 10 each
Shareholders :	Mr. Sikandar Mustafa Khan	17,464,755
	Mr. Sohail Bashir Rana	11,046,863
	Mr. Laeeq Uddin Ansari	18,173,968

Millat Equipment Limited

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

Millat Tractors Limited

RAHEEL ASGHAR
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Mr. Qaiser Saleem	4,740,000
Mr. Saad Iqbal	4,504,956
Mr. Muhammad Javed Rashid	1
Mr. Nasar Us Samad Qureshi	487
Ms. Ambreen Waheed	3,604
Mrs. Cyma Khan	253,993
Mrs. Ayesha Sohail	1,384,150
Mrs. Rabia Qaiser	33,339
Associated Undertakings (3)	704,325
Related Parties (37)	22,964,189
National Investment Trust and ICP (5)	2,107,961
Banks, Development Financial Institutions, Non-Banking Financial Institutions and Pension Funds (7)	3,825,327
Insurance Companies (9)	18,809,081
Modarabas and Mutual Funds (33)	730,906
General Public (9,064)	77,357,198
Joint Stock Companies (76)	1,044,055
Trusts (23)	6,421,328
Others (5)	227,743
	191,798,229

Board of Directors	:	Mr. Sikandar Mustafa Khan	(Chairman)
		Mr. Raheel Asghar	(Chief Executive)
		Mr. Sohail Bashir Rana	
		Mr. Laeeq Uddin Ansari	
		Mr. Saad Iqbal	
		Ms. Ambreen Waheed	
		Mr. Muhammad Javed Rashid	
		Mr. Nasar Us Samad Qureshi	
		Mr. Qaiser Saleem	
Company Secretary	:	Mr. Muhammad Faisal Azeem	
Registered Office	:	8.8 KM Sheikhupura Road, Shahdara, Lahore	
Authorized Share Capital	:	Rupees 4,000,000,000 divided into 400,000,000 ordinary shares of Rupees 10 each.	
Issued, Subscribed and Paid-up Capital	:	Rupees 1,917,982,290 divided into 191,798,229 ordinary shares of Rupees 10 each fully paid.	

Millat Equipment Limited
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Chief Executive
Millat Equipment Limited

Millat Tractors Limited
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ARTICLE – 2

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2. DEFINITIONS

2.1. In this Scheme, unless the subject or context otherwise requires, the following expressions shall bear the meanings specified against them below:

"Act" means the Companies Act, 2017, or any statutory modification or re-enactment thereof for the time being in force.

"Companies" mean Millat Equipment Limited ("MEL") and Millat Tractors Limited ("MTL") collectively.

"Completion Date" means the date on which this Scheme becomes operative pursuant to the provisions of Article 17 of this Scheme, and is the date on which the entirety of the "MEL" stands transferred to and vested in "MTL" by virtue of an Order of the Court under section 282 of the Companies Act, 2017.

"Court" means the Lahore High Court, Lahore having jurisdiction under sections 279 to 282 of the Companies Act, 2017.

"MEL" means Millat Equipment Limited, a public limited company having its registered office at 10 KM, Raiwind Road, Lahore.

"Effective Date" means 24:00 hours on December 31, 2023 or such other date as may be approved by the Court..

"Encumbrances" mean (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrances of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under the applicable laws; (ii) any proxy, power of attorney, voting trust agreement, interest, option, right of first refusal, transfer restrictions in favor of any person; and (iii) adverse claim as to possession or use.

"Merged Company" means MTL as the surviving entity after the merger of MEL and MTL.

"MTL" means Millat Tractors Limited, a listed public limited company having its registered office at 8.8 KM Sheikhupura Road, Shahdara, Lahore.

"Existing" means existing, outstanding or in force immediately prior to the Completion Date.

Millat Equipment Limited

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"**Scheme**" means this Scheme of compromises, arrangements and reconstruction in its present form with any modification thereof or addition thereto approved or condition imposed by the Court.

2.2. In this Scheme, unless the context otherwise requires:

(a) References to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations;

(b) The headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;

(c) References to one gender include all genders; and

(d) Words in the singular shall include the plural and vice versa.

2.3. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Completion Date.

ARTICLE – 3

3. OBJECT OF THIS SCHEME

3.1. The principal object of this Scheme is to effect and achieve merger / amalgamation of "MEL" into "MTL" through the transfer and vesting in "MTL" of the whole undertaking of "MEL" (i.e., all the assets, rights, liabilities and obligations of every description of "MEL"). In consideration of the transfer of MEL to MTL under this Scheme, MTL shall issue fully paid ordinary shares of MTL of Rupees 10 (ten) each to MEL's shareholders (i.e, the persons set out in MEL's register of members as of the Effective Date) in the share ratio of 1 (one) share of Rs 10 (ten) of MTL for every 2.13 shares of MEL.

3.2. The merger has the following potential benefits:

(a) The parties through the merger will improve the manufacturing and production quality of their products. MTL's experience, operating standards, and resources shall provide effective oversight to MEL and its operations, ensuring that production processes are optimized, operational efficiency is enhanced, quality standards are met and economies of scale are achieved.

(b) MTL will retain employees of MEL under the merger, and will continue to generate employment of skilled employees into the industry. The merger shall also allow for MTL to potentially invest in training and development programs, promoting skills of its employees involved in production and manufacturing, enhancing their careers as automotive manufacturers.

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(c) The merger will not only provide MTL's management with access to a broader range of external funding options at competitive rates but also offer greater assurance to existing and potential creditors. With a larger equity and asset base, MTL will be better positioned to pursue growth opportunities and undertake larger projects.

(d) The integration of MEL's operations with MTL's will enable more efficient management of raw materials and production processes. This integration is expected to improve efficiency.

(e) The increased size of MTL resulting from the merger will bolster its capacity to absorb and manage risks inherent in the business environment. This heightened risk absorption capacity will contribute to greater stability and sustainability in operations over the long term, instilling confidence among its stakeholders.

ARTICLE – 4

4. TRANSFER OF UNDERTAKING

4.1. The entire undertaking of MEL shall be transferred to and vested in MTL and shall be inclusive of the following:

(a) All assets and properties of MEL, including, without limitation, properties of all kinds and by whatever title held and whether movable or immovable or tangible or intangible, leasehold assets, including but not limited to and without limiting the generality of the foregoing in particular:

(i) Land measuring 100.89 kanals, situated at Mauza Bhoptian, Lahore;

(ii) All buildings owned or leased by MEL shall stand transferred to MTL;

(iii) all plant, machinery, equipment, spare parts, tools, appliances, computer systems, software development, motor and other vehicles, furniture, fixture and fittings;

(iv) all tax credits, tax or other refunds; tax or tariff protections, concessions, remissions or exemptions;

(v) all stocks, stock-in-trade, stocks of fuel, inventory, raw materials, ingredients, packaging, office supplies, engineering spares, consumable stores, work in process, finished goods;

(vi) all contracts, agreements, trusts, leases, hires, rentals, sub-leases, tenancies, conveyances, grants, instruments of transfer, engagements, commitments and arrangements entered into by or subsisting in favour of MEL which remain in

Millat ~~Equipment Limited~~

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whole or in part to be performed, inclusive of all rights and obligations of MEL arising thereunder;

(vii) all actionable claims, book debts, trade and other debts or sums (including suppliers' credit notes) due, owing, accrued or payable to MEL (whether or not invoiced and whether or not immediately due or payable), advances, deposits, prepayments and other receivables, loans made, investments (both short term and long term, including without limitation, investments in shares, debentures, debt instruments and other securities), cash in hand and at banks or other depositories;

(viii) all historical and current documents, customer lists, products and supplier lists, catalogues, literature, employee records, documents of title, sales targets, sale statistics, market share statistics, marketing surveys and reports, marketing research and any advertising or other promotional materials, and other accounting (including management accounting reports) and other financial data whether in hard copy or in computer held form (including, for avoidance of doubt, such media as microfilm and microfiche);

but the transfer and vesting of such assets and properties shall be subject to all mortgages and charges and other Encumbrances subsisting thereon.

(b) All connections and facilities for telecommunication owned by, or leased or licensed to MEL, including mobile phones, telephones, telexes and facsimile and the benefit of all payments and deposits made by or for the account of MEL in connection therewith, listed in **Schedule A** hereto;

(c) all connections, meters and other instalments owned by, or leased or licensed to MEL for the supply of electricity, gas and water and the benefit of all payments and deposits made by or for the account of MEL in connection therewith, listed in **Schedule B** hereto;

(d) all rights, powers, authorities and privileges of MEL, including all registrations, licenses, authorizations, permits, categories, sanctions, approvals and permissions concerning the investment in or carrying on of any business by MEL and other activities carried on by MEL or any part thereof;

(e) all rights, title and interests of MEL in technical data and know-how, industrial and technical information, trade secrets, confidential information, drawings, formulations, technical reports, operating and testing procedures, instruction manuals, raw material or production specifications, the results of research and development work, whether in hard copy or in computer held form (including for the avoidance of doubt, such media as microfilm and microfiche) and computer software;

(f) all rights, title and interests of MEL anywhere in the world and the goodwill in respect of any trademarks, service marks, trade names, trading styles, copyrights,

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designs, patents, inventions, secret processes, know-how and confidential information, including, without limitation, and licenses (inclusive of the benefits and burdens of such licenses) for the same, and any applications or the rights to apply for protection or registration of any of the same and any continuing, reissue, divisional and re-examination patent application;

(g) the goodwill of MEL in respect of all of its businesses and activities;

(h) all other rights, powers, authorities and privileges of MEL including, without limitation;

(i) all registrations, licenses, permits, categories, entitlements, authorizations, sanctions, permissions and approvals issued or granted by any government, governmental department or agency, or any statutory or local authority or any municipal corporation to MEL; and

(ii) all concessions, entitlements, tariff protections and duty and tax exemptions and remissions; and

(iii) all credits and refunds on account of sales tax, customs duty, octroi and other duties, taxes, levies, fees, charges, or imposts paid on account of, or in connection with any properties, assets or materials comprised in the MEL Undertaking and inclusive of the right to adjust the amount of sales tax paid on the purchase acquisition or import thereof (input tax) against sales tax payable by MEL on goods sold by it (output tax); and

(iv) all rights against third parties (including sub-contracts and any retention of title rights).

(i) all licenses, permits and authorizations for the import or export of any plant, machinery, equipment, materials, goods, articles or things and all bills of entry, airway bills, bills of lading or other documents of title relating thereto and all letters of credit and other payment orders and all rights, titles, privileges, benefits, liabilities and obligations of MEL arising thereunder or pursuant thereto in relation thereof;

(j) all banking and other accounts maintained by MEL with any bank, financial institution, customer, supplier, government department, including but not limited to, the collector of customs and other authorities, any agency supply any amenities to MEL including all the credit and debit (as the case may be) balances in such accounts and any existing instructions, orders, directions, mandates, powers of attorneys, authorities, undertakings or consents given to MEL in writing in relation to an account;

(k) all debts and other liabilities and obligations of every kind and description of MEL whether accrued or accruing or contingent or deferred and whether incurred solely or jointly with another or others including amounts owing to banks, financial

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institutions, non-banking finance companies and other creditors (related or unrelated) of MEL;

(l) all loans, advances, finances, leases and banking facilities provided to, or agreed to be provided to, MEL inclusive of interest, mark up or other return and bank charges in respect thereof and any property of MEL secured or encumbered in favour of such creditor shall continue to remain so encumbered;

(m) all amounts owing (whether or not due for payment) or payable by MEL in respect of the supply of goods, utilities and services to MEL and which are unpaid at the Completion Date (including, without limitation, credit notes granted and advances received from suppliers or customers);

(n) the liabilities of MEL on account of its employees or former employees including such liabilities payable on termination of service by way of provident fund or otherwise;

(o) the contracts of employment between MEL and such of its employees who may have agreed to accept employment with MTL in lieu of their employment with MEL upon the merger of MEL with and into MTL becoming effective and the rights and obligations of MEL arising under such contracts;

(p) the liabilities of MEL for payment of taxes, and the entitlements of MEL to credit or refund of payments made for or in respect of any assessment or liability for taxes including advance tax collections;

(q) the benefits of any policies of insurance issued to or otherwise available to MEL;

(r) the capital reserves, revenue reserves, unappropriated profits and accumulated accounting losses of MEL, provided however, that profits amounting to PKR 448,500,000 accumulated by MEL as of 31 December 2023 are not considered part of the undertaking of MEL that is being transferred to MTL and were distributed on 7 March 2024 as dividends to MEL's shareholders; and

(s) the benefit of all capital allowances and tax losses.

4.2. The undertaking of "MEL" as at the Effective Date shall, without any further act, instrument or deed, be and the same shall stand transferred to and be vested or deemed to have been transferred to or vested in "MTL".

4.3. The merger in accordance with this Scheme and the transfer and vesting of the MEL undertaking shall be treated as having taken effect from the Effective Date and as from that time until the Completion Date, the MEL undertaking (inclusive of the business, operations and other activities) shall be deemed to be carried on by MEL for and on account and for the benefit of the Merged Company.

Millat Equipment Limited

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4.4. In respect of such of the assets as are movable in nature or are otherwise capable of transfer by manual / physical delivery or by endorsement and delivery, the same shall be so transferred by "MEL" and shall become the property of "MTL" as its integral part. The amount lying with the Banks to the credit of "MEL", shall be transferred to "MTL". All payments due by MTL towards MEL will be adjusted in the merged accounts of the Merged Company.

4.5. All the liabilities of "MEL" as at the effective date, shall without any further act, instrument or deed, be and stand transferred and vested in "MTL", so as to become as and from the Effective Date, the debts, liabilities, duties and obligations of "MTL". All liabilities of "MEL" on or before the Effective Date shall, as from the Effective Date, be deemed to be and assumed by "MTL", as the Liabilities of "MTL", under the provisions of the Act and all other applicable laws, without any further act, deed, matter or thing and without in any manner adversely affecting the ranking or priority of the same.

4.6. The transfer and vesting of the undertakings of "MEL" under clauses 4.1, 4.2 and 4.3 hereof and the continuance of proceedings by "MTL" under Article - 7 hereof shall not affect any transactions or proceedings already concluded by "MEL" as the case may be in the ordinary course of business and after the transfer date to the end and intent that "MTL" accepts on behalf of itself all acts, deeds and things done and executed by "MEL", as the case may be.

4.7. In so far as any of the assets of "MEL" are subject to any Encumbrance immediately prior to the Effective Date, such assets shall be deemed to have been transferred to "MTL" on the Effective Date subject to such Encumbrances.

4.8. "MTL" shall be deemed, without any further act, deed, matter or thing, to have created, on the Effective Date, all such Encumbrances on the assets of "MEL" which are transferred (without in any manner adversely affecting the ranking or priority of the same) from "MEL" to "MTL" on the Effective Date by virtue of the approval of this Scheme by the High Court.

4.9. MEL shall stand dissolved without winding up as of the Completion Date and immediately after the transfer of its undertaking to MTL.

ARTICLE – 5

5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

"MTL" shall undertake, pay, satisfy, discharge, perform and fulfill all debts, liabilities, contracts, engagements and obligations whatsoever of "MEL" as at the Effective Date, and all contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and all other instruments of whatever kind subsisting or having effect immediately before the Effective Date to which "MEL" may be a party or which shall be in favour of "MEL" as they were before the transfer date ~~and~~ may be enforced or acted upon as fully and effectively as if instead of

Millat Equipment Limited

Millat Tractors Limited

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

"MEL", "MTL" had been a party thereto or as if the same had been issued by or in favour of "MTL".

ARTICLE – 6

6. LEGAL PROCEEDINGS

All causes, suits, appeals, petitions/revisions or other judicial, quasi-judicial, and/or administrative proceedings to which MEL is a party will be continued, prosecuted and enforced in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against "MEL" as if this Scheme had not been made, by or against "MTL" the same shall not abate, be discontinued or be in any way prejudiced or affected by the provisions of this Scheme. A list of proceedings which MEL is aware of as of the Effective Date is set out in **Schedule C**.

ARTICLE – 7

7. CONDUCT OF BUSINESS BY "MEL"

7.1. "MEL", with effect from the Effective Date and up to the Completion Date:

(a) Shall be deemed to have been carrying on and to be carrying on all business and activities relating to "MEL" and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of "MEL" for and on account of, and in trust for "MTL";

(b) All profits and income accruing or arising from "MEL" from operation and losses and expenditure arising or incurred (including taxes, if any, accruing or paid in relation to any profits or income) relating to the "MEL" based on the financial statements shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditures, as the case may be, of "MTL"; provided however, that profits amounting to PKR 448,500,000 accumulated by MEL as of 31 December 2023 are not considered part of the undertaking of MEL and were distributed on 7 March 2024 as dividends to MEL's shareholders as of the Effective Date; and

(c) Any of the rights, powers, authorities, privileges, attached, related or pertaining to the "MEL" shall be deemed to have been exercised by "MEL" for and on behalf of, and in trust for and as an agent of "MTL". Similarly, any of the obligations, duties and commitments attached, related or pertaining to the "MEL" that have been undertaken or discharged by "MEL" shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for "MTL".

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Chief Executive
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RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

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7.2. With effect from the Effective Date and until the Completion Date, "MEL" undertakes that it will preserve and carry on the business of "MEL" with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber any of the undertaking or any part thereof save and except in each:

(a) If the same is in its ordinary course of business as carried on by it as on the date of filing of this Scheme with the High Court; or

(b) If the same is expressly permitted by this Scheme; or

(c) If the prior written consent of the board of directors of "MTL" has been obtained.

7.3. As and from the Effective Date and till the Completion Date:

(a) All debts and liabilities, raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the Effective Date, whether or not provided in the books of "MEL", and all debts and liabilities raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to "MEL" regarding "MEL" on or after the Effective Date in accordance with this Scheme, shall be deemed to be the debts and liabilities raised and used, liabilities and obligations incurred, duties and obligations of "MTL" to which that "MEL" is transferred.

(b) All assets and properties comprised in "MEL" as on the date immediately preceding the Effective Date, whether or not included in the books of "MEL", and all rights and privileges, benefits, entitlements, assets and properties etc. relating thereto, which are acquired by "MEL" in relation to "MEL", on or after the Effective Date, in accordance with this Scheme, shall be deemed to be the assets and properties of "MTL" to which that "MEL" is transferred.

ARTICLE – 8

8. TRANSFER OF STAFF, WORKMEN AND EMPLOYEES

8.1. Every officer, workman or other employee of "MEL" who is transferred to "MTL" on the Completion Date shall become an officer, workman or employee, as the case may be, of "MTL" on the basis that his services have not been interrupted by transfer of "MEL" into "MTL" under this Scheme and on the same remunerations and other conditions of service, rights and privileges, benefits, entitlements, if any, and other matters as were applicable to him before the transfer date.

8.2. All deeds, rules and other instruments relating to the retirement schemes of the "MEL", shall remain in full force and effect for the benefit of those employees of "MEL", who have accepted employment with "MTL" as if originally "MTL" were party thereto.

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ARTICLE – 9

9. BASIS OF AMALGAMATION AND RECONSTRUCTION

9.1. Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the undertaking of "MEL" into "MTL" in terms of the Scheme, "MTL" will subject to the provisions of the Scheme and without further act or deed or documents being required to be executed, registered or filed in respect of following:

(a) The issued and paid-up share capital of PKR 134,549,920 divided into 13,454,992 ordinary shares of MEL owned by MTL and appearing in the books of MEL be set off against the respective investment appearing in the books of MTL.

(b) All other shareholders of MEL shall be issued 1 (one) share in MTL for every 2.13 shares in MEL. This share swap ratio is based on the valuation report prepared by an accredited valuer in accordance with the applicable law.

(c) Each of the asset and liability of "MEL" as per the respective audited accounts as on 31 December 2023, will form an asset or a liability of corresponding nature in the books of "MTL". Likewise, the accumulated profit of "MEL" as on 31 December 2023 (excluding the dividend amount distributed to the shareholders of MEL on 7 March 2024) shall constitute profit of corresponding nature of "MTL".

(d) As the ordinary shares of "MEL" will be set off against respective investment of "MTL" and other shareoholders of MEL shall be issued shares of MTL therefore all ordinary share certificates issued by "MEL" shall stand cancelled as on the Effective Date.

(e) To the extent permitted by applicable law, any fractional shares which arise on account of the issuance of MTL shares to the shareholders of MEL as consideration for the transfer of MEL's undertaking, will not be issued and instead all such fractional shares will be consolidated and disposed of as the board of directors of MTL deems fit.

9.2. The ordinary shares of "MTL" upon issue and allotment to the existing shareholders of MEL, pursuant to this Scheme shall rank *pari passu* with the existing ordinary shares of "MTL" in all respects and shall be entitled to all dividends declared after the Completion Date. For the purposes of clarification, the shareholders of MEL shall not be entitled to any dividend issued by MTL prior to the Completion Date.

9.3. Authorized share capital of Rupees 4,000,000,000 divided into 400,000,000 ordinary shares of Rupees 10 each of "MTL" as on Effective Date shall be merged with authorized share capital of Rupees 1,300,000,000 divided into 130,000,000 ordinary shares of Rupees 10 each of "MEL" which will result in total authorized share capital of Rupees 5,300,000,000 divided into 530,000,000 ordinary shares of Rupees 10 each of "MTL" as on Effective Date.

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9.4. Issued, subscribed and paid-up capitals of "MEL" and "MTL" were Rupees 29,900,000 and Rupees 1,917,982,290 respectively as on the Effective Date. After adjustment of shares of "MEL" and allotment of ordinary shares by "MTL" pursuant to this Scheme, total issued, subscribed and paid-up capital of "MTL" shall be Rupees 1,995,159,470 divided into 199,515,947 ordinary shares of Rupees 10 each as on Effective Date.

ARTICLE – 10

10. MODIFICATIONS / AMENDMENTS TO THE SCHEME

10.1. "MEL" and "MTL" by their respective Directors may assent to any modification or amendment to the Scheme or agree to any terms and / or conditions which the Courts and / or any other authorities under law may deem fit to direct to impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme and do all acts, deed and things as may be necessary, desirable or expedient for putting the Scheme into effect.

10.2. For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of "MTL" are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

ARTICLE – 11

11. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

11.1. The Scheme is conditional on and subject to:

(a) Approval of and agreement to the Scheme by the requisite majority of the respective members of of "MEL" and "MTL" as may be directed by the Court;

(b) Requisite resolution(s) under the applicable provision of the Companies Act, 2017 being passed by the shareholders of "MTL" for any of the matters provided for or relating to the Scheme as may be necessary or desirable;

(c) Any other sanctions or approval of the appropriate authorities concerned, as may be necessary and appropriate by the respective board of directors of "MEL" and "MTL", being obtained and granted in respect of and of the matters for which such sanctions or approvals are required.

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ARTICLE – 12

12. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of "MEL" and "MTL" respectively in relation to or in connection with the Scheme and of carrying out and implementing / completing the terms and provisions of the Scheme and / or incidental to the completion of merger / amalgamation of the said Undertakings of the "MEL" in pursuance of the Scheme shall be borne and paid solely by "MTL".

ARTICLE – 13

13. INTERESTS OF CUSTOMERS AND CREDITORS

This Scheme shall not in any manner affect the interest of any customer or creditor, the Merged Company shall be bound to carry out the terms and conditions connected herewith with the same legal effect and force as if this Scheme was not sanctioned.

ARTICLE – 14

14. SECURED CREDITORS

14.1. The secured creditors of MTL, and their respective principal amounts outstanding as of the Effective Date are set out in **Schedule D.**

14.2. The secured creditors of MEL, and their respective principal amounts outstanding as of the Effective Date are set out in **Schedule E.**

ARTICLE – 15

15. OUTSTANDING AMOUNTS

All amounts owing (whether or not due for payment) or payable by MEL or MTL and which are unpaid on the Completion Date in respect of the supply of goods, raw materials, utilities, and services (including, without limitation, credit notes granted, and advances received from suppliers or customers) to the extent arising exclusively or primarily in the ordinary course of business, shall be owned or paid by the Merged Company under this Scheme.

ARTICLE – 16

16. COMPLETION DATE OF SCHEME

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Chief Executive
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Millat Tractors Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

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The Scheme, although operative from the Effective Date, shall take effect finally upon and from the date on which the last of the sanctions or approvals or orders (as provided under Article 11 hereinabove) shall have been obtained, and such date shall be the Completion Date for the purpose of the Scheme.

ARTICLE – 17

17. APPLICATION TO THE COURT

"MEL" and "MTL" hereto shall, with all reasonable dispatch, make applications to the Court for sanctioning the Scheme and for dissolution of "MEL" without winding up.

ARTICLE – 18

18. DISSOLUTION OF "MEL"

Subject to an order being made by Court under Section 282 of the Companies Act, 2017, "MEL", shall, without winding up, stand dissolved from the date of allotment of shares by "MTL" as per terms of the Scheme.

Scheme Date:

For Millat Equipment Limited

Ahsan Imran ~~Shaikh~~
(Chief Executive Offficer)

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

For Millat Tractors Limited

Raheel Asghar
(Chief Executive Officer)

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

Millat ~~Equipment~~ Limited

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

Millat Tractors Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

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SCHEDULE A

Details of Mobile Phone Lines

Sr. No.	Mobile Phone No.
1	0301-8484920
2	0321-4992088
3	0300-8441930
4	0301-8484238
5	0301-8484239
6	0301-8484282
7	0301-8459933
8	0301-8484289
9	0304-9245963
10	0300-8453424
11	0300-4023835
12	0301-8487979
13	0301-8484247
14	0300-8593828
15	0300-8593994
16	0323-7285424
17	0301-8484412
18	0301-8484413
19	0301-8484918
20	0301-8484919

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Millat Tractors Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

Details of Telephone Lines

Sr. No.	Telephone No.
1	35322714
2	35322715
3	35322716
4	35322717
5	35322718
6	35322719
7	35322720
8	35322721
9	35322538
10	35323212
11	35323213
12	35323214
13	35323215
14	35323216
15	35323217
16	111-200-787

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Chief Executive
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RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

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SCHEDULE B

(List of all MEL electricity, gas and water connections)

LESCO

Sr.#	Description
1. Reference #	24112249979020U
2. Customer ID	3001216
3. Tariff	B3 (14) T
4. Sanction Load (KVA)	3610
5. Meter #	890078
6. Sub Division	Jati Umrah
7. Division	Raiwind
8. Feeder	Millat(050329)

SNGPL

Sr.#	Description
1. Account ID	784505740399
2. Meter #	RM02210434-01
3. Contractual Load (MMCFD)	0.232
4. Security Deposit (Rupees) (Bank)	18,538,100

WASA

Sr.#	Description
1. Account #	93515317
2. DDR	JUBLEE TOWN
3. Ward #	508
4. Property #	S36 JBT MILLAT FACTORY S/P
5. Walksort	1050
6. NCR#	9999
7. Connection Type	COMMERCIAL

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RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

SCHEDULE C

(List of pending legal proceedings against Millat Equipment Limited)

SR. NO.	Forum Where Pending	Nature of Case	Tax Year	Compliance Status
1	DCIR, LTO, Lahore	Income tax proceedings for compliance audit of withholding taxes u/s 44(4) 161/205 are under process for tax year 2016	2016	Compliance made to Department. The case is time barred now.
2	Appellate Tribunal Inland Revenue, Lahore	122(9 / 177(6) (Noitce on issues arising out of Audit) 2016	2016	Appeal to ATIR has been filed against order of CIR(A) on 20.02.2024.
3	DCIR, LTO, Lahore	Income tax proceedings for compliance audit of withholding taxes u/s 44(4) 161/205 are under process for tax year 2017	2017	Compliance made to Department. The case is time barred now.
4	DCIR, LTO, Lahore	Tax Audit proceedings u/s 177/214C	2017	Assessment concluded till ATIR. Formally appeal effects are to be issued by Department.
5	DCIR, LTU, Lahore	Income tax proceedings for compliance audit of withholding taxes u/s 44(4) 161/205 are under process for tax year 2018	2018	Compliance made to Department
6	Appellate Tribunal Inland Revenue, Lahore	Tax audit proceedings u/s 122(5A)	2018	Appeal to ATIR has been filed against order of CIR(A) on 21.02.2024.
7	Appellate Tribunal Inland Revenue, Lahore	Tax audit proceedings u/s 122(5A)	2019	Appeal to ATIR has been filed against order of CIR(A) on 16.01.2024.

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8	CIR(A)	122(9) (Notice to amend assessment) TY 2021	2021	Appeal to CIR(A) was filed and is being heard where appellate order is awaited.
9	DCIR, LTU, Lahore	Income tax proceedings for compliance audit of withholding taxes u/s 44(4) are under process for tax year 2021	2021	Compliance made to Department
10	DCIR, LTU, Lahore	Income tax proceedings for compliance audit of withholding taxes u/s 44(4) are under process for tax year 2022	2022	Compliance made to Department
11	DCIR, LTU, Lahore	DEMAND AGAINST WWF (2014 to 2020)	2014-2020	Compliance made to Department.

S. No.	**Forum where pending**	**File No.**	**SCN/O-in-Original/O-In-Appeal No. & date**	**Amount involved in rupees.**
1.	FBR, Islamabad.	84/ST/10	Lahore High Court vide judgment dated 28.05.2015 In Writ Petition No.7923/2010 against Order dated 03.06.2013 In FEA No.O5/LB/2011 passed by Appellate Tribunal Inland Revenue, Lahore directed the FBR to decide the matter with regard to refund claims for the periods 08 & 09/2004, 01 to 03/2005 and acceptance of supportive documents for tax periods 05 to 07/2004, 10 to 12/2004, 04 to 06/2005.	Rupees 4,900,771/-
2.	Appellate Tribunal Inland Revenue, Lahore.	37/ST/18	Departmental appeal against Order-in-Appeal No.02 dated. 08.06.2016/O-in-O No.94/2015 dt 17.09.2015 SCN 432 dt 20.05.2015.	Rupees 1,214,719/-

Any other causes, suits, appeals, petitions/revisions or other judicial, quasi-judicial, and/or administrative proceedings, of whatever nature by or against "MEL" which shall be pending on the Effective Date in or before any court, tribunal forum, or other authority.

Millat Equipment Limited

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SCHEDULE D

(Secured creditors of Millat Tractors Limited)

Sr. No.	Bank	Amount in PKR (Oustanding balance)/ Advance to creditor
Short term borrowings		
1	Allied Bank Limited	(383,580,812)
2	The Bank of Punjab	(700,000,000)
3	Habib Bank Limited	23,757,233
4	Industrial and Commercial Bank of China Limited	68,108
5	Bank Alfalah Limited	31,988,510
6	Meezan Bank Limited	(513,206,663)
7	MCB Bank Limited	(1,033,088,362)
8	Standard Charterd Bank (Pakistan) Limited	1,911,792
		(2,572,150,194)
Long term borrowings		
1	Habib Bank Limited	**(1,197334,114)**

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AHSAN IMRAN
Chief Executive
Millat Equipment Limited

Millat Tractors Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

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SCHEDULE E

(Secured creditors of Millat Equipment Limited)

Serial #	Name of Financial Institution	Nature	Outstanding Balance as on 31 Dec 2023
			Rupees
1	Habib Bank Limited	Renewable Energy Financing Loan	30,441,163
2	MCB Bank Limited - A/c # 1134-4	Running Finance	390,149,210
3	Meezan Bank Limited - A/c # 0100649971	Running Musharakah	328,299,129
4	Habib Bank Limited - A/c # 401228-80	Running Finance	154,765,269
5	Bank Alfalah Limited - A/c # 00281006234924	Running Finance	38,774,797
6	Habib Bank Limited (Invoice Bill Discounting Facility) - A/c # 1242-79	Short Term Borrowing	299,516,919
			1,241,946,487

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Chief Executive
Millat Equipment Limited

Millat Tractors Limited

RAHEEL ASGHAR
Chief Executive Officer
Millat Tractors Limited

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BEFORE THE HONOURABLE LAHORE HIGH COURT,

LAHORE

(Companies Jurisdiction)

C.O. No. 30270 of 2024

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In the matter of:

TWENTY RUPEES
Rs. 20
PAKISTAN
COURT FEE

1. **Millat Equipment Limited**

   a company incorporated in Pakistan
   and having its registered office at
   10 KM Raiwind Road,
   Lahore. Through Chief Executive Ahsan Imran.

2. **Millat Tractors Limited**

   a company incorporated in Pakistan
   whose registered office is at
   8.8 K-M, Sheikhupura Road, Shahdara,
   Lahore. Through Chief Executive Raheel Asghar.

……………..**Petitioners**

Versus

Joint Registrar of Companies

Company Registration Office,
Securities and Exchange Commission of Pakistan,
3rd Floor, Associated House, 7 Egerton Road,
Lahore

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C.O. No.……………
Examiner JJS (Commercial Branch)
Lahore High Court, Lahore

…………**Respondent**

PETITION UNDER SECTION 279-282 AND 285(8) OF THE COMPANIES ACT 2017 READ WITH ALL OTHER ENABLING PROVISIONS OF LAW

Respectfully Sheweth:

1. That by means of a notification bearing S.R.O. No. 840(I)/2017 published in the Official Gazette, in exercise of the powers conferred by sub-section (8) of section 285 of the Companies Act, 2017 (the "**Act**"), the Minister-in-Charge of the Federal Government has notified that the powers conferred on the Securities & Exchange Commission of Pakistan under section 279 to 283 and 285 of the Act in respect of public interest companies, large sized companies and medium sized companies classified under the Third Schedule to the Act shall be exercised by the Company Bench of the High Court having jurisdiction under the Act. The Petitioners are large sized companies.

   (*A copy of the notification bearing SRO No. 840(I)/2017 is attached as* ***Annexure A***)

2. That this Petition seeks the sanction of this Honourable Court of a scheme of merger between the Petitioners. The scheme of merger (the "**Scheme**") envisages the following:

   (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;

   (b) In consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1 shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of one share of Petitioner No. 2 for every 2.13 shares of Petitioner No. 1; and,

   (c) The dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

   (*The Scheme and its accompanying schedules is attached as* ***Annexure B/1****. The share valuation report, dated 7 May, 2024, prepared by A.F.Ferguson & Co. Chartered Accountants, on the basis of which the share swap ratio was determined is attached as* ***Annexure B/2***.)

3. That the Scheme has been approved by the respective Board of Directors of each of the Petitioners. Petitioner No. 1 is filing the instant petition through its Chief Executive Officer, Ahsan Imran Shaikh, who is duly authorized and conversant with the facts and circumstances of this Petition. Petitioner No. 2 is filing the instant petition through its Chief Executive Officer, Raheel Asghar, who is duly authorized and conversant with the facts and circumstances of this Petition.

> *(Certified extracts of the resolutions of the Board of Directors of the Petitioners No.1 and 2 are attached as* ***Annexures C/1*** *and* ***C/2****, respectively. A copy of the disclosure letter, dated 6th May 2024, by Petitioner No. 2 to the Pakistan Stock Exchange (PSX) is attached* ***as Annexure C/3****.)*

4. That the Petitioner No.1 is an unlisted public limited company, with its registered office situated at 10 KM, Raiwind Road, Shahdara, Lahore, Pakistan. Petitioner No. 1 has an authorized share capital of Rs. 1,300,000,000, divided into 130,000,000 ordinary shares of Rs.10 each. The Petitioner No. 1 has an issued and paid-up share capital of Rs. 299,000,000 divided into 29,900,000 ordinary shares. Petitioner No. 1 is involved in the business of manufacturing gears, shafts and other related parts for agricultural tractors.

> *(Certified copies the Certificate of Incorporation, Articles of Association and Memorandum of Association of Petitioner No. 1 as of the date of the filing of the Petition are attached as* ***Annexures D/1*** *to* ***D/3****, respectively. Copies of the latest Forms A and Form 29, of Petitioner No. 1 are attached as* ***Annexures D/4*** *and* ***D/5****, respectively. A list of the shareholders of Petitioner No. 1 is attached as* ***Annexure D/6****.)*

5. That the assets and liabilities of Petitioner No. 1 as on 31st December 2023 are detailed in the financial statement reflecting the latest financial position of Petitioner No. 1.

> *(Petitioner No. 1's audited financial statements for the period ending 30th June 2023 and 31st December 2023 are attached as* ***Annexures E/1*** *and* ***E/2****, respectively.)*

6. That the Petitioner No. 2 is a public limited company, listed on the Pakistan Stock Exchange (PSX), with its registered office situated at 8.8 KM, Sheikhupura Road, Shahdara, Lahore, Pakistan. Petitioner No. 2 has an authorized share capital of Rs. 4,000,000,000 divided into 400,000,000 ordinary shares of Rs.10 each. The Petitioner No. 2 has an issued and paid-up share capital of Rs. 1,917,982,290 divided into 191,798,229 ordinary shares. Petitioner No. 2 is involved in the business of manufacturing and marketing of tractors, forklift trucks, diesel engines, diesel generating sets and a range of allied agricultural and industrial elements.

*(Certified copies of the Certificate of Incorporation, Articles of Association and Memorandum of Association of Petitioners No. 2 as of the date of the filing of the Petition are attached as **Annexures F/1** to **F/3**, respectively. Copies of the latest Form A and Form 29 of Petitioner No. 2 are attached as **Annexures F/4** and **F/5**, respectively. A list of the members of Petitioner No. 2 is attached as **Annexure F/6**. Copies of the certificate of the change of name and commencement of business of Petitioner No. 2 are attached as **Annexures F/7** and **F/8**, respectively.)*

7. That the assets and liabilities of Petitioner No. 2 as on 31st December 2023 are detailed in the financial statement reflecting the latest financial position of Petitioner No. 2.

*(Petitioner No. 2's audited financial statements for the period ending 30th June 2023 and 31st December 2023 are attached as **Annexures G/1** and **G/2**, respectively.)*

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8. That the Scheme is between the Petitioners and their members. All the members of each of the Petitioners are of a single class, being holders of ordinary shares and each member is affected by the Scheme in the same manner.

9. That both Petitioners have secured creditors.

(The list of secured creditors of the Petitioner No. 1 is attached as ***Annexure H****. The list of secured creditors of the Petitioner No. 2 is attached as* ***Annexure I****.*

10. The merger of the Petitioners would be beneficial for the following reasons:

(a) The Petitioners through the merger will improve the manufacturing and production quality of their products. Petitioner No. 2's experience, operating standards, and resources shall provide effective oversight to Petitioner No. 1 and its operations, ensuring that production processes are optimized, operational efficiency is enhanced, quality standards are met and economies of scale are achieved.

(b) Petitioner No. 2 will retain employees of Petitioner No. 1 under the merger and will continue to generate employment of skilled employees into the industry. The merger shall also allow for Petitioner No. 2 to potentially invest in training and development programs, promoting skills of its employees involved in production and manufacturing, enhancing their careers as automotive manufacturers.

(c) The merger will not only provide Petitioner No. 2's management with access to a broader range of external funding options at competitive rates but also offer greater assurance to existing and potential creditors. With a larger equity and asset base, Petitioner No. 2 will be better positioned to pursue growth opportunities and undertake larger projects.

(d) The integration of Petitioner No. 1's operations with Petitioner No. 2's will enable more efficient management of raw materials and production processes. This integration is expected to improve efficiency.

(e) The increased size of Petitioner No. 2 resulting from the merger will bolster its capacity to absorb and manage risks inherent in the business environment. This heightened risk absorption capacity will contribute to greater stability and sustainability in operations over the long term, instilling confidence among its stakeholders.

11. That there are no investigation proceedings or the like pending in relation to the Petitioners under any provision of the Act.

12. That both Petitioners have their registered offices at Lahore and therefore this Honourable Court has jurisdiction in this matter.

13. For the purposes of Rule 16 of the Companies (Court) Rules 1997 filed herewith and in support of this Petition are the affidavits of Mr. Ahsan Imran Shaikh on behalf of Petitioner No.1 and Mr. Raheel Asghar on behalf the Petitioner No.2.

14. That no prejudice shall be caused if the Scheme is sanctioned as the sanction of the Scheme of will benefit and is in the interest of the Petitioners and their respective shareholders and employees.

15. That it would be just and equitable in the circumstances if the Scheme is sanctioned by this Honourable Court and orders passed as prayed.

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PRAYER

It is therefore respectfully prayed that this Honourable Court may be pleased to:

(a) direct the convening of separate meetings of the members of the Petitioners for the purpose of considering, and if thought fit, approving, adopting and agreeing to the Scheme as set forth in Annexure B to this Petition;

(b) direct, in connection with the meetings to be convened under the order of this Honourable Court as follows:

(i) that the meetings of the members of each Petitioner shall be held within 30 (thirty) days of the order directing the convening thereof and shall be held at such place and at such time as the board of directors of that Petitioner may decide or this Honourable Court may otherwise direct;

(ii) that Mr. Ali Javed, Advocate High Court (Cell #: 0345-4786695) or such other person as this Honourable Court may be pleased to appoint, be appointed as Chairperson of the said meetings and to direct the said Chairperson to submit reports to this Honourable Court of the due convening and resolutions passed at such meetings by such date as may be fixed, and that the quorum requisite for the conduct of business at each such meeting shall be that specified in the articles of association of each of the Petitioners;

(iii) to issue notices through publication or otherwise of the said meetings be given to the members of the Petitioners and the Registrar of Companies under Section 55 of the Companies Act, 2017;

(c) sanction the Scheme as set forth in Annexure 'B' so as to make the scheme binding on all the members and creditors of the Petitioners;

(d) to pass all requisite vesting orders for giving effect to the Scheme, including vesting orders pursuant to Section 282(3) of the Companies Act, 2017 and the transfer from Petitioner No. 1 of its entire undertaking (free from all encumbrances) as described in the Scheme, with effect from close of 31st day of December 2023;

(e) order that all pending legal proceedings instituted by or against the Petitioner No. 1 and pending before any court, tribunal, regulatory body or any other authority shall be continued by or against Petitioner No. 2; and,

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Any further orders as may seem just and proper to this Honourable Court may also be passed.

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

PETITIONER NO. 1
(MILLAT EQUIPMENT LIMITED)

SOHAIL ASGHAR
Chief Executive Officer
Millat Tractors Limited

PETITIONER NO. 2
(MILLAT TRACTORS LIMITED)

Through Counsel

Adil Khalid Tirmizey
Advocate High Court

Minam Karim
Advocate High Court

Aun Ali Raza
Advocate High Court

Ahmed Nisar Khan
Advocate High Court

Ahmad Mohid
Advocate High Court

RIAA Barker Gillette
Office # 2, 8th Floor, Askari Corporate Tower, Main Boulevard, Gulberg, Lahore, Pakistan

CERTIFICATE

Certified that:

As per instructions from the clients, this is the first Petition on the subject on behalf of the Petitioners.

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Qanun-e-Shahadat Order 1984

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Lahore High Court, Lahore

*(The list of secured creditors of the Petitioner No. 1 is attached as **Annexure H**. The list of secured creditors of the Petitioner No. 2 is attached as **Annexure I**.*

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(d) The integration of Petitioner No. 1's operations with Petitioner No. 2's will enable more efficient management of raw materials and production processes. This integration is expected to improve efficiency.

(e) The increased size of Petitioner No. 2 resulting from the merger will bolster its capacity to absorb and manage risks inherent in the business environment. This heightened risk absorption capacity

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will contribute to greater stability and sustainability in operations over the long term, instilling confidence among its stakeholders.

11. That there are no investigation proceedings or the like pending in relation to the Petitioners under any provision of the Act.

12. That both Petitioners have their registered offices at Lahore and therefore this Honourable Court has jurisdiction in this matter.

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15. That it would be just and equitable in the circumstances if the Scheme is sanctioned by this Honourable Court and orders passed as prayed.

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Lahore High Court, Lahore

PRAYER

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(i) that the meetings of the members of each Petitioner shall be held within 30 (thirty) days of the order directing the convening thereof and shall be held at such place and at such time as the board of directors of that Petitioner may decide or this Honourable Court may otherwise direct;

(ii) that Mr. Ali Javed, Advocate High Court (Cell #: 0345-4786695) or such other person as this Honourable Court may be pleased to appoint, be appointed as Chairperson of the said meetings and to direct the said Chairperson to submit reports to this Honourable Court of the due convening and resolutions passed at such meetings by such date as may be fixed, and that the quorum requisite for the conduct of business at each such meeting shall be that specified in the articles of association of each of the Petitioners;

(iii) to issue notices through publication or otherwise of the said meetings be given to the members of the Petitioners and the Registrar of Companies under Section 55 of the Companies Act, 2017;

(c) sanction the Scheme as set forth in Annexure 'B' so as to make the scheme binding on all the members and creditors of the Petitioners;

(d) to pass all requisite vesting orders for giving effect to the Scheme, including vesting orders pursuant to Section 282(3) of the Companies Act, 2017 and the transfer from Petitioner No. 1 of its entire undertaking (free from all encumbrances) as described in the Scheme, with effect from close of 31^{st} day of December 2023;

(e) order that all pending legal proceedings instituted by or against the Petitioner No. 1 and pending before any court, tribunal, regulatory body or any other authority shall be continued by or against Petitioner No. 2; and,

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Any further orders as may seem just and proper to this Honourable Court may also be passed.

AHSAN IMRAN
Chief Executive
Millat Equipment Limited

PETITIONER NO. 1
(MILLAT EQUIPMENT LIMITED)

PETITIONER NO. 2
(MILLAT TRACTORS LIMITED)

Through Counsel

Adil Khalid Tirmizey Advocate High Court	**Minam Karim** Advocate High Court	**Aun Ali Raza** Advocate High Court
	Ahmed Nisar Khan Advocate High Court	**Ahmad Mohid** Advocate High Court

RIAA Barker Gillette
Office # 2, 8th Floor, Askari Corporate Tower, Main Boulevard, Gulberg, Lahore, Pakistan

CERTIFICATE

Certified that:

As per instructions from the clients, this is the first Petition on the subject on behalf of the Petitioners.

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