Jurisdiction: Pakistan
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1. What are the key laws and regulations that govern mergers and acquisitions in your jurisdiction?

Mergers and acquisitions in Pakistan are primarily governed by the following laws and regulations:

a. The Companies Act, 2017 ('Companies Act);
b. The Competition Act 2010 ('Competition Act');
c. The Competition (Merger Control) Regulations 2016 ('Merger Regulations');
d. The Securities Act 2015 ('Securities Act'); and
e. Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations 2017 ('Takeover Regulations').

2. What are the government regulators and agencies that play key roles in mergers and acquisitions?

The major regulators of mergers and acquisitions in Pakistan are:

a. The Competition Commission of Pakistan ('Competition Commission');
b. The Securities and Exchange Commission of Pakistan ('SECP'); and
c. State Bank of Pakistan ('SBP').

3. Are hostile bids permitted? If so, are they common in your jurisdiction?

Yes, however they are relatively uncommon.

4. What laws may restrict or regulate certain takeovers and mergers, if any? (For example, anti-monopoly or national security legislation).

Competition Act

The Competition Act provides that where an undertaking intends to acquire shares or assets of another undertaking or where two or more undertakings intend to merge the whole or part of their businesses and meet the pre-merger thresholds prescribed in the Merger Regulations, the undertaking concerned must seek clearance from the Competition Commission.

Securities Act and Takeover Regulations

Part IX of the Securities Act contains detailed provisions in relation to the acquisition of shares of a listed company. Where an acquirer intends to acquire

a. voting shares which would entitle the acquirer to more than 30% of the voting shares of a listed company; or
b. additional voting shares, in case the acquirer already holds more than 30% but less than 50% of the voting shares of a listed company; or
c. control of a listed company,

the acquirer is compulsorily required by the Securities Act to make a public announcement of an offer to acquire the voting shares of the target company. Pursuant to Regulation 14(1) of the Takeover Regulations, where an acquirer acquires control of a listed company the acquirer is required to "make a public announcement of offer to acquire at least 50% of the remaining voting shares of the target company". Further, Regulation 14(2) of the Takeover Regulations

provides that "where the public offer is made conditional upon minimum level of acceptances, such minimum level shall not be more than 35% of the remaining voting shares". A few types of transactions are exempt from making a public offer. For instance, acquisition of shares through a scheme of arrangement or exercise of an option by a bank or a financial institution does not require the acquirer to make a public offer.

Companies Act

Schemes of arrangements for mergers or demergers are dealt with under the Companies Act ss 279 to 285. These provisions, inter alia, allow one or more companies to enter into a compromise or arrangement with their members or creditors in respect of a merger or demerger of the concerned companies. Under the relevant sections, a company involved in a business combination has to file a petition with the SECP for an order to hold an extraordinary general meeting ('EOGM') where shareholders approve the business combination. Once the shareholders have approved the combination, the company must petition the High Court (with respect to a scheme of arrangement involving a Public Interest Company, a Large Sized Company or a Medium Sized Company as classified in the Third Schedule of the Companies Act) or the SECP (with respect to a scheme of arrangement involving Small Sized Company as classified in the Third Schedule of the Companies Act) for its approval of the scheme of arrangement, which lays out the particulars of the combination including issues of property, liabilities and debts of the companies, share swaps, the continuation of any legal proceedings, and dissolution, without winding up, of one or more of the concerned entities.

The Companies Act s 183 provides that the directors of a public company, or of a subsidiary of a public company, shall not, except with the consent of the shareholders in a general meeting, either specifically or by way of an authorisation, sell, lease or otherwise dispose of the undertakings or a sizeable part thereof (unless the main business of the company comprises of such selling or leasing).

5. What documentation is required to implement these transactions?

Competition Act

If the transaction relates to an acquisition of shares or assets, such transaction would be implemented by way of agreements or instruments. Wherever such acquisition or merger meets the pre-merger thresholds prescribed in the Merger Regulations, the concerned undertakings are required to submit a pre-merger application to the Competition Commission. Such application is to be in the form prescribed in the Schedule to the Merger Regulations and is to be accompanied by the following supporting documents:

a. Written proof of the representative's authority to act on the applicant's/applicants' behalf (if applicable);

b. copies of the final or most recent version of all documents bringing about the merger, whether by agreement between the merger parties, acquisition of a controlling interest or a public bid;

c. in the case of a public bid, a copy of the offer document; if it is not available at the time of notification, it should be submitted as soon as possible and not later than when it is posted to shareholders;

d. copies of the most recent annual report and accounts (or equivalent for unincorporated bodies) for all the merger parties;

e. copies of all analyses, reports, studies, surveys, and any comparable documents prepared by or for any member(s) of the board of directors (or equivalent) or other person(s) exercising similar functions (or to whom such functions have been delegated or entrusted), or the shareholders' meeting, for the purpose of assessing or analysing the merger with respect to market shares,

competitive conditions, competitors (actual and potential), the rationale of the merger, potential for sales growth or expansion into other products or geographical markets, and/or general market conditions. For each of these documents, indicate (if not contained in the document itself) the date of preparation and the name and title of each individual who prepared the document;

f. copies of all business plans for each merger party for the current year and the preceding five years;

g. copies of memorandum and articles of association of all the parties to the merger; and

h. list of holders of 10% or more of voting rights or shares, directly or indirectly, of the parties to the notified merger.

Securities Act and Takeover Regulations

Pursuant to the Securities Act, with regard to an acquisition of shares of a listed company, a number of notices, undertakings and disclosures are required to be made to the SECP, target company and the securities exchange on which the voting shares of the target company are listed. Some of the key filings are as follows:

a. Disclosure of aggregate shareholding to the SECP, target company and securities exchange on which the voting shares of the target company are listed is required upon acquisition of more than 10% of the voting shares of a listed company. If additional shares are acquired within a period of 12 months after acquisition of more than 10% of the voting shares of a listed company, compliance with the above disclosure obligations shall be required only if the total acquisition exceeds an aggregate of 30%.

b. The target company shall immediately, in writing, inform the stock exchange and SECP when a firm intention to acquire control or voting shares of the target company, beyond the thresholds prescribed under the Securities Act s 111, is notified to the board of directors of the target company. The Securities Act s 111, provides that a person shall make a public offer to acquire voting shares of the listed company if such person intends to acquire, directly or indirectly:

   i. voting shares, which (taken together with voting shares, if any, held by such person) would entitle such person to more than 30% of the voting shares of a listed company; or

   ii. additional voting shares in case the acquirer already holds more than 30% but less than 51% of the voting shares of a listed company: provided that such acquirer shall not be required to make a fresh public offer within a period of 12 months from the date of the previous public offer; or

   iii. control of a listed company.

c. Any person intending to acquire voting shares of the target company which will attract the provisions of the Securities Act s 111, shall, after careful and responsible consideration, make a public announcement of such intention in the newspaper. The public announcement of an intention to acquire the shares of the target company shall contain the information as prescribed in the Takeover Regulations Sch. IV.

d. A public announcement of offer shall be made by the acquirer within 180 days of making the public announcement of an intention to acquire voting shares or control of a target company beyond the thresholds prescribed under the Securities Act s 111. The public announcement of offer shall contain the information as prescribed in Schedule VII to the Takeover Regulations.

e. The acquirer is required to furnish security for the performance of its obligations under the public offer. Such security can be in the form of a cash deposit or a securities deposit or a bank guarantee subject to the terms of the Takeover Regulations.

f. The manager to the public offer has to file a due diligence certificate in the format provided in the Takeover Regulations Sch. XI along with a copy of proposed offer letter with the SECP prior to the public offer.

g. Public announcements of the offer are required to be filed with the SECP along with the supporting documents specified in the Takeover Regulations Sch. VIII.

Companies Act

As discussed above, if the acquisition involves a sale or disposal by the directors of a public company, or a subsidiary of the public company, of its undertakings or a sizeable part thereof, such sale must be authorised by a resolution of the shareholders passed in a general meeting.

Where one or more companies are looking to enter into a Scheme of Arrangement under the Companies Act, the concerned companies are required to file a petition with the High Court (with respect to a scheme of arrangement involving Public Interest Company, Large Sized Company or Medium Sized Company as classified in the Third Schedule of the Companies Act) or the SECP (with respect to a scheme of arrangement involving Small Sized Company as classified in the Third Schedule of the Companies Act) along with the Scheme of Arrangement which lays out the particulars of the combination including issues of property, liabilities and debts of the companies, share swaps, the continuation of any legal proceedings, and dissolution, without winding up, of one or more of the concerned entities.

6. What government charges or fees apply to these transactions?

Competition Act

Every pre-merger application made to the Competition Commission is required to be accompanied by a processing fee which varies depending on the turnover of the applicant. Regulation 5 of the Merger Regulations prescribes the following fees:

Turnover of the applicant undertaking	Amount of fee
Up to 500 million rupees	300,000 rupees
More than 500 million but not exceeding 750 million rupees	600,000 rupees
More than 750 million but not exceeding 1,000 million rupees	750,000 rupees
More than 1,000 million but not exceeding 5,000 million rupees	1,050,000 rupees
More than 5,000 million but not exceeding 10,000 million rupees	1,500,000 rupees
Exceeding 10,000 million rupees	2,250,000 rupees

If the application is being made by an asset management company, the fee shall be charged on the basis of the value of assets under the management of merger parties, at the following rates:

Assets	Amount of fee
Up to 5 billion rupees	300,000 rupees
More than 5 billion but not exceeding 7.5 billion rupees	600,000 rupees
More than 7.5 billion but not exceeding 10 billion rupees	750,000 rupees
More than 10 billion but not exceeding 50 billion rupees	1,050,000 rupees
More than 50 billion but not exceeding 100 billion rupees	1,500,000 rupees
Exceeding 100 billion rupees	2,250,000 rupees

Securities Act and Takeover Regulations

With respect to the acquisition of shares of a listed company, where an acquirer is required to make a public offer under the Securities Act, the public offer is required to be submitted to the SECP along with a non-refundable processing fee of 500,000 rupees.

Companies Act

The Companies Act has been enacted very recently and the SECP has not yet framed any specific rules or regulations which prescribe the fees or charges that will be applicable to applications made to the SECP under the Companies Act s 279 to 285 for sanctioning a Scheme of Arrangement.

Sale of Shares

The instrument providing for a sale of shares is chargeable to stamp duty. In the province of Sindh, such duty is chargeable, in the case of physical shares, at 1.5% of the face value of the shares. In the event the shares are held in dematerialised form with the Central Depository Company of Pakistan Limited, each transaction of shares is subject to a transaction fee of 0.004% of the market value of the shares transacted.

The capital gain on disposal of shares of a company not being a public company is chargeable to tax. In the event that shares are held for one year or less, 100% of the gain is taxable, and if held for more than one year, 75% of the gain is taxable. The amount of such gain is added to the taxpayer's total taxable income for a tax year and is not taxed separately.

The capital gain arising on disposal of shares of a public company1 shall be chargeable to income tax at the following rates:

S. No	Period	Tax Year 2015	Tax Year 2016	Tax Year 2017		Tax Year 2018 and 2019			
						Securities acquired before 01-07-2016		Securities acquired after 01-07-2016	
				Filer	Non-Filer	Filer	Non-Filer	Filer	Non-Filer
1	Where holding period is less than 12 months	12.5%	15%	15%	18%	15%	18%	15%	20%
2	Where holding period is 12 months or more but less than 24 months	10%	12.5%	12.5%	16%	12.5%	16%		
3	Where holding period is 24 months or more but security was acquired before 1 July 2013	0%	7.5%	7.5%	11%	7.5%	11%		
4	Where security was acquired before 1 July 2013	0%	0%	0%	0%	0%	0%	0%	0%

Notes:

1. For the purpose of capital gains tax on sale of shares, a public company means a company in which not less than 50% of the shares are held by a government (Federal, Provincial or foreign), a company whose shares were traded on a registered stock exchange in Pakistan at any time in the tax year and which remained listed at the end of that year and a unit whose units are widely available to the public and any other trust as defined in the Trusts Act, 1882.

It is to be noted that capital gains tax as explained above is the ordinary method of calculating such tax on direct transfer of shares. However, in the event capital gains tax as calculated above is not applicable due to the fact that the transfer is made outside Pakistan by a non-resident company or the subject transfer involves an indirect transfer of shares of the Pakistani company, then such transaction may still be subject to capital gains tax in terms of the Income Tax Ordinance, 2001 s 101A.

Sale of Assets

Sales Tax

A sale of assets, if comprising of goods that are not exempt from sales tax, may incur sales tax if the sale is made by an importer, manufacturer, wholesaler (including dealer), distributor or retailer.

Income Tax

The gain on the disposal of any moveable property, other than stock-in-trade, consumable stores, raw materials held for the purpose of business, depreciable assets or intangibles, is chargeable to tax. In the event that such property is held for one year or less, 100% of the gain is taxable, and if held for more than one year, 75% of the gain is taxable. The amount of such gain is added to the person's total taxable income for a tax year and is not taxed separately. The gain arising on the disposal of immoveable property held for a period of up to five years shall be chargeable to tax at the rate of 10%, where the holding period of the immoveable property is more than five years, no capital gain tax shall be charged.

Persons responsible for mandatory registration of the instrument of transfer of immovable property are required to collect advance income tax from the transferor at the rate of 1% of the consideration received in case of filers and 2% for non-filers. Such collection is not required to be made where the property has been held by the transferor for more than 3 years. Further the same persons are required to collect advance income tax from the transferees at the rate of 2% of the value of the immovable property if the transferee is a filer and the value of the property is greater than 4 million Rupees. In the event the transferee is a non-filer the applicable rate is 4% of the value of the immovable property.

Stamp Duty

Instruments for sale of property are chargeable to stamp duty at rates applicable in the relevant province.

Other Transaction Charges

Instruments for transfer of immovable property are required to be registered upon payment of the prescribed fee. The registration fee, as currently applicable in Sindh, is 1% of the value of the property as determined in accordance with prescribed valuation tables.

Any conveyance of immoveable property is also subject to capital value tax at the rates applicable in the relevant province.

7. Do shareholders have consent or approval in connection with a deal?

Sale of Assets

The Companies Act s 183 provides that the directors of a public company shall not, except with the consent of the shareholders in a general meeting, either specifically or by way of an authorisation, sell, lease or otherwise dispose of the undertakings or a sizeable part thereof (unless the main business of the company comprises of such selling or leasing). Furthermore,

a sale of assets by a company may be subject to restrictions imposed by the constitutional documents of the company.

Scheme of Arrangement

Under the Companies Act s 279, the shareholders must approve of the scheme of merger or amalgamation in an EOGM. The scheme of arrangement is considered approved if a majority in number representing three-fourths in value of the creditors or class of creditors, or members, as the case may be, present and voting either in person or, where proxies are allowed, by proxy at the meeting, agree to any compromise or arrangement.

Private Company

A sale or issue of shares of a private company is subject to the restrictions imposed by the Companies Act. Ordinarily when a private company decides to issue new shares, such shares must first be offered to the existing members in proportion to their existing shareholding and only if such members reject the offer is the company free to offer such shares to other people. Similarly, where a member of a private company wants to sell its shares, it must first offer such shares to the remaining members in proportion to their existing shareholding and only if such offer is rejected, is the selling member allowed to sell its shares to another person.

A sale or issue of shares by shareholders of a private company may also be subject to other restrictions under the constitutional documents of the company e.g. transfers to certain types of entities may be restricted.

8. Do directors and controlling shareholders owe a duty to the stakeholders in connection with a deal?

Scheme of Arrangement

The Companies Act s 281(1)(a) requires directors and chief executives to disclose the directors' or chief executive's material interest in the merger to affected creditors and shareholders.

Securities Act

The Securities Act s 119 restricts the board of directors of the target company from taking certain actions during the public offer period. The board of directors shall not:

a. sell, transfer, or otherwise dispose of or enter into an agreement for sale, transfer, or for disposal of the undertaking or a sizeable part thereof, not being sale or disposal of assets in the ordinary course of business of the company or its subsidiaries;

b. encumber any asset of the company or its subsidiary;

c. issue any rights or bonus voting rights during the offer period; or

d. enter into any material contracts.

Controlling shareholders have a duty of good faith to minority shareholders. Also, the Securities Act s 117 restricts shareholders participating in a share purchase agreement with the acquirer from participating in the public offer.

9. In what circumstances are break-up fees payable by the target company?

The laws of Pakistan do not specifically regulate break-up fees. The Contract Act 1872 allows compensation for any loss or damage caused by the breach that naturally arose in the usual course of business (including any loss that the parties knew about when they made the contract) but not for any remote or indirect loss sustained by the reason of such breach. Transaction parties are allowed to agree to amounts of liquidated damages which would be payable upon termination of the transaction by the target company. However, liquidated damages clauses may not be enforced by the courts where such clauses impose liquidated damages by way of a penalty and not as a genuine pre-estimation of the actual loss that will be suffered by the acquirer.

10. Can conditions be attached to an offer in connection with a deal?

With regard to unlisted companies, the parties are free to establish conditions to the business combination that do not contravene the provisions of the Companies Act.

For listed companies, an acquirer may make the public offer conditional upon a 'minimum level of acceptance' from the tendering shareholders (the Securities Act s 116 and the Takeover Regulations reg. 14). Under current regulations, the acquirer can impose a 'minimum level of acceptance' of not more than 35% of the remaining voting shares of the target company.

Before proceeding with a public announcement of an offer, a potential acquirer must appoint a manager to the offer. The manager to the offer is required by law to ensure that before the public announcement of the offer is made, the acquirer has made firm arrangements for funds for payments to shareholders under the public offer.

Conditions attached with any deal would also have to satisfy the provisions of the Contract Act 1872. This is particularly relevant in the case of contingency contracts. Contracts which are contingent on the occurrence of future events may not be enforceable till such events occur or may become void if the occurrence of such future conditions becomes impossible.

11. How is financing dealt with in the transaction document? Are there regulations that require a minimum level of financing?

Generally, a buyer has arranged for financing separately, and the subject is not dealt with in the transaction documents.

12. Can minority shareholders be squeezed out? If so, what procedures must be observed?

Yes, but only in limited circumstances. Where a scheme or contract involving the transfer of shares or any class of shares in any company (the 'transferor company') to another company (the 'transferee company') has, within 120 days after the making of the offer on that basis by the transferee company, been approved by the holders of not less than nine-tenths in value of the shares whose transfer is involved (other than shares already held at the date of the offer by, or by a nominee for, the transferee company or its subsidiary), the transferee company may, at any time within 60 days after the expiry of the said 120 days, give notice in the prescribed manner to any dissenting shareholder that it desires to acquire the dissenting shareholder's shares. When such a notice is given, the transferee company shall, unless, the court thinks fit to order otherwise on an application made by the dissenting shareholder within 30 days from the date on which the notice was given, be entitled and bound to acquire those shares on the terms on which, under the scheme or contract, the shares of the approving shareholders are to be transferred to the transferee company. The squeeze-out provisions are subject to certain additional conditions prescribed in the Companies Act.

13. What is the waiting or notification period that must be observed before completing a business combination?

Competition Act

The Competition Act prohibits undertakings from proceeding with a merger which meets the pre-merger notification thresholds until such undertakings have obtained clearance from the Competition Commission.

The Competition Act s 11(3) states that 'the concerned undertakings shall submit a pre-merger application to the Competition Commission

as soon as they agree in principle or sign a non-binding letter of intent to proceed with the merger'.

Once this application has been submitted, the Competition Commission shall conduct a first phase review and it shall, within 30 days of receipt of the application, issue an order either allowing the merger or initiating a second phase review. If the Competition Commission chooses to initiate a second phase review, it may require the merger parties to provide such information as it considers necessary. The Competition Commission shall, within 90 days of the receipt of the requested information, make an order either allowing or rejecting the merger.

Takeover Regulations

The Takeover Regulations provide a fairly comprehensive timeline regarding the public offer for an acquisition of shares of a listed company.

An acquirer must publish a public announcement of offer within 180 days of publishing a notice regarding its intention to acquire voting shares. The acquirer's offer statutorily expires on the 54th day of the publication of the public announcement of offer. The acquirer is required to make payment for the tendered shares within 10 days of expiry of the acceptance period (54 days from the announcement of the public offer).

Scheme of Arrangement

There is no definite waiting period for a merger or amalgamation under the Companies Act. The parties to a business combination must petition the court or the SECP for an order to hold a shareholders meeting to approve the merger. The time and place of the meeting is determined by the court or the SECP. Once the requisite number of shareholders have agreed to the merger, the companies must then seek the sanction of the court or the SECP regarding the scheme of arrangement that provides the details of the proposed merger. However, the process is not expected to take more than one year from the date on which the scheme of amalgamation is approved by shareholders in respective general meetings.

14. Are there any industry-specific rules that apply to the company being acquired?

Yes. Below are some industry-specific regulations on mergers and acquisitions.

Non-Banking Finance Companies

For example, an amalgamation of non-banking finance companies ('NBFCs') is subject to approval by the SECP under the Companies Ordinance 1984 s 282(L)(4). Also, unlike the general provisions where a majority representing 75% of the value of shares present at the meeting must approve of the merger, for the mergers of NBFCs, a majority representing two-thirds in value of the shareholders of each NBFC, present either in person or by proxy, must approve of the scheme.

Insurance Companies

With respect to insurance companies, the Insurance Ordinance 2000 ('IO') provides that in the case of an acquisition of shares of more than 10% in an insurance company, or, in the case of a non-life insurer of the whole or any part exceeding 10% of the business of the insurer located in Pakistan, such acquisition shall not proceed unless the acquirer has obtained approval from the SECP. The IO further provides that the life insurance business of an insurer shall not be transferred to any person or transferred to or amalgamated with the life insurance business of any other insurer except in accordance with a scheme sanctioned by the court having jurisdiction over one of the concerned parties.

Banking Companies

Mergers and acquisitions of banking companies would also be governed by the Banking Companies Ordinance 1962 ('BCO'). Pursuant to its powers under the BCO, the SBP regulates share acquisitions of banking companies e.g.

SBP approval is required to hold 5% or more of the voting shares of a banking company. Similarly, the merger or amalgamation of banking companies requires approval from the SBP.

Broadcast Media

Companies providing broadcast media and related distributions services are required to be licensed under the Pakistan Electronic Media Regulatory Authority Ordinance 2002 which prohibits the grant of a licence to companies owned, controlled or managed by foreign nationals or companies. This in effect prevents any foreign entity from acquiring such companies in Pakistan.

15. Are cross-border transactions subject to certain special legal requirements?

Transactions involving foreign exchange and cross-border transfer of securities are also governed by the Foreign Exchange Regulation Act 1947 ('FERA'). Section 18(1) of FERA prohibits a person resident in Pakistan from doing any act whereby a company which is controlled by persons resident in Pakistan ceases to be so controlled.

Section 13(1) of FERA restricts, except with the general or special permission of the SBP, inter alia, the transfer of securities (including shares) to or in favour of a person resident outside Pakistan. Chapter XX of the Foreign Exchange Manual provides a general exemption from restrictions under s 13(1) in relation to the transfer and export of securities on a repatriation basis, provided:

i. the issue price or purchase price is paid in foreign exchange through normal banking channel;

ii. the purchase price is not less than the price quoted in the stock exchanges of the country; or

iii. in the case of an unlisted company not less than the break-up value of the shares as certified by a practising chartered accountant.

16. How will the labour regulations in your jurisdiction affect the new employment relationships?

The laws governing labour and employee benefits do not specifically provide for business combinations. In the event that the business combination entails termination of more than 50% of the workforce or the closing down of the whole of the establishment, prior permission of the Labour Court, the Government of Sindh or the Government of Khyber Pakhtunkhwa shall be required under the West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance 1968 ('Standing Orders'), the Sindh Terms of Employment (Standing Orders) Act 2015 (as applicable in the province of Sindh) and the Khyber Pakhtunkhwa Industrial and Commercial Employment (Standing Orders) Act 2012 (as applicable in the province of Khyber Pakhtunkhwa) respectively. Standing Orders apply to every industrial establishment or commercial establishment where 20 or more workmen are employed. The term 'workman' has been defined in the Standing Orders to mean any person employed in any industrial or commercial establishment to do any skilled or unskilled, manual or clerical work for hire or reward.

17. Have there been any recent proposals for reforms or regulatory changes that will impact M&A activity?

The Companies Act has recently been enacted whereby the SECP has been empowered to authorize compromises and arrangements between the members or creditors of a company and the company itself. Such powers with respect to Public Interest Companies, Large Sized Companies or Medium Sized Companies has been delegated by the SECP to the High Court. The SECP is as yet to formulate rules or regulations governing the procedure applicable to such applications. The SECP is likely to prescribe rules for dealing with such applications in the near future. It is possible that once the SECP has formulated such rules the SECP may resume its powers to sanction compromises and arrangements with respect to the above mentioned companies.

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