

THE COMPANIES ACT, 2017  
(COMPANY LIMITED BY SHARES)

MEMORANDUM  
AND  
ARTICLES  
OF ASSOCIATION  
OF

**KOHINOOR SPINNING  
MILLS LIMITED**



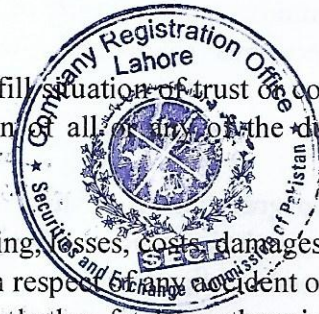
A Public Company Limited by Shares Incorporated under the Companies Ordinance, 1984, now  
Companies Act, 2017

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**KOHNIOOR SPINNING MILLS LIMITED**

- I. The name of the Company is KOHINOOR SPINNING MILLS LIMITED
- II. The Registered office of the company will be situated in the Province of Punjab.
- III. The object for which the Company is established are:-
  - a) To establish promote and run factories or mills, to carry on the business of spinning, weaving or manufacturing and dealing in cotton or cotton ginning or fibrous substances and preparation, dyeing or coloring of any of the said substances and the purchase and sale of yarn, cloth and other manufactured fibrous products.
  - b) To carry on the business of cotton spinners, weavers and doublers, hemp, and jute spinners, linen manufacturers, flax, hemp jute and wool merchants, wool-counters worsted spinners woolen spinners, yarn merchants worsted stuff manufacturers, bleachers and dyers, makers of vitriol, bleaching and dyeing materials and to purchase, comb, prepare, spin, dye and deal in flex, hemp, jute, wool, cotton, silk and other fibrous substances and to weave or otherwise manufacture buy and sell and deal in linen, cloth and other goods and fabrics, whether textile, felted, netted or looped and to supply power.
  - c) To erect, purchase or take on lease or otherwise acquire any mills, works, machinery and any other property appertaining to an interest in the business of spinning or manufacturing cotton or other fibrous substances
  - d) To promote the education and training of persons in spinning, weaving, in all their departments and for the said purpose to establish and carry on schools and classes and to provide for the delivery and holding of lectures, exhibitions, meeting, discourses and conferences and also to grant stipends and scholarships and other pecuniary help, whether tenable in or abroad for the advancement of such education and to do all other acts, matters, and things, calculated directly or indirectly to advances the cause of such education and training whether theoretical, technical, practical or general.
  - e) To establish, provide, equip and maintain laboratories, test houses, refrigerators, cold storage house, stores, depots and other conveniences for the manufacture, import, export, storage and sale of chemicals, drugs, dyes, instruments and appliances as also general merchandise.



- f) To carry on the business of electricians, mechanical and electrical engineers and contractors, suppliers of electricity for the purpose of light, heat, motive power or otherwise and manufactures of and dealers in all apparatus and things required for or capable of being used in connection, with the generation, distribution, supply, accumulation and employment of electricity.
- g) To carry on the business of an electric light company in all its branches and in particular to construct, lay down, establish, fix and carry out cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity to private individuals or the public.
- h) To manufacture, store, sell and deal in ice, cold drinks, aerated waters and like beverages and for the said purpose to establish, maintain, equip, take over or acquire factories work machinery and other properties appertaining thereto.
- i) To carry on the business of general merchants, importers and exporters.
- j) To carry on the business of general carries, forwarding agents, ware housemen factors and agents of all kinds.
- k) To guarantee the fidelity of persons filling or about to fill situation of trust or confidence and the due performance and discharge by any person of all or any of the duties and obligations imposed on them by contract or otherwise.
- l) To indemnify the members of company against proceeding, losses, costs, damages, claims, and demand under the Workmen's Compensation Act in respect of any accident or alleged accident resulting or alleged to have resulted injury, whether fatal or otherwise to any workman or other person.
- m) To carry on the business of store-keeper in all its branches and particular to buy, sell, manufacturer and deal in goods, stores, consumable articles, chattels and effects of all kinds, both wholesale and retail, and to transact every kind of agency business and generally to engage in any business or transaction which may seem to the company directly or indirectly conducive to the interest or convenience of the company's members or ticket holders or their friends or any section thereof.
- n) To make arrangements with persons engaged in any trade, business or profession for the convenience of the Company's members, and their friends or any special rights, privileges and advantages and in particular in regard to the supply of goods and stores.
- o) To purchase, take on lease or in exchange, hire or otherwise acquire or deal in, construct, maintain, develop or control lands, buildings, hereditaments or any kind of immovable property and any right or privileges connected with such properties.



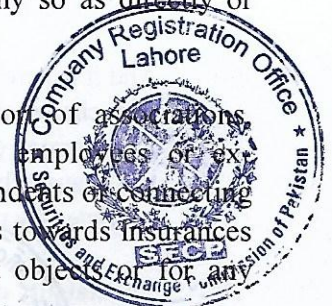


- p) To lay outland for building purposed and to build on, improve, let on building lease, advance money to persons on building and otherwise develop the same in such manner as may seem expedient to advance the company's interest
- q) To construct, carry out, maintain, improve, manage, work control and superintendent any roads, ways, bridges, culverts, tramways, light railways, reservoirs, water courses, aqueducts, canals which may seem directly or indirectly to be conducive to any of the company's objects and to contribute, subsidies or otherwise assist or take part in any such operation.
- r) To lend money either with or without security and generally to such persons and upon such terms and conditions as the company may think fit.
- s) To invest and deal with the moneys of the company not immediately required, upon such securities (including shares in joint Stock Companies) and in such manner as may from time to time be determined but no funds of the company shall be invested in its own shares.
- t) To draw, make, accept, discount, execute, sign, issue and deal in bills of exchange, drafts, promissory notes, bills of lading, warrants, debentures, coupons certificates, scripts and securities (including Government Promissory notes and securities issued by the government in Pakistan or abroad) and other instruments and securities whether transferable, negotiable or not.
- u) To grant and issue letters of Credit and circular notes and to acquire, hold, issue on commission, underwrite and deal with stocks, funds, shares, debentures, debenture stock, bonds, obligation and other securities.
- v) To borrow or raise or secure the payment of money in such manner as the company shall think fit and in particular by the issue of debenture (both present and future) and to purchase redemption and pay off any such securities and also to mortgage and/or hypothecate the properties of the Company for securing any loan taken from IDBP or any other institutions.
- w) To apply for, purchase or otherwise acquire any patent brevets d'invention, licenses, concessions, and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of purposes of the company or the acquisition of which may seem directly or indirectly to benefit the company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired.
- x) To enter into any arrangement with any Government or authority, supreme, local, municipal or otherwise, that may seem conducive to the company objects or any of them



and to obtain from any such Government or authority all rights, concessions and privileges which the company may think it desirable to obtain and carry out. Exercise and comply with such arrangement, rights, privileges and concessions.

- y) To enter into partnership or into any arrangement for sharing profits or losses or into any union of interest, joint venture, reciprocal concessions, or co-operation with any person, or persons or company or companies carrying on or engaged in or about to carry on or engage in or being authorized to carry on or engage in any business or transaction which this company is authorized to carry on or engage in or being authorized to carry on any business or transaction capable of being conducted so as directly or indirectly to benefit this company.
- z) To acquire and undertake all or any part of property and liabilities of any person, firm. Company or corporation carrying on any business which this company is authorized to carry on any business, which this company is authorized to carry on or possessed of property suitable for the purpose of the company.
- aa) To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this company or for any other purpose which may seem directly or indirectly calculated to benefit this company.
- bb) To take or otherwise acquire and hold shares in any other company so as directly or indirectly to benefit this company.
- cc) To establish and support or aid in the establishments, and support of associations, institutions, funds, trust, and conveniences calculated to benefit employees or ex-employees of the company or its predecessor in business or the dependents or connecting persons and to grant pensions and allowances and to make payments towards insurances and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for public general.
- dd) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the company's capital or any debentures, debenture stock or other securities of the company or in or about the formation or promotion of the company or the acquisition of property by the company or the conduct of its business.
- ee) To adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interests by publication of books and periodicals and by granting prizes, rewards and donations.





- ff) To sell or dispose of the undertaking of the company or any part thereof, for such consideration as the company may think fit and in particular for shares (fully paid up) debentures or securities of any other company having objects altogether or impart similar to those of this company.
- gg) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company.
- hh) To distribute all or any of the property of the company amongst its members in specie or kind.
- ii) To amalgamate with any other company having objects altogether or in part similar to those of this company.
- jj) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the company or which the company shall consider to be preliminary.
- kk) To do all or any of the above things either as principal, agents, trustees, contractors or otherwise and either alone or in conjunction with others.
- ll) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word 'company' save when used in reference to this company in this clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and the intention is that the objects specified in any paragraph of this clause shall except when otherwise expressed in such paragraph be in no wise limited or restricted by reference to or inference from the terms of any other paragraph.

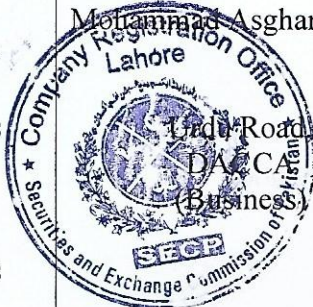
IV. The liability of the members limited.

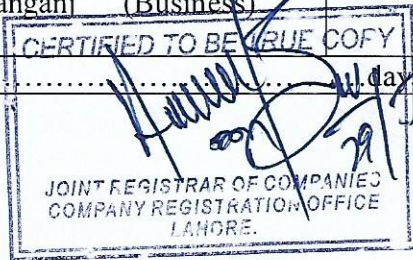
V. The Authorized capital of the Company is Rs. 2,200,000,000/- (Rupees Two Billion Two Hundred Million only) divided into 440,000,000 (Rupees four hundred forty million) shares of Rs. 5/- each with power to increase the capital or any portion thereof and to consolidate, reorganize or alter the share capital of the Company; and to divide and/or sub-divided whole or any part of its share capital into several classes as may be determined by or in accordance with the regulations of the company or subject to the provisions of the Companies Act, 2017.

We, the several persons whose names and addresses, are subscribed below, are desirous of being formed into a company in pursuance of the Memorandum of Association and we



respectively agree to take the number of shares in the Capital of the company as set opposite to our respective names.

| Names, Addresses and Description of Subscribers  | Numbers of shares taken by each subscriber | Names, addresses and Description of Witness   |
|--|--|---|
| 1. Khawaja Mohammad Amin<br>13. Tan Bazar Narayanganj<br>(Business)  | 2500 Shares                                | <div>Signed By</div> <div>Mohammad Shafiq Raja</div> <div>Mohammad Asghar Lane,<br/>Urdu Road,<br/>DAKKA<br/>(Business)</div> <div></div> |
| 2. Khawaja Mohammad Yousuf<br>13. Tan Bazar Narayanganj<br>(Business)  | 2500 Shares                                |   |
| 3. Khawaja Mohammad Hanif<br>13. Tan Bazar Narayanganj<br>(Business)   | 2500 Shares                                |   |
| 4. Khawaja Mohammad Jaweed<br>13. Tan Bazar Narayanganj<br>(Business)  | 2500 Shares                                |   |
| 5. Khawaja Mohammad Jahangir<br>186, Qaid-e-Azam Road,<br>Narayanganj (Business)   | 2500 Shares                                |   |
| 6. Khawaja Mohammad Tanvir<br>186, Qaid-e-Azam Road,<br>Narayanganj (Business)   | 2500 Shares                                |   |
| 7. Mr. Taiyeb Kapadia<br>27. MohimGaungali Road<br>Narayanganj (Business)  | 20 Shares                                  |   |
| <div><div><div>CERTIFIED TO BE TRUE COPY</div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><d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# THE COMPANIES ACT, 2017

(Company Limited by Shares)

## ARTICLES OF ASSOCIATION

OF

## KOHINOOR SPINNING MILLS LIMITED

### PRELIMINARY

#### Interpretation.

1. The marginal notes hereto shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

“The Company” means Kohinoor Spinning Mills Limited.

“The Ordinance” means the Companies Ordinance, 1984 or any modification or re-enactment thereof for the time being in force.

“The Authority” means the Corporate Law Authority constituted under Section 1 of the Ordinance.

“The Office” means the Registered Office for the time being of the Company.

“The Register” and “Index” means the Register of Members and Index of their names to be kept pursuant to Section 147 of the Ordinance.

“Special Resolution” has the meaning assigned thereto by Section 2 (1) (36) of the Ordinance.

“The Seal” means the Common Seal of the Company.

“The Directors” means the Directors of the Company for the time being.



"The Board" means the Board of Directors for the time being of the Company.

"Chief Executive" means the person as defined in Section 2 (1) (6) and as appointed under Section 198 of the Ordinance.

"Secretary" includes (subject to the provision of the Ordinance) an Assistant or Deputy Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

"Debenture" includes participation term certificate and term finance certificate.  
"Dividends" includes bonus.

"Persons" includes the Government of Pakistan, the Government of the Provinces of Pakistan, Corporations, Associations and Firms, as well as individuals.

"Member" means any shareholder of the Company as defined in Section 2 (1) (21) of the Ordinance.

"Month" means calendar month according to the English Calendar.

"Proxy" means the appointee as defined in Section 46 of the Ordinance and in Article 72 hereof.

"In Writing" and "Written" includes printing, lithograph, stamped, typewritten, writing, and other modes of representing or reproducing word in visible form.

"Words" importing the singular number also include the plural numbers and vice versa.

"Words" importing masculine gender also include the feminine gender.

2. The Company shall be a public Limited Company with the meaning of Section 2 (1) (30) of the Companies Ordinance 1984.

Table "A" excluded

3. Save as reproduced herein, the regulations contained in Table "A" in the first Schedule to the Ordinance shall not apply to the Company.

Funds not to be employed for purchase of company's shares.

4. Except as provided by the Ordinance none of the funds of the Company shall be employed in the purchase of shares of the Company and the Company shall not, except as authorized by Section 95 of the Ordinance, and give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.

## CAPITAL

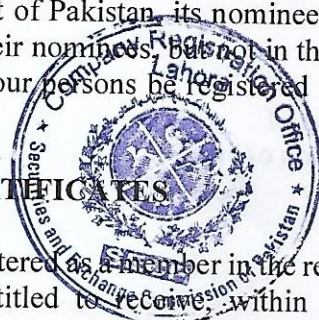


- Shares 5. The Authorized capital of the Company is Rs.2,200,000,000/-(Rupees Two Billion Two Hundred Million Only) divided into 440,000,000 (Rupees four hundred forty million) shares of Rs.5/-each."
- Shares under the control of Directors. 6. Subject to the Provisions of these Articles and to the provisions of Section 86 of the Ordinance, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same or such persons on such terms and conditions and either at a premium or at par and at such times as the Directors think fit and with full power to issue to any person the shares either as par or at a premium as the directors unless the Company shall in General Meeting decide upon the issue of such shares on other terms.
- Return as to allotments. 7. The Directors shall, as regards any allotment of shares, duly comply with such of the provisions of Sections 67 to 73 of the Ordinance, as may be applicable thereto
- Fractional shares. 8. If and whenever as a result of an issue of new shares or any consolidation or subdivision of shares, any member becomes entitled to hold shares in fractions, the Directors shall not be required to issue such fractional shares and shall be entitled to sell whole shares at a reasonable price and pay and distribute to and amongst the members entitled to such fractional shares in due proportion then net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchase thereof and the purchase shall be registered as the holder of the shares comprised in any such transfer and he shall not be entitled to see to the application of the purchase money nor shall his title to the shares be effected by the irregularity or invalidity in the proceedings in reference to the sale.
- Issue of shares against property sold to the company. 9. Subject to the provisions of the Ordinance and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part of payment for any property sold or transferred, goods, or machinery supplied for services rendered to the Company in the conduct of the business or affairs, and any shares, which may be so allotted, may be issued as fully paid up shares.
- Shares at a discount. 10. With the previous sanction of the Company in General Meeting and the sanction of the Authority and upon otherwise complying with Section 84 of the Ordinance it shall be lawful for the Directors to issue at a discount shares of a class already issued.
- Fully paid shares. 11. The Company shall not issue partly paid shares.



- |   |  |
|---|--|
| Shares in lieu of Debentures.                     | 12. The Company may issue ordinary shares or grant option to convert into ordinary shares against debentures in the manner provided in Section 87 of the Ordinance.  |
| Commission and brokerage.                         | 13. The company may, at any time when shares or debentures are offered for allotment or for sale, pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, or debentures of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, or debentures of the Company, but so that the statutory conditions and requirements as prescribe in Section 82 of the Ordinance shall be observed and complied with and the rate of such commission shall not exceed the rate if any, fixed by the Authority. The Company may also pay brokerage in respect of any subscription for shares or debentures at a rate which shall not exceed the rate, if any, fixed by the Authority. |
| Address of shareholders.                          | 14. Every shareholder shall name to the Company a place to be registered as his address and such address shall for all purposes be deemed to be his registered address for the purpose of the Company.   |
| Company not bound to recognize interest in share. | 15. The Company shall not, save as ordered by a Court of competent jurisdiction be bound to recognize (even when having notice thereof) any benami, equitable, contingent, future or partial interest in any shares, or any other right in respect of a share except an absolute right thereto in the person or persons from time to time being registered as the holder or holders thereof.   |
| Shares may be registered in the name of.          | 16. Shares may be registered in the name of any person, a limited company or corporate body the Government of Pakistan, its nominees, the Government of the provinces of Pakistan, their nominees, but not in the name of a minor or a firm nor shall more than four persons be registered as joint holders of any share.  |
| Certificate of shares and members right.          | 17. Every persons whose name is entered as a member in the register of members shall, without payment, be entitled to receive within ninety days after allotment or within forty five days of the application for registration of transfer, one certificate for all the shares registered in his name, or several certificates at the discretion of the Directors. Every certificate of shares shall specify the number and the distinctive serial numbers of the shares in respect of which it tis issued and the amount paid up thereon. The Certificates of title to shares and duplicate thereof when necessary shall be issued under the Seal of the Company and shall be signed by two Directors or by one Directors and the Secretary or by the Managing Directors and the Secretary.       |
| As to issue of new certificate of one             | 18. If any certificate be worn out or defaced then upon production thereof to the Directors, they may order the same to be cancelled, and may issue a new  |

**CERTIFICATES**





defaced lost or destroyed.

certificate in lieu thereof, and if any certificate be lost or destroyed then, upon enquiry and/ or proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the registered holder of the share to which such lost or destroyed certificate shall relate. Such certificate shall be issued within forty five days of the application or in case of refusal to so issue for any reasonable cause, the Company shall notify to the applicant the reason for refusal within thirty days from the date of the application.

Fee.

19. For every certificate issued under the last preceding Article there shall be paid to the Company the sum as the Directors may determine together with a sum equal to all the actual expenses incidental to the investigation by the Company of the title and evidence of such destruction or loss and to such indemnity.

Certificate of shares registered in the name of more than one person.

20. The Certificate in respect of shares registered in the names of two or more persons shall be delivered to the person first named in the Register.

### TRANSFER OF SHARES

Instrument of transfer to be executed by transferor and transferee and stamped.

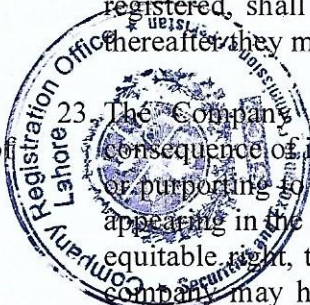
21. Subject to the provision of Section 76 of the Ordinance, the transfer of shares shall be effected by an instruments in writing in the usual common form, modified so as to suit the circumstances of the parties and shall be executed both by the transferor and the transferee and duly stamped according to law, whose execution shall be attested by at least one witness, who shall add his address and occupation and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of members in respect thereof.

Condition of registration of transfer.

22. Every instrument of transfer shall be deposited with the Company and no transfer shall be registered until such instrument has been deposited together with the certificate of the shares to be transferred, and together with any other evidence the Company may require to prove the title of the transferor and his right to the transfer of shares. All instruments of transfer, which shall be registered, shall be retained by the Company for a period of three years, thereafter they may be destroyed.

The company not liable for disregard of notice prohibiting transfer.

23. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by an apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest in the same shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer may have entered such notice or referred thereto in any book of the Company, The Company shall not be





bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, the Company shall, nevertheless, be at liberty to have regard and attend to such notice, and give effect thereto, if the Directors shall think fit.

Restriction on transfers.

24. The Directors shall not refuse to transfer any fully paid shares or debentures of the Company, unless the transfer deed is for any reason defective or invalid, provided the Company shall within thirty days from the date on which the instrument of transfer was lodged with it, notify the defect or invalidity to the transferee who shall, after the removal thereof be entitled to re-lodge the transfer deed with the Company. Upon such re-lodgment, the Company shall within thirty days thereof register such transfer in favor of the transferee, if satisfied about removal of such defect or invalidity.

Loss of transfer deed

25. Where a transfer deed is lost or destroyed or mutilated before its lodgment, the Company may on an application made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer of shares or debentures if transferee prove such loss, destruction or mutilation to the satisfaction of the Company.

Transfer books when close.

26. The Directors may, on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated, and also in newspaper in Karachi/Lahore where the Stock Exchange on which the Company is listed, are situated, close the Register of members for any time or times, not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.

#### TRANSMISSION OF SHARES

Title to shares of deceased member.

27. In case of the death of a Member, the survivor where the deceased was a joint holder, and the executors or administrators of the deceased or the holder of a Succession Certificate, where he was a sole or only surviving holder, shall be the only persons recognized by the Company as having any title to his shares, (subject to Article 29 below). Provided, however, that the Company shall not be bound to recognize such executors or administrators unless they shall have first obtained Probate or letters of Administration or a Succession Certificate as the case may be, provided, however, that in any case the Directors may in their absolute discretion dispense with such production of Probate or Letters of administration or succession Certificate on such terms as to indemnity or otherwise, as they may think fit and under the next Article register the name of any person who claim to be absolutely entitled to the share standing in the name of deceased Member.





Registration of persons entitled to shares otherwise than by transfer.

28. Any person becoming entitled to shares in consequence of the death or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, upon producing such evidence that he sustains the capacity in respect of which he proposes to act under this Article or of his title as may be required by the directors and giving such indemnity as the Directors think fit, shall either be registered himself as the holder of such shares or elect to have some person nominated by him and approved by the Directors registered as the transferee thereof.

Nomination by shareholder.

29. The Company shall act in accordance with the provisions of Section 80 of the Ordinance, if and when a member deposits with the Company a nomination conferring no one or more persons the right to acquire the interest in the shares specified therein in the event of his death.

Directors may refuse to register transmission.

30. The Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee and for the same reasons as if he was the transferee named in an ordinary instrument of transfer presented for registration.

Fee on transfer and transmission.

31. There shall be paid to the Company in respect of every transmission of share such fee as the Directors may from time to time prescribe.

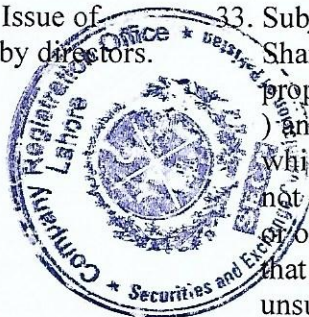
#### INCREASE AND REDUCTION OF CAPITAL

The Company may increase the capital.

32. Subject to Section 92 of the Ordinance, the Company in General Meeting may by ordinary resolution from time to time, increase the capital by creation of shares of such amount as may be deemed expedient.

Further Issue of Capital by directors.

33. Subject to the Resolution in General Meeting sanctioning the increase of Share Capital, the Directors shall offer all new shares to the members in proportion to the existing shares held by each member (irrespective of class) and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined and after expiration of such time on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors shall offer the unsubscribed part to any one or more institutions as may be specified by the Authority and if the said institutions do not subscribe to the whole or any part of the offer, the Directors may dispose of the same to such person or persons, companies or corporations, Government of Pakistan, provincial governments, whether Members or not, subject to the provisions of the Ordinance in such manner as they in their absolute discretion think fit.





New capital to be treated as part of the original.

34. Except so far as provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of original ordinary capital and shall be subject to the provisions contained in these Articles and the provisions of the Ordinance.

Reduction of capital etc.

35. The Company may, subject to confirmation by the Court and subject to the provisions contained in Section 96 to 107 of the Ordinance, from time to time, by Special Resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets, or otherwise as may seem expedient.

Capitalization.

36. Notwithstanding any rights conferred on members, the Company shall have the following powers:

- a) The Company may from time to time by resolution passed in General Meeting, capitalize any sum or sums forming part of any undivided profits of the Company, whether or not standing to the credit of any reserve, and direct the appropriation of the sum or sums so capitalized to be divided amongst the members of the Company who should have been entitled thereto if the same were distributed by way of dividend, and provide for the distribution of such capitalized profits by way of capital distribution by directing that the same shall be used to pay up any unissued shares of the Company of any denomination or denominations on behalf of such members, and that the shares so paid up shall be distributed as capital amongst such members in proportion to the amount which would have been received by them, if such profits had been distributed by way of dividend as aforesaid and in satisfaction of their shares and interests in the sum or sums so capitalized as aforesaid. Only fully paid-up shares shall be issued under this Article.
- b) Where any difficulty arises with regard to any distribution to be made as aforesaid, the Directors may settle the same as they may think expedient and in particular may issue fractional certificates, fix the value for distribution of any shares constituting fractional certificates or any part thereof, and may, in order to adjust the rights of all parties, determine that cash payment shall be made to any member upon the footing of the value so fixed and may vest any such shares in trustees upon such trusts for the persons entitled to shares in the distribution of any of them as may seem expedient to the Directors.
- c) Where requisite, the Directors may appoint any persons to sign a contract for allotment and acceptance on behalf of the persons entitled to shares in any such distribution as aforesaid or any of



them, and such appointment shall constitute the persons so appointed the agent of the persons entitled for the purpose of executing the contract

## CONSOLIDATION AND SUB-DIVISION OF SHARES

Sub-division and consolidation of shares.

37. The Company shall have only ordinary share capital and may by Ordinary resolution:

- (a) Consolidate and divide its share capital into shares of a larger amount than its existing shares;
- (b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject, nevertheless, to the provisions of Section 92 of the Ordinance; and
- (c) Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

Statutory restrictions.

38. The Company and Directors, as the case may be, shall comply with the provisions of the Ordinance regarding investments in the associated companies and undertakings for holding investments in its own name, for forms of the contracts, regarding the execution of deeds, concerning disclosure of interest by the Directors, regarding disclosure of interest of Officers other than Directors, regarding non-participation of the interested Directors in the proceedings, regarding disclosure to members of Directors' interest in contract appointing Chief Executive or Secretary, regarding submission of statements of beneficial owners, if any, of listed securities, concerning short selling, regarding gains if any of the Directors and Officers of securities. Regarding contracts by agents of the Company in which it is un-disclosed principal and concerning securities and deposits.

## BORROWING POWERS

Directors may borrow



39. The Directors may from time to time at their discretion obtain finance as defined in the Banking Tribunal Ordinance, 1984 or otherwise raise or borrow money/term capital, participatory redeemable capital from Banks, Financial Institutions, or from any other institution and secure the payment of any such sum or sums of money borrowed and to mortgage or charge its undertaking, property or any part thereof and to issue Participation Term Certificate, Term Finance Certificate, Modarba/Musharika, Debenture, Debenture Stock or any other type of security permitted by law and may themselves lend to the Company on security or otherwise.



Directors may Secure loans.

40. The Directors may raise or secure the payment or repayment of any sum of sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the creation of any mortgage or charge on the undertaking the whole or any part of the property, present or future, or by issue of bonds, perpetual or redeemable, debentures or debenture-stock of the company charged upon all or any part of the property of the Company, both present and future

Register of mortgages to be kept.

41. The Directors shall cause a proper register to be kept in accordance with section 125 of the Ordinance, of all the mortgages and charges specifically effecting the property of the Company, and shall duly comply with the requirements of Sections 121, 122, and 129 of the Ordinance, in regard to the registration of the mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of Section 130 of the Ordinance, as to keeping a copy of every instrument creating any mortgage or charge by the Company at the Office and the requirements of Section 132 of the Ordinance, as to giving intimation of the payment or satisfaction of any charge or mortgage created by the Company.

Securities may be assignable free from equities.

42. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Register of holder of debentures and members.

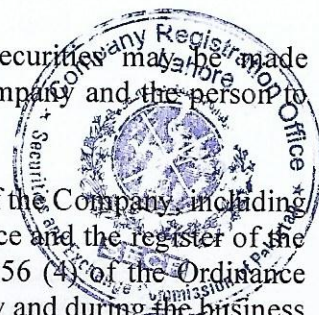
43. Every register of members and debenture holders of the Company, including the index referred to in Section 149 of the Ordinance and the register of the Annual List of Members as provided in Section 156 (4) of the Ordinance shall be kept at the registered office of the Company and during the business hours, subject to such reasonable restrictions, as the Company in General Meeting may impose, so that not less than two hours in each day be allowed for inspection, be open to the inspection of members or debenture holders gratis and to the inspection of any other person on payment of such amount not exceeding the prescribed amount as the Company may fix; and any such member, debenture holder or other person may make extracts therefrom

Register of debenture-holders and members may be closed.

44. The Company may, on giving not less than seven days previous notice by advertisements in some newspapers circulated in the district where the registered office of the Company is situated and also in newspapers in Karachi/Lahore where the Stock Exchange, on which the Company is listed, are situated, close the register of debenture holders or of members, as the case may be, for any time or times not exceeding in the whole forty-five days in a year and not exceeding thirty days at a time.

Instrument of transfer of debenture and refusal to transfer.

45. With regard to transfer of debenture and refusal to transfer, the conditions of Articles 21 to 25 and Sections 76 to 81 of the Ordinance shall be complied with.





Inspection of copies of mortgages and charges.

46. The Company shall comply with the provision of section 136 of the Ordinance as to allowing inspection of copies kept at the office in pursuance of Section 130 of the Ordinance, and as to allowing inspection of the register of mortgages to be kept at the Office in pursuance of Section 125 of the Ordinance.

Supplying copies of register of holders of debenture.

47. The Company shall comply with the provision of Section 113 of the Ordinance as to supplying copies of the register of holders of debentures or of any trust deed for securing any issue of debentures.

Right of trustee for debenture holders to balance sheet.

48. The trustees for the debenture holders shall have the same right to receive and inspect the balance sheets and profit and loss accounts of the Company and the report of the auditors and other reports as is possessed by the holders of Ordinary Shares in the Company.

### RESERVES

Reverse fund.

49. The Board may from time to time set apart such portion of the profit of the Company as they think fit. As a reserve fund applicable at their discretion with the like sanction, for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends or for any other purpose of the Company, with full powers to employ the assets constituting the reserve fund in the business of the company, and without being bound to keep the same separate from the other assets.

Moneys carried to the reserves shall remain profit of the company



50. All moneys carried to the reserves shall remain profits of the company and, subject to any stipulations to the contrary contained in any agreement entered into by the Company and any person and only after adequate provision has been made for maintenance, actual loss or depreciation or otherwise in accordance with sound accounting practices, shall be applicable for the payment of dividends, and such money and all the other moneys of the Company, not immediately required for the purposes of the Company, may be invested by the Company on or upon such investments or securities, as the directors may select. Or such moneys may be used as working capital or may be kept any bank on deposit or otherwise as the directors may from time to time think proper.

### MEETINGS

General Meeting.

51. (a) The Company shall hold in the town in which the registered office of the Company is situated, in addition to any other meeting, a General Meeting as its Annual General Meeting, within eighteen months from the date of its incorporation and thereafter once at least in every calendar year within the period as allowed under the Ordinance following the close of its financial year and not more than fifteen months after the holding of its last preceding Annual General Meeting.



(b) The notice of an Annual General Meeting shall be sent to the shareholders at least twenty one days before the date fixed for the meeting, and such notice, in addition to its being dispatched in the normal course, shall also be published at least in one issue each of daily newspaper in English language and a daily newspaper in Urdu language having circulation in the Province in which the Stock Exchange on which the Company is listed, is situated.

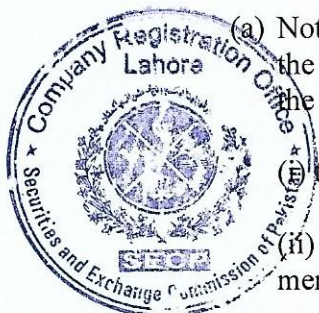
Distinction between annual and extraordinary general meetings.  
When general meetings to be held.

52. The General Meeting referred to in the last preceding Article shall be called Annual General Meeting. All other meetings of the Company shall be called Extraordinary General Meetings.

53. The Directors may, whenever they think fit, call an Extraordinary General Meeting, and an Extraordinary General Meeting shall also be called on such requisition as provided by Section 159(2) of the Ordinance notice of the Extraordinary General Meeting shall be sent to the member at least twenty one days before the date of the meeting and shall also be published in the manner provided in Article 51(b).

Provisions as to notices.

54. The following provision shall apply to the General Meeting of the Company or Meeting of a class of members of the Company, namely:



(a) Notices of the meeting specifying the place and the day and hours of the meeting along with a statement of the business to be transacted at the meeting shall be given:

(i) to every member of the Company;

(ii) to any person entitled to a share in consequence of death of a member if the interest of such person is known to the Company; and

(iii) to the auditor or auditors of the Company in the manner in which notices are required to be served by Section 50, but the accidental omission to give notice to, or the non-receipt of notices by any member, shall not invalidate the proceedings at any meeting;

(b) Where any special business, that is to say business other than consideration of the accounts, balance sheets and the reports of the directors and auditors, the declaration of a dividend, the appointment and fixation of remuneration of auditor, and the election or appointment of directors, is to be transacted at a General Meeting, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning such business, including in particular, the nature and extent of the interest if any therein of every director, whether directly or indirectly, and, where any item of business consists of the according to or approval of any document by



the meeting, the time when and the place, where the document may be inspected, shall be specified in the statement;

(c) Subject to the provision of the Ordinance so far as they relate to the election and appointment of Directors, the provision of clause (b) shall apply mutatis mutandis to a meeting where ordinary business, being business other than special business is to be transacted;

(d) With the notice for a meeting, the Company shall send to the member's copies of draft resolutions, other than routine or procedural resolutions, which are proposed for consideration in the meeting.

Requisition. 55. Where a General Meeting is requisitioned under Section 159 (2) of the Ordinance, the requisition must state the object of the meeting and it must be signed by the requisitionists and deposited at the Office and may consist of several documents in like form each signed by one or more requisitionists.

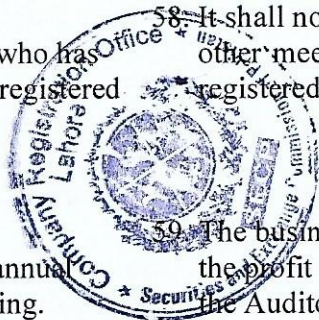
Meeting convened by requisitionists 56. If the Directors of the Company do not proceed to convene a meeting within twenty one days from the date of the requisition, being so deposited the requisitionists or a majority of them in value, may themselves convene a meeting but any meeting so convened shall not be held after three months from the date of deposit of the requisition.

Manner of convening meeting by requisitionists. 57. Any meeting convened under the last preceding Article by the requisitionists shall be convened in the same manner as nearly as possible to that by which meetings are convened by the Directors, and such meeting shall be held at the Office.

Shareholder who has not supplied registered address. 58. It shall not be requisite, in any event, to give notice of a General Meeting or other meeting to any shareholder who has not supplied to the Company a registered address.

Business of annual general meeting. 59. The business of an Annual General Meeting shall be to receive and consider the profit and loss account and balance sheet, the reports of the Directors and the Auditors, to elect Directors, Auditors and others in place of those retiring in the manner provided in Sections 178 and 252 of the Ordinance to declare dividends, and to transact any other business which under these presents, ought to be transacted at an Annual General Meeting, and any business which is brought under consideration by the report of the Directors issued with the notice convening the Meeting, All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.

## PROCEEDINGS AT GENERAL MEETINGS





- Quorum.
60. At least five members are entitled to vote and present in person or by proxy of whom at least three shall be present in person, representing not less than twenty five percent of the total voting power either of their own account or as proxy shall be a quorum for General Meeting for all purposes.
- If quorum not present at meeting.
61. If at the expiration of half an hour from the time appointed for the holding of a General Meeting a quorum be not present, the Meeting, if convened on the requisition of shareholders, shall be dissolved and in every other case, shall stand adjourned to the same day in the second following week at the same time and place as was appointed for holding the General Meeting and if at such adjourned meeting the quorum be not present, those Member who are present and not being less than two shall be quorum and they may transact the business for which the meeting was called.
- The chairman may adjourn any general meeting.
62. The Chairman, with the consent of the meeting, may adjourn any General Meeting from time to time, and place to place, but not business shall be transacted at ant adjourned General Meeting other than business left unfinished at the General Meeting from which the adjournment took place and which might have been transacted at that Meeting.
- The chairman of the board of directors to preside.
63. The Chairman, if any, of the Board shall preside as Chairman at a General Meeting. In default of such a Chairman, or if at any meeting he is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the member present shall choose one of the directors present, or in default of such a Director or if he is unwilling to act as Chairman, the members present shall choose one of their members to be Chairman of that General Meeting.
- Motion how decided.
64. Except where otherwise provided by the Ordinance or by these Articles every question to be decided by any General Meeting shall, in the first instance be decided by a show of hands and in the case of an equality of votes the Chairman shall, both on a show of hands and at the poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
- What is to be evidence of the passing of a resolution where poll not demanded.
65. At a General Meeting a resolution put to the vote in the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded, in accordance with and subject to the provisions of Section 167 of the Ordinance and unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and entry to the effect in the book of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favor of or against that resolution.
66. A poll demanded on the Election of the Chairman or an a question of adjournment shall be taken forthwith, A poll demanded on any other question





Time of taking poll.

shall be taken at such time, not more than fourteen days from the day on which it is demanded, as the Chairman of the meeting may direct, when a poll is taken the Chairman or his nominee and a representative of the members demanded the poll shall scrutinize the vote given on the poll and the result shall be announced by the Chairman, The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Subject to the provision of these articles the Chairman shall have power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be the decision of the meeting at which the poll was held. In case of any dispute as to the admission or rejection of a vote on poll the Chairman shall decide such dispute and his decision shall be final and conclusive.

67. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any other business.

Business may proceed  
notwithstanding  
demand of a poll.

### VOTING OF MEMBERS

Voice of members.

68. Subject to any right or restriction for the time being attached to any class or classes of shares, on a show of hands every member present in person or by proxy shall have one vote except for election of directors in which case the provision of article 85 herein shall apply. On a poll every member shall have voting rights as are laid down in these Articles.

Votes in respect of  
deceased and  
insolvent members.

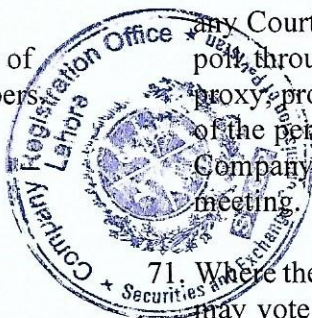
69. Any person entitled to share under the transmission clause contained in Articles 27 and 28 may exercise the right to vote at any General Meeting in respect of such shares in the same manner as if he was the registered holder of such shares. Provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, he shall satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at any meeting in respect thereof.

Voting rights of  
lunatic member

70. A member of unsound mind in respect of whom an Order has been made by any Court having jurisdiction in lunacy may vote on a show of hand or on a poll, through his committee, and such committee may, on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office of the Company not less than forty-eight hours before the date of holding the meeting.

Voting rights of joint  
holder.

71. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he was solely entitled thereto; and if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said person so present whose name stands first shall alone be entitled to vote in





respect thereof, Several executors or administrators of a deceased Members in whose name any share stands shall, for the purpose of this Article, be deemed joint holders thereof.

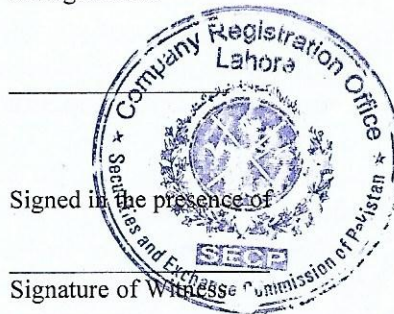
Voting in person or by proxy.

72. Subject to the provision of these Articles, vote may be given either personally or by proxy, but every proxy shall be appointed in writing under the hand of the appointer or his attorney or if such appointer is a corporation or guardian representing a lunatic or minor may appoint such a proxy.

72-A, A member may opt for E-voting in a general meeting of the Company under the provisions of the Companies (E-voting) Regulations, 2016, as amended from time to time, in the case of E-voting both members and nonmembers can be appointed as proxy. The instruction to appoint execution officer and option to E-vote through intermediary shall be required to be deposited with the Company, at least ten (10) days before holding of the general meeting, at the Company's registered office address or through email. The Company will arrange E-voting if the Company receives demand for poll from at least five (5) members or by any member or member having not less than one tenth (1/10) of the voting power.

72-B. An instrument of proxy in relation to E-voting shall be in the following form:-

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of the \_\_\_\_\_, holder of \_\_\_\_\_ share(s) as per register Folio No. / CDC Account No \_\_\_\_\_ hereby opt. for E-voting through intermediary and hereby consent the appointment of Execution Officer \_\_\_\_\_ as proxy and will exercise E-voting as per the Companies (E-voting) Regulations, 2016 and hereby demand for poll for resolutions. My secured email address is \_\_\_\_\_ please send login details, password and electronic Signature through email.



Signature of Member

CNIC No. \_\_\_\_\_

Signed in the presence of

Signature of Witness

CNIC No. \_\_\_\_\_

Signature of Witness

CNIC No. \_\_\_\_\_

Further Resolved that the Chief Executive Officer or Company Secretary be and is hereby authorized to do all acts, deed and things, take all steps and action necessary ancillary and incidental for altering the Articles of Association of the Company including, filling of all requisite documents/statutory forms as may be required to be filled with the Registrar of Companies and complying with all other regulatory requirements so as to effectuate the alterations in the Articles of Association and implementing the aforesaid resolution;



Deposit of instrument  
of appointment.

73. (1) No person shall act as proxy unless the instrument appointing him as proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall have been deposited at the Office of the Company not less than forty-eight hours before the time of holding the meeting at which he propose to vote, and in default, the instrument of proxy shall not be treated as valid.

(ii) A proxy shall also be a member of the Company who is qualified to vote.

(iii) A corporation or a company being a member of the Company may appoint as proxy or as its representative under Section 162 (I) of the Ordinance any person to exercise in General Meeting the same powers on behalf of the corporation which he represents as that corporation could exercise if it was an individual member of the company.

(iv) A company which is a creditor of the Company may authorize any of its officials or any other person to act as its representative at any meeting of the Creditors of the Company held under the provision of the Ordinance or any other meeting to which it is entitled to attend in pursuance of the provision contained in any debenture or trust deed or any other document and the person so authorized shall be entitled to exercise the same powers as are available to the Company which he represents.

(v) The Federal Government, or a Provincial Government, as the case may be, if a member of this company, may appoint such person as it think fit to act as its representative at any meeting of the Company or at any meeting of any class of member of the Company.

(vi) A person appointed to act as aforesaid shall, for the purposes of Ordinance, be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to appoint proxy, as the Federal Government or the Provincial Government, as the case may be, may exercise as a member of the Company.



Custody of the  
instrument.

74. If any such instrument of appointment be confined to the object of appointing a proxy, agent or representative, it shall remain permanently, or for such time as the board may determine, in the custody of the Company; if embracing other objects, a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

75. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the pervious death of the principle, or revocation of the proxy or transfer of the share in respect of which the vote



When vote by proxy  
valid through  
authority revoked.

is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

Form of proxy.

76. Every ordinary instrument of proxy whether for a specified meeting or otherwise shall be in writing in such form as shall from time to time have been prescribed by the Board, and if no particular form shall have been so prescribed then in the following form:

I \_\_\_\_\_ of  
\_\_\_\_\_ in  
The district of \_\_\_\_\_ being a member of Kohinoor  
Spinning mills Limited, hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ as  
My proxy to vote for me and on my behalf at the (Annual, extraordinary,  
as the case may be) General Meeting of the Company to be held.  
On the \_\_\_\_\_ day of \_\_\_\_\_ and at any  
adjournment thereof.  
Signed by me this \_\_\_\_\_ day of  
\_\_\_\_\_ 19. \_\_\_\_\_

Time of objection by  
vote.

77. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent duly authorized under a power of attorney or by proxy, not disallowed at such meeting or poll, shall be deemed valid for all purpose of such meeting or poll.

78. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

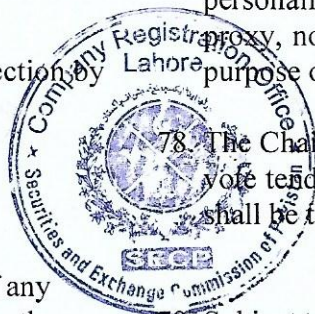
#### BOARD OF DIRECTORS

Chairman of any  
meeting to be the  
judge of validity of  
any vote.

79. Subject to the provision of Section 196 of the Ordinance, the business of the Company shall be managed by the Directors who may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not by the Ordinance or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless, to such regulations, not inconsistent with the aforesaid provision, as may be prescribed by the Company in General Meeting but no such regulations shall invalidate any prior act of the Directors which would have been valid if those regulations had not been made.

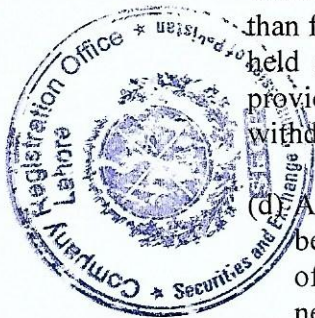
The business of the  
company to be  
managed by the  
directors.

80. The Board of Directors shall be composed of not less than seven not more than eleven elected Directors.





- Number of directors. 81. (a) Save as provided in Section 187 of the Ordinance, no person shall be appointed as a Director unless he is a member.
- Qualification shares. (b) PICIC/ICP/NDFC/IDBP/BEL shall during the subsistence of its loan, advance, credit or other financial assistance (or any part thereof) to the company have the right from time to time to appoint a person as a director of the Company and to remove/replace such director from/to the said office.
82. With regard to appointments or nomination of a Director or Chief Executive the condition, as set out in Section 184 of the Ordinance, shall be complied with.
- Consent to act. 83. A Director elected under Section 178 of the Ordinance shall hold office for a period of three years unless he earlier resigns, becomes disqualified from being a director or otherwise ceases to hold office.
- Term of directors. 84. A retiring Director shall be eligible for re-election.
- Retiring directors may be re-elected. Election of directors. 85. (a) The Directors shall, subject to Article 80, fix number of Directors of the Company not later than thirty five days prior to the convening of the General Meeting at which Directors are to be elected, and the number so fixed shall not be changed except with the prior approved of a General Meeting of the Company.
- (b) The notice of the meeting at which Directors are proposed to be elected shall among other matters expressly state:
- (i) The number of the elected Directors fixed under Article 85 (a); and
- (ii) The names of the retiring directors.
- (c) Any person who seeks to contest an election to the office of director shall, whether he is a retiring director or otherwise, file with the Company not later than fourteen days before the date of the meeting at which elections are to be held a notice of his intention to offer himself for election as a director provided that any such person may, at any time before the holding of election, withdraw such notice.
- (d) All notices received by the Company in pursuance of Article 85 (c) shall be transmitted to the members not later than seven days before the date of the meeting by publication at least in one issue each of a daily newspaper in English language and a daily newspaper in Urdu language having circulation in Province in which the Stock Exchange, on which its securities are listed are situated.





(e) The directors of the Company shall, unless the number of person who offer themselves to be elected is more than: the number of directors fixed under Article 85 (a), be elected by the members of the Company in General Meeting in the following manner, namely

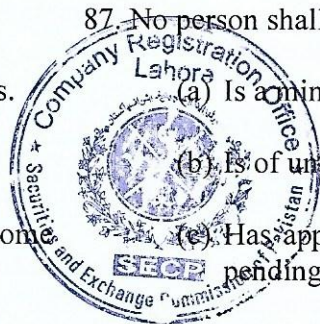
- (i) A member shall have a number of votes as is equal to the product of the number of voting shares or securities held by him and the number of directors to be elected.
- (ii) A member may give all his votes to a single candidate or divide them between more than one of the candidates in such manner as he may choose; and.
- (iii) The candidate who gets the highest number of vote shall be declared elected as Director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of Directors to be elected has been so elected has been so elected.

86. In addition to the Directors elected or deemed to have elected by shareholders, the Company may have Directors nominated by the Company's creditors or other special interests by virtue of contractual arrangements.

87. No person shall be appointed as a Director of the Company if he.

Creditors may  
nominate Directors.

Ineligibility to become  
director.



(a) Is a minor;

(b) Is of unsound mind;

(c) Has applied to be adjudicated as an insolvent and his application is pending;

(d) Is an un-discharged insolvent;

(e) Has been convicted by a court of law for an offence involving moral turpitude;

(f) Has been debarred from holding such office under any provision of the Ordinance;

(g) Has betrayed lack of fiduciary behavior and a declaration to this effect has been made by the Court under Section 217 of the Ordinance at any time during the preceding five years;

(h) Is not a member;



Provided that clause (h) shall not apply in the case of;

- (i) A Person representing the Government or an institution or authority which is a member.
- (ii) A whole-time director who is an employee of the Company;
- (iii) A chief executive; or
- (iv) A person representing a creditor.

88. A director shall ipso facto cease to hold office if;

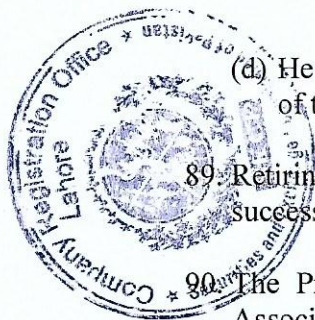
Vocation of office by  
directors.

- (a) He becomes ineligible to be appointed as a director on any one or more of the ground under Article 87 and under clauses (a) to (h) of Section 187 of the Ordinance;
- (b) He absent himself from three consecutive meetings of the directors or form all the meetings of the directors for a continuous period of three months; whichever is the longer; without leave of absence from the director;
- (c) He or any firm of which he is a partner or any private company of which he is a director;
  - i. Without the sanction of Company in general meeting accepts or holds any office of profit under the company other than that of chief executive or a legal or technical adviser or a banker;
  - ii. Accepts a loan or guarantee from the company in contravention of section 195 of the Ordinance, or
  - iii. He is removed as a director by resolution of members in general meeting in compliance with the proviso to Section 181 of the Ordinance.

- (d) He tenders to the Board his Resignation from the office of Director of the Company.

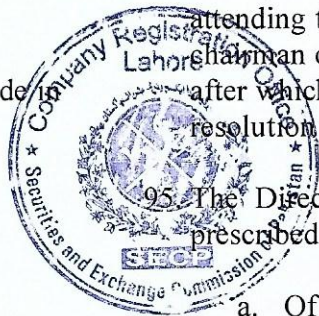
89. Retiring Directors shall continue to perform their function until their successors are elected.

90. The Provision of Articles 83.85 and 88 (c) (iii) of the Articles of Association of the Company and Section 178, 180 and 181 of the Ordinance shall not apply to the Directors representing special interest,





- Retiring directors to continue until successors elected.  
Certain provisions not to apply to directors representing special interests.
- Meeting of directors/quorum.
- Directors may summon meeting.
- Resolution in writing.
- Minutes to be made in minute book.
- Minutes to be made.
- which has been defined in Section 183 of the Ordinance subject however to the condition as imposed in the said Section 183.
91. A Director may meet together for the dispatch of business, adjourn and otherwise regulate their meeting and proceedings as they think fit, Provided always that they shall so meet at least twice a year, the quorum at a Directors meeting shall consist of not less than one third of their number or four whichever is greater including alternate Director present in person at the Board of Directors meeting.
92. A Director may at any time, convene a meeting of Directors. It shall not be necessary to give notice of a meeting of the Directors to a Directors who is not for the time being resident in Pakistan. The question arising at any meeting shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote.
93. A resolution in writing, signed by a majority of the Directors for the time being of the Company, shall be as valid and effectual as if it has been passed at a meeting of the Director duly called and constituted.
94. The Directors shall designate the Secretary of the Company to cause minutes to be made of all Resolution and proceeding of Board Meeting. After the adjournment of any Meeting the Secretary shall cause the Minutes to be transcribed, either by hand or by typewriter, into a Minute Book provided for that purpose, the Minutes shall be read to the members attending the next meeting and shall be signed in their presence by the Chairman of that meeting counter signed by the Secretary of the meeting after which such minutes shall be receivable as evidence of the facts and resolution therein contained without further proof being required.
95. The Directors shall cause minutes to be duly entered in the books prescribed for the purpose;
- Of all names of the Directors present at each meeting of the Board and of any Committee of Directors;
  - Of all orders made by the Board and the Committee of Directors;
  - Of all resolution and proceedings of General Meeting and of a meeting of the committee of Directors.
96. If any casual vacancy occurs in the Board it shall be filled by the remaining Directors, any person so chosen shall retain his office so long as the vacating Director would have retained the same if no vacancy had





occurred, the continuing Directors may act notwithstanding any vacancy in their body, provided, however, that if the number of Directors falls below seven the remaining Directors shall not act as long as the number remains below the said minimum except for the purpose of filling a casual vacancy in the Board.

Casual vacancy may be filled up by the directors.

97. Unless otherwise determined by the Company in General Meeting each Director (other than a Chief Executive and a full time working Director) shall be paid out of the Funds of the Company by way of remuneration for his services a sum not exceeding Rs. 500/= for each meeting of the Directors attended by him. The Directors may allow and pay to any Directors who for the time being is resident out of the place at which any meeting of the Directors may be held and who shall come to that place for the purpose of attending the meeting, such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending the meeting in addition to his remuneration as above specified. Provided that any change in his remuneration shall be subject to the prior approval of the Controller of Capital Issues.

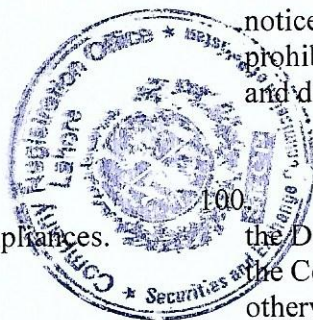
Remuneration of directors.

98. Any Director appointed to any executive office including for the purpose of this Article the Office of Chairman or to serve in any committee or to devote special attention to the business of the Company or who otherwise performs extra services. Which in the opinion of the Directors are outside the scope of the ordinary duties of the Directors, may be paid such extra remuneration by way of salary, fees, percentage of profit or otherwise as shall from time to time be determined by the Company in General Meeting (not Board of Directors).

Special remuneration to directors for performing extra duties.

99. The company, its Directors or Officers, as the case may be shall comply with the provision of Section 214 to 227 of the Ordinance, regarding disclosure of interest by the Directors and Officers, restriction on voting, disclosure to members of interest keeping of register of Directors, shares notice of beneficial interest filling of statement of such interest prohibition of short selling purchase and sale of the company's security and depositing of provident fund.

Specific compliances.



100. The Directors of the company and any Officers, so authorized by the Directors may be or become Directors of any Company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise, and no such Director/Officer shall be accountable for any benefits received as Director or member of such company.

101. All acts done by any meeting of the Directors or by a Committee of the Directors or by any person acting as a Director shall, notwithstanding that it shall afterward be discovered that there was some



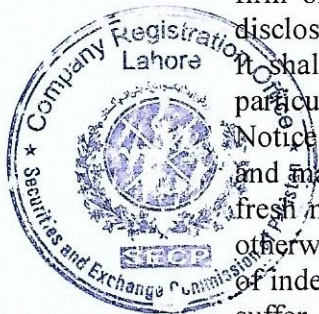
Directors of company may be directors of a subsidiary company.

defect in the appointment of such Director or person acting as aforesaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed. Was qualified to be a Director. Provided, however, as soon as any such defect has come to the notice the Director concerned shall not exercise this right of his office till the defect has been rectified.

The act of directors or committee valid notwithstanding appointment etc.

Directors may contract with the company.

102. Subject to the provision of the Ordinance, the Directors shall not be disqualified by their respective offices from contracting with company, either as vendors or purchasers or otherwise, (provided any such contract is approved by the appropriate vote of the Board where necessary) nor shall any such contract or arrangement entered into, by or on behalf of the Company with any company or partnership of or in which any Directors shall be a member or be otherwise interested be avoided; nor shall any Director so contracting or being such a member or so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office of the fiduciary relation thereby established but the nature of his interest must be disclosed by him at the meeting of the Director at which the contract or arrangement is determined upon or approved, if the interest than exists or any other case, at the first meeting of the Directors after the acquisition of the interest provided nevertheless that a general notice that any Director is a member of any specified firm or company and is to be regarded as interested in any subsequent transaction with such firm or company shall, as regarded any such traction be a sufficient disclosure within the meeting of this Article and after such general notice. It shall not be necessary to give any special notice relating to any particular transaction with such firm or company. Any such general Notice shall expire at the end of the financial year in which it was given and may be renewed for a further period of financial year by giving a fresh notice in the last month of the financial year in which it would otherwise expire. And provided also that (except in the case of a contract of indemnity against any loss that any one or more of the Director may suffer by reason of becoming or being sureties or a surety of the company) no Director shall take part in the discussion of or vote in respect of any contract or arrangement in which he is so interested, nor his presence shall be counted for the purpose of forming a quorum at a meeting of Directors at the time of any such discussion or voting, and if he does so vote, his vote shall not be counted any Director or advocate or pleader may act as the solicitor or legal adviser of the company and shall not be liable to account to the Company for any profit realized for any professional work done by him or his firm for the Company.



103. When any Director intends to be or is absent for a period of not less than three 3 months from Pakistan he may with the approval of the Board appoint any person to be his alternate and such alternate during the



Alternate directors.

absence of the appointer from Pakistan, shall be entitled to receive notice of and to attend and vote at meeting of Director shall be subject to and entitled to the benefit of the provision contained in these Article with reference to Director and may exercise and perform all such powers, discretion and duties as his appointer could have exercised or performed including the power of appointing another alternate, such appointment shall not be required in the Director Minute Book. An alternate Director shall not be required to hold any share qualification, A Director may at any time by notice in writing to the Company remove an alternate appointed by him. Upon the death of or the retirement or resignation, as the case may be, of the Director or the appointer, the alternate shall cease to be such provided that if any Director retires but is re-elected at the meeting at which such retirement took effect any appointment made by him pursuant to this Article which was in force immediately prior to his retirement and re-election and which has not otherwise ceased to be effective shall continue to operate after his election as if he had not so retired. An alternate shall not be deemed to be the agent of the Directors appointing him, but he shall be reckoned as one with his appointer. Any Director may act as an alternate Director for any one or more other Directors, in his own right. Any alternate may resign as such upon giving thirty (30) days prior notice to the Board to this effect.

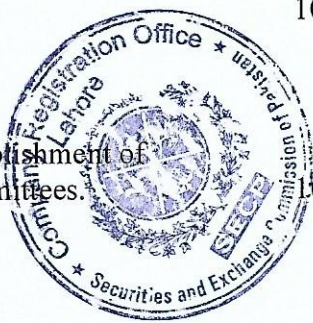
104. The Directors may from time to time and at any time create a committee or committees consisting of two or more persons to undertake any general or specific functions. Any committee so formed shall conform to any regulations that may be imposed upon it by the Directors.

## RETURNS

105. The Company shall make the requisite Annual Return in accordance with Section 156 of the Ordinance.

## POWERS OF DIRECTIONS

Establishment of  
committees.



Annual returns.

106. The control of the Company shall be vested in the Directors and the business of the Company shall be managed by the Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, may exercise all such powers and do all such , acts and things as may be exercised or done by the Company and are not hereby or by statute/law expressly directed or required to be exercised or done by the company in General Meeting but subject nevertheless to the provisions of any statute/law and of these presents and to any regulations not being inconsistent with these presents form time to time made by the Company in General Meeting provided that no



General power of company vested in directors.

regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

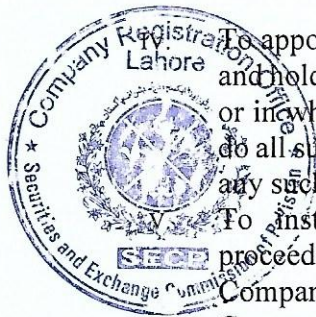
107. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these presents but subject to the restrictions of Section 196 of the Ordinance it is hereby expressly declared that the Directors shall have the following powers; that is to say power;

Specific powers given to directors.

I. To purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit and, subject to the provisions of Section 196 (3) of the Ordinance, to sell, let, hire, lease, exchange or otherwise dispose of absolutely or conditionally any part of the property, privilege and undertaking of the Company upon such terms and conditions and for such consideration as they may think fit.

II. At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such bonds, debentures, or other securities may be either specifically charge upon all or any part of the property of the Company.

III. To secure the fulfillment of any contract, agreements or engagements entered in to by the Company by mortgage of all or any of the property of the Company or in such other manner as they may think fit.



To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds, documents and things as may be requisite in relation to any such trust and to provide for remuneration of such trustee or trustees. To institute, conduct, defend, compound and abandon any legal proceedings by or against the Company any property belonging to the Company or its Officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company.

VI. To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.

VII. To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.

VIII. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

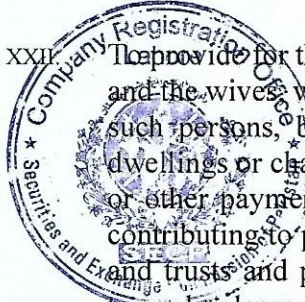


- IX. Subject to the provisions of Sections 208 and 209 of the Ordinance to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities (not being shares in this company) and in such manner as they think fit, and from time to time to vary or realize such investment.
- X. To execute in the name and on behalf of the Company in favor of any Directors, or other person who may incur or be about to incur any personal liability for the benefits of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- XI. To give to any Director or any person employed by the Company as remuneration for their services as such, a commission on the profits of any particular business or transaction or a share in the general profits of the Company and such commission or share or profits shall be treated as part of the working expenses of the Company.
- XII. From time to time make, vary and repeal byelaws or the regulations of the business of the Company, its officers and servants.
- XIII. Before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities, or compensation; or to create any Provident or Benefit Fund in such or any other manner as the Directors may deem fit.
- XIV. To make and alter rules and regulations concerning the quantum, time and manner of payment of the contribution of the employees and the Company respectively to any Fund and the accrual, employment, suspension and forfeiture of the benefits of the said Fund and the application and disposal thereof, and otherwise in relation to the working and management of the said Funds as the Directors shall from time to time think fit.
- XV. To enter into all such negotiations and contracts and to rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purposes of the Company.
- XVI. To make, draw, endorse, sign, accept, negotiate and give all cheque, bill of landing, drafts, orders, bill of exchange and promissory Notes and other negotiable instruments required in the business of the Company-.





- XVII. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable and immovable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles dealt with, imported or exported by the Company, and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
- XVIII. To open accounts with any bank or banks or with any company firm or individual and to pay money into or draw money from any such account from time to time as the Directors may think fit.
- XIX. To attach to any shares to be issued as the consideration for any contract with or property acquired with the Company, or in payment for services rendered to the Company, or to the transfer thereof, such conditions as they think fit,
- XX. To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or any part thereof subject to any restriction under the law.
- XXI. To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents.
- XXII. To provide for the welfare of an employee or employees of the Company and the wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonus or other payment or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions, funds and trusts and providing or subscribing or establishing or contributing towards places of instruction and recreation, mosques, schools, colleges, universities, hospitals and dispensaries, medical and other attendance and such other assistance as the Directors shall think fit, and to subscribe, to contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, or other objects which shall have any moral or other claim to support or aid by the Company either by reason of locality or operation or public and general utility or otherwise.





XXIII. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for Depreciation Fund, Reserve Fund or Sinking Fund or any special Fund to meet contingencies or to repay debentures, or debenture stock or for equalizing dividends or for repairing, improving, extending, and maintaining any part of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause) as directors may, in their absolute discretion, think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments (subject to the restrictions imposed by Section 208 and other provisions of the Ordinance) as the Directors may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefits of the Company in such manner and for such purpose as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company, notwithstanding that the matters to which the directors apply or upon which they expend the same, or any part thereof, may be matters upon which the capital money of the Company might rightly be applied or expended and to divide the reserve funds into such special funds as the Directors may think fit, and to employ assets constituting all or any of the funds, including the Depreciation Fund, the business of the Company or in the purchase of redeemable securities, debentures or debenture stock and what without being bound to pay interest on the same separate from the other assets, with power, however, to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper not exceeding such percent per annum as is prescribe by the Directors.

XXIV. To comply with the requirements of any local law which in their opinion shall, in the interest of the Company, be necessary or expedient to comply with.

x To appoint and at discretion remove or suspend such managers, secretaries, treasurers, officers, clerks, agents and servants for permanent, contractual, casual, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.

b) From time to time provide for the management and transaction of the affairs of the Company, in any specified locality in Pakistan or elsewhere in such manner as they think fit.



c) From time to time to establish any Local Board or branch offices for managing any of the Company, in any specified locality in Pakistan or elsewhere, and to appoint any persons to be members of any Local Boards, and to fix their remuneration. And from time to time and at any time delegate to any persons so appointed any of the powers, authorize and discretions for the time being vested in the Directors (other than the powers which are compulsorily required to be exercised under the Ordinance at meetings of Directors) and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Directors may think fit and the Directors may at any time remove any persons so appointed, and may annual or vary any such delegation.

d) At any time and from time to time by powers of attorney to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in and exercisable by Directors under these presents and other than those powers which are compulsorily required to be exercised under the Ordinance at meetings of Directors) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) be made in favor of the members or any of the members of any Local Board established as aforesaid, or in favor of any company or the members, directors, nominees or managers of the company, or firm or otherwise in favor of any fluctuating body or person whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorney as the Directors may think fit, and may contain powers enabling any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and directions for the time being vested in them.

To delegate, entrust to and confer time to time upon the Secretary, manager or managers or attorneys from time to time such of powers exercisable by the Directors as they may think fit (other than those powers which are compulsorily required to exercise under the Ordinance at meeting of Directors) and may confer such powers for such time and to be exercised objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such power either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw alter or vary all or any of such powers.



f) To delegate, entrust to and confer from time to time upon the Secretary, manager or managers or attorneys from time think fit (other than those powers which are compulsorily required to be exercise under the Ordinance at meeting of Directors).

#### **BOARD CHAIRMAN, CHIEF EXECURTIVE AND SECRETARY**

108. (i) The Directors may elect one of the Directors as they chairman of the Board.

(ii) The Chairman of the Board shall preside at the meetings of the Board. In his absence or in default of the Directors electing a Chairman. The Directors present at the Board Meeting shall choose one of their member to be Chairman for that meeting.

109. (i) The Directors of the Company shall appoint as Chief Executive in accordance with the procedure and manner set out in Sections 198 and 199 of the Ordinance who will also be called as Managing Director.

Board chairman to  
preside.

(ii) Such appointment of Chief Executive shall not be for a period exceeding three years form the date of appointment.

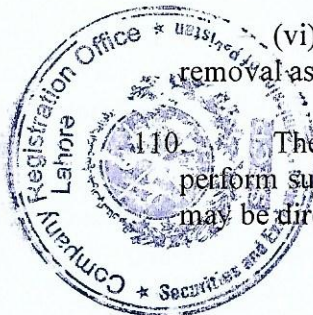
(iii) A retiring Chief Executive shall be eligible for re-appointment.

(iv)The terms and conditions of appointment of Chief Executive shall be determined by the Directors.

Chief Executive of the  
Company.

(v) The Chief Executive shall, if he is not already a Director of the Company, be deemed to be its Director and be entitled to all the rights and privileges and subject to all the liabilities of the office.

(vi) The Chief Executive shall act subject to the restriction and removal as are prescribed in Sections 201 to 203 of the Ordinance.



110. The Board shall appoint a Secretary of the Company who shall perform such functions and duties as are required in these Articles or as may be directed by the Board.

#### **THE SEALS**

111. (i) The Directors shall provide a Common Seal of the Company. The Common Seal of the Company shall not be affixed to any instrument except by the Authority of the Chief Executive or of a resolution of the Board of Directors and shall be affixed in the presence of a Director or



the Chief Executive and he shall sign every instrument to which the Seal is affixed.

Secretary.

(ii) The Directors may provide for the use in any territory, district or place not situated in Pakistan, of an Official Seal which shall be a facsimile of the Common Seal of the Company, with the addition on its face of the name of every territory, district or place where it is to be used. The provisions of Section 213 of the Ordinance shall apply relative to the use of the Official Seal.

Common and official seals.

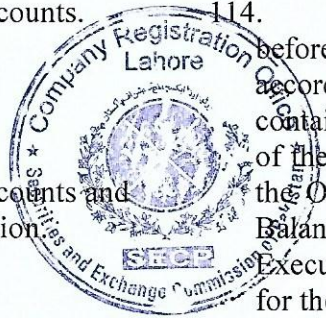
## ACCOUNTS

112. The Directors shall cause proper books of accounts to be kept, in which shall be entered true and complete accounts of the affairs and transactions of the Company, as required under Section 230 of the Ordinance.

113. The books of accounts shall be kept at the Office or at such other place(s) as the Directors think fit. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection by Members not being Directors. No member (not being Director) shall have any right to inspect the same, except as conferred by the Ordinance, or authorized by the Directors, or by any Resolution of the Company in General Meeting.

Books of accounts.

Books of accounts and their inspection.



114. At the Annual General Meeting every year, the Directors shall lay before the Members a Balance Sheet and profit and loss account in accordance with Section 233 of the Ordinance. The Balance sheet shall contain a summary of the property and assets and capital and liabilities of the Company in the form set out in fourth schedule (Section 234) of the Ordinance, or as near thereto as circumstances admit. Every such Balance Sheet and Profit and Loss Account shall be signed by the Chief Executive and at least one (1) Director and when the Chief Executive is for the time being not in Pakistan, then the Balance Sheet and Profit and Loss Account shall be signed by not less than two (2) Directors for the time being in Pakistan but in such case there shall be sub-joined to the Balance Sheet and Profit and Loss Account a statement explaining the reason for noncompliance with the foregoing provision.

Balance sheet and profit and loss accounts to be laid before the company at

115. The Directors shall in all respects comply with the provisions of Sections 230 to 247 of the Ordinance to the extent applicable to the Company.

116. The Balance Sheet and Profit and Loss Account shall be audited by the Auditors of the Company and shall be accompanied by a report of



annual general meeting.

the Directors as to the state and conditions of the Company, and as to the amount if any, which they recommend to be paid out of the profits by ways of dividends to the Members and the amount, if any, which they propose to carry to one or more reserves according to the provisions in that behalf therein contained and such additional particulars as are required to be contained therein under Section 236 of the Ordinance. Every report of the Directors shall be signed in accordance with the provision of Sub-Section (3) of Section 236 of the Ordinance.

## AUDITORS

Directors to comply with ordinance.

117. Once at least in every year the accounts of the Company shall be examined and the correctness thereof and of the Balance Sheet ascertained by one or more Auditor or Auditors.

Balance sheet to be accompanied by a report of directors.

118. Auditors shall be appointed by the Company at the Annual General Meeting in each year. The remuneration of the Auditors shall be determined by the Company in General Meeting. Any retiring Auditors shall be eligible for re-election this connection Section 252 to 257 of the Ordinance shall be complied with.

119. If one Auditor only is appointed all the provisions herein contain herein contained relating to Auditor shall be applied to him.

120. If any casual vacancy occurs in the office of Auditors, the Director may and shall forthwith fill up the same until the conclusion of the next Annual General Meeting.

Ascertaining the correctness of the accounts.

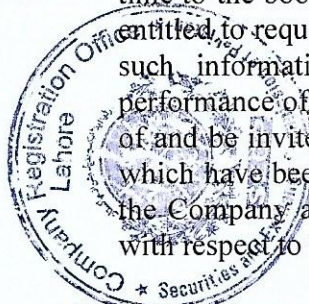
Appointment of the auditors.

121. The Auditor of the Company shall have a right of access at all time to the books, accounts and vouchers of the Company, and shall be entitled to require from the Directors and other officers of the Company such information and explanations as may be necessary for the performance of their duties as Auditor. The Auditors shall receive notice of and be invited to attend any General Meeting at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.

When one auditor only is appointed.

Casual vacancy in the office of auditor.

122. The profits of the Company which may have been from time to time determined to be divided among the Members in respect of any year or other period shall be divided proportionately among the holders of Ordinary shares. All Dividends shall be declared and paid according to the amounts paid up/or credited as paid up on the shares in respect





Auditors shall have a right of access to the books and notice of general meeting.

whereof the dividend is paid. ALL Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portions of the period in respect of which the Dividend is paid; but if any share is issued on terms providing that it shall rank for Dividend as from a particular date, such share shall rank for Dividend accordingly.

Rate and priority of preference dividend.

123. The Company in Annual General Meeting may, subject to any stipulations to the contrary contained in any agreement entered into by the Company and any other person, declare a Dividend to be paid to the Members according to their rights and interests in the profits.

124. Whenever in their opinion the profits of the Company permit, the Directors may declare an Interim Dividend.

125. If and whenever any bonus on shares is declared out of profit, and whether alone or in addition to any Dividend thereon, the bonus shall for all purposes, the bonus shall for all purposes, whatsoever, be deemed to be a Dividend on the shares.

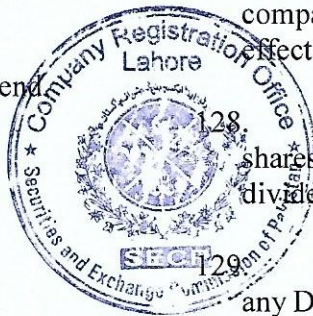
126. No larger Dividend shall be declared than is recommended by the directors. Subject to Section 248(2) of the Ordinance, no dividend shall be paid otherwise than out of the net profits of the year or any other undistributed profits of the Company.

The company may declare a dividend.

127. Any General Meeting declaring a Dividend may authorize payment of such Dividend wholly or in part by the distribution of paid-up-shares, debentures or debenture-stock of the Company or of any other company, or in any one or more of such ways, and the Directors may give effect to such resolution.

Interim dividend

Bonus.



128. In case two or more persons are registered as the joint holder of shares, any one of such persons may give effectual receipts for all dividends and payments on account of Dividends in respect of such share.

Dividend not to be larger than recommended by directors.

129. Unless otherwise directed by the Company in General Meeting, any Dividend may be paid in cash or by cheque or warrant or money order sent through the post to the registered address of the Member entitled, or in the case of joint holders, to the registered address of that one whose name stands first on the register in respect of the joint holders and every cheque so sent shall be made payable to the order of the person to whom it is sent.

Dividend may be paid by the distribution of paid up shares.

130. All Dividends on any share not having a legal registered owner entitled to require payment of and competent to give a valid receipt for the same, shall remain in suspense until some competent person be registered as the holder of the share.



Any of the joint holders may give effectual receipt.

Payment of the dividend.

Forfeiture of unclaimed dividend.

Compulsory procedure for payment of dividend.

Unpaid dividends shall not bear interest.

How notice to be served on members.

131. (i) No dividend shall be paid except to the registered holder of any share or to his order or to his bankers or to financial institution nominated by him for the purpose.

(ii) Nothing contained in clause (i) shall be deemed to require the bankers of a registered shareholder or the financial institution nominated by him to make a separate application to the company for payment of the dividend.

(iv) The dividend warrants shall be sent by the Company by registered post unless the shareholder entitled to receive the dividend requires otherwise in writing.

(v) When a dividend is declared, it shall become the exclusive responsibility of the Chief Executive of the Company to make payment in the manner provided in sub clauses (i) to (iii) above within forty-five days of the declaration of dividend without fail.

132. Unpaid Dividends shall not bear interest as against the Company.

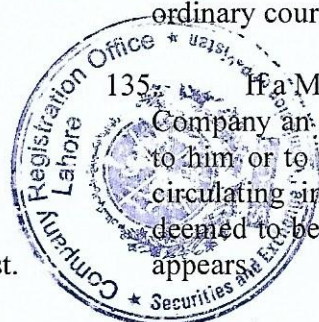
## NOTICES

133. A notice may be given by the company to any Member either personally or by sending it by post or air mail to him to the registered address supplied by him to the Company for the giving of notice to him, either with or without the country.

134. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

135. If a Member has no registered address and has not supplied to the Company an address for the giving of notice to him, a notice addressed to him or to the shareholders generally and advertised in a newspaper circulating in the Province, in which the office is situated, shall be deemed to be duly given to him on the day on which the advertisement appears.

136. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the Register in respect of the share and a notice so given shall be sufficient notice to all the holders of such shares.





Service by post.

137. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a Member through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased, or assign of the insolvent or by any like description at the address (if any) in Pakistan supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice by advertisements.

138. Notice of every General Meeting shall be given in the manner herein before authorized to (a) every Member of the Company, Except those Members who have no registered address or have not supplied to the Company an address for the giving of notice to them, to (b) every person entitled to a share in consequences of the death or insolvency of a Member, who but for his death or insolvency would be entitled to receive notice of the meeting, and also to (c) the Auditors of the Company for the time being.

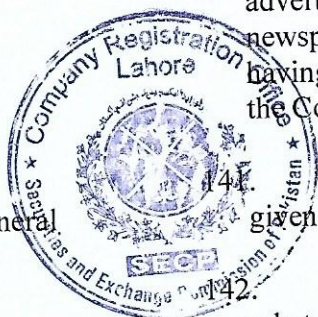
Notice to joint holders.

139. Any notice required to be given by the Company to the Members, or any of them, and not expressly provided for otherwise by these Articles, shall be sufficiently given if given by advertisement.

Notice to persons entitled by transmission.

140. Any notice required to be or which may be given by advertisement shall be advertise at least in one issue each of a daily newspaper in English language and daily newspaper in Urdu language having circulation in the Province in which the Stock Exchange, on which the Company is listed, is situated.

Notice of general meeting.



141. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.

When notice may be given by advertisement.

143. Any notice or document delivered or sent by post or left at the registered address of any Member in pursuance of these presents shall not withstanding such Member be then deceased and whether or not he Company has notice of his decease, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such

How to be advertised.



notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.

When notice by  
advertisement deemed  
to be served.  
Transferees etc. bound  
by prior notice.

144. The signature to any notice to be given by the Company may be written or printed.

## WINDING UP

Notice valid through  
member deceased.

145. If the Company shall be wound up and the surplus assets shall be more than sufficient to repay the whole of the paid up capital, the excess shall be distributed among the Members in proportion to the capital paid up on ordinary shares held by them respectively at the commencement of the winding up, and if the surplus assets shall be insufficient to repay the whole of the paid up capital such surplus assets shall be distributed so that, as near as may be, the losses shall be borne by the Members in proportion to the capital paid up on ordinary shares held by them respectively at the commencement of the winding up.

How notice to be  
signed.

146. In a winding up the Liquidator may, irrespective of the powers conferred on him by the Ordinance and as an additional power, with the authority of a Special Resolution, sell the undertaking of the Company, or the whole or any part of its assets, for shares fully paid up or the obligations of or other interest in any other company and may, by the contract of sale, agree for the allotment to the member directly of the proceeds of the sale in proportion to their respective interests in the company. Any such sale or arrangement or the Special Resolution confirming the same may, subject to any special rights of shareholders contained in these Articles, provide that a time may be limited at expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator or the purchasing company.

D  
isposal of surplus  
assets in case of  
winding up.

Power of the  
liquidator.



147. If the Company shall be wound up whether voluntarily or otherwise, the Liquidator may, with the sanction of Special Resolution, divide amongst the contributories in specie or kind any part of the assets of the Company in trustees upon such trusts for the benefits of the contributories or any of them, as the Liquidators, with like sanction, shall think fit.

148. A special resolution, sanctioning a sale to any other company duly passed pursuant to the provisions of the Ordinance may, in like manner as aforesaid, determine that any shares or other consideration, receivable by the liquidators be distributed amongst the Members.

## RECONSTRUCTION



Division of assets.

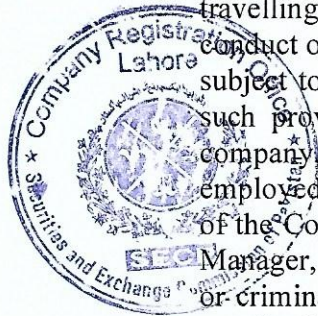
Sale of total undertaking.

Reconstruction.

149. On any sale of the undertaking of the Company the Directors or Liquidator on a winding up, may, if authorized by a special resolution accept fully paid up shares, debentures or securities of any other company whether incorporated in Pakistan or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company and the directors (if the profits of the Company permit) or the Liquidator (in a winding up) may distribute such shares or securities or any other property of the other company amongst the Members without realization or vest the same in trustees for them, and any special resolution may provide for distribution or appropriation of the cash, shares or other securities, benefits, or property and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and shall waive all rights in relation thereto save only, in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under the law, as are incapable of being varied or excluded by these presents.

## INDEMNITY

150. Every Director, Chief Executive, Officer or servant of the Company shall be indemnified out of its funds for all costs, charges, travelling or other expenses, losses and liabilities incurred by him in the conduct of the Company's business, or in the discharge of his duties and subject to the provisions of section 194 of the Ordinance and so far as such provisions permit, every Directors, manager and officer of the company, and any person (Whether an officer of the Company or not) employed by company as Auditor, shall be indemnified out of the funds of the Company against any liability incurred by him as such Director, Manager, Officer or Auditor in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 488 of the Ordinance in which relief is granted to him by the Court.



Indemnity.

151. Subject to the provisions of Section 194 of the Ordinance and so far as such provisions permit no Director, Chief Executive, auditor, or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, Auditor or officer, or for joining in any receipts, or other act for conformity or for loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon



which any of the moneys of the company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person with whom any moneys, securities, or effects shall be deposited or for any loss occasioned by any error of judgment, omission default, or oversight, on his part, or for any loss damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

#### SECRECY

Individual  
responsibility of  
directors.

152. (i) Every Director, Chief Executive, Manager, Auditor, Trustee, Member of a committee, officer, servant, Agent, accountant, or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of Law and except so far as may be necessary in order to comply with any of the Provisions in these presents contained.

(ii) No member shall be entitled to require discovery of any information respecting any detail of the Company's business or any matter which is or may be related to the conduct of the business of the Company and which, in the option of the Board, it will not be expedient in the interest of the Members of the Company to communicate to the public.

Secrecy.





We, the several persons whose names and addresses, are subscribed below, are desirous of being formed into a company in pursuance of the Articles of Association and we respectively agree to take the number of shares in the Capital of the company as set opposite to our respective names.

| Names, Addresses and Description of Subscribers                                   | Numbers of shares taken by each subscriber | Names, addresses and Description of Witness   |
|---|--|---|
| 1. Khawaja Mohammad Amin<br>13. Tan Bazar Narayanganj<br>(Business)               | 2500 Shares                                | <div>Signed By</div> <div>Mohammad Shafiq Raja</div> <div>Mohammad Asghar Lane,<br/>Urdu Road,<br/>DACCA<br/>(Business)</div> |
| 2. Khawaja Mohammad Yousuf<br>13. Tan Bazar Narayanganj<br>(Business)             | 2500 Shares                                |   |
| 3. Khawaja Mohammad Hanif<br>13. Tan Bazar Narayanganj<br>(Business)              | 2500 Shares                                |   |
| 4. Khawaja Mohammad Jaweed<br>13. Tan Bazar Narayanganj<br>(Business)             | 2500 Shares                                |   |
| 5. Khawaja Mohammad Jahangir<br>186, Qauid-e-Azam Road,<br>Narayanganj (Business) | 2500 Shares                                |   |
| 6. Khawaja Mohammad Tanvir<br>186, Qauid-e-Azam Road,<br>Narayanganj (Business)   | 2500 Shares                                |   |
| 7. Mr. Taiyeb Kapadia<br>27. MohimGaungali Road,<br>Narayanganj (Business)        | 20 Shares                                  |   |
| Dated the ..... day of .....  |  |   |

