

The Companies Ordinance, 1984

Private company limited by shares.

Memorandum of Association of

PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION (PRIVATE) LTD.

REGISTERED OFFICE

- I. The name of the Company is the "PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION (PRIVATE) LIMITED".
- II. The registered office of the Company will be situated at Karachi in the Province of Sindh.

OBJECTS

- III. The Objects for which the Company is established are as under:
 1. To acquire, manage and take over the running business, properties, assets, shares in subsidiaries and other Limited Companies and liabilities of the Pakistan Industrial Development Corporation in accordance with the Order to be issued under the Ordinance or the Federal Government of Pakistan providing for the dissolution of Pakistan Industrial Development Corporation.
 2. To foster a spirit of enterprise, facilitate entrepreneurs and promote development of internationally competitive industry.
 3. To promote economic and industrial development of the country by the company itself or in collaboration with the private sector.
 4. To facilitate in the establishment of a conducive environment for growth of the industry.

5. To act as the primary vehicle for facilitating industrialization by focusing on creating enabling environments for different segments of the industries & establishment of industrial parks in the country by itself or in collaboration with the private sector.
 6. The undertake feasibility studies, survey and investigations for setting up industrial units on its own or on behalf of or in collaboration with other organizations in Private, Public Sector (local/foreign).
 7. To set up, manage and/or run a project/undertaking or business venture on behalf of or in collaboration with any person/organization in Private/Public Sector (local/foreign).
 8. To carry on the business of spinning, weaving, and otherwise manufacturing jute, jute products and bye-products, including jute sacking, jute bags, hessians, jute carpets, jute matting, jute twines and all other goods and things which are or which can be manufactured or made of jute.
 9. To weave and otherwise manufacture cloth of cotton yarn, wool, silk, flax, rayon, nylon, tetron, decron and all other man-made fibres, to prepare and manufacture embroidery cloth, specialized textile, artificial silk, felted, knitted, looped and all other kinds and descriptions of cloth.
 10. To spin, manufacture and prepare all kinds of yarn, thread, fibre, synthetic fibre and man-made fibre which are or may be used in manufacturing cloth of any kind or description.

 11. To carry on the business of bleaching, curing, processing, dyeing and printing cloth, yarn, linen, wool, cotton, jute, fibres, man-made fibres and all other kinds of materials and substances, makers of vitriols, bleaching and dyeing powder, materials and substances.
 12. To carry on the business of ginner, pressers, packers and balers of cotton, wool, silk, artificial silk, jute and all other fibrous materials and substances.
 13. To manufacture, make and prepare carpets, blankets, curtain cloth, matting, water proof cloth, canvas, plastic sheets, hosiery goods, towels, bed sheets, garments and all other allied goods and things.
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14. To carry on the business of exporters, importers and merchants of all kinds of cloth, yarn, textiles, cotton, wool, silk, jute, fibrous materials and man-made fibres.
15. To carry on the business of manufacturers, producers, importers, exporters, and merchants of all kinds of paper and card board including paper for printing news-papers, packing paper, decorative paper, sensitized and coated paper of all kinds and descriptions for making and producing blue prints of constructions and other drawings, photostats, photographs, carbon copies and other things of similar character.
16. To carry on the business of manufacturers, exporters, importers and merchants of cement and allied products, to take on lease or otherwise acquire quarries, to deal in lime, stone, plaster, clay, granite and other allied products.
17. To manufacture and produce sugar and allied products from sugarcane, white beet, gur, molasses and any other substances, produce and to import, export, buy and sell sugar, sugar candy, gur, molasses and all other by-products, to plant, grow, produce, improve, finance and promote the cultivation of sugarcane, white beet and other crops and herbs for the purposes of the company.
18. To treat, distill, refine and process chemicals, minerals and substances, to manufacture, prepare, package, import, export, buy, sell, supply, distribute and generally deal in artificial manures and chemical fertilizers.
19. To carry on the business of manufacturers, importers, exporters and merchants of soda ash, caustic soda, sulphuric acid, dyes and paints, insecticides, pesticides, and chemicals, pharmaceuticals and dyestuffs of all kinds and descriptions.
20. To export, import, buy, sell and deal in coal, coke, peat and other similar combustible materials and all other type of materials.
21. To manufacture, import, export, buy, sell and deal in clay products, earthenware and pottery, kaolin, lime, cement, gypsum, sand and other earthly matter or combination of two or more of them.

22. To manufacture and prepare all kinds of refractory products, to undertake and execute all types of refractory works in kilns, ovens, boilers, furnaces and all other places where refractories can be used.
 23. To establish and carry on timber industry, sports goods industry and other industries based on forest products.
 24. To crush, treat, mine, quarry, smelt, calcine, refine, dress and prepare for market iron ore magnesite and mineral substances of all kinds, and to carry on other metallurgical operations which may seem conducive to any of the objects of the Company.
 25. To carry on the business of manufacturers and producers of electronics including transistors, radio sets, television sets, transmitting sets, telecommunication equipments, electric and wireless sets, inter-communication systems, computers, satellites, components and spare parts of all electronics.
 26. To manufacture, assemble, import, export, market and deal in plants, machinery, component and spare parts, accessories, appliances, equipment and all other articles and things capable of being used in any of the company's business or which may be required by the customers and persons having dealings with the company.
 27. To carry on any other trade or business which may seem to the Company capable of being carried on in connection with any of the Company's objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties, assets or rights.
 28. To purchase of otherwise acquire in part or whole the business, assets and property of any firm, company, corporation, society, or person which may be or deem to be within the objects of the Company and to take over and discharge all or any of the liabilities thereof.
 29. To erect and install any plants, machine, and equipment and establish any mills, factories, laboratories, showrooms and sales offices for the purposes of the Company.
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30. To buy, sell, import, export, manufacture, manipulate, treat, prepare and deal in merchandise, commodities, articles, goods and things of all kinds and descriptions, and generally to carry on business as merchants, importers, exporters, manufacturers and assemblers, either by itself or in collaboration with Private Sector.
31. To acquire for consideration or otherwise from any organization, institution, corporation, company, person technical knowledge, know-how, processes, recipes, formulas, engineering and manufacturing data, lay outs, blue prints and services useful for carrying out all or any of the objects of the Company.
32. To take agency or agencies and to act as agents, distributors and representatives of any other company, corporation, society, firm or person.
33. To direct the management, operation and maintenance of the businesses, properties and estates belonging to the Company and to acquire by purchase or otherwise own, possess, hold, manage, buy, sell, convey, lease, mortgage or encumber real or other property, to convey, sub-divide, improve and develop the same for industry, trade, business or residence.
34. To purchase or otherwise acquire shares, scrips, coupons, stocks, debentures or debenture bonds of any other company and Government securities, to sell and dispose of the same or any of them.
35. To enter into partnership or into agreement for sharing profits, cooperation, joint venture, reciprocal concessions or otherwise with any person, firm or company to carry on any business or transaction which the Company is authorized to carry on.
36. To pay all or any costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
37. To employ engineers, technicians, mechanics and persons conversant with technology and having all technical expertness and practical skill in all phases of the industry in which they are employed and such other staff, persons as may be deemed necessary or proper for the efficient handling and carrying on the business of the Company.

38. To adopt such means of making known the commodities, articles, goods and products of the Company as may seem expedient and in particular by advertising in the Press, through film projectors and cinema houses, via television and radio, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and granting prizes, rewards and donations.
 39. To grant donations, make contributions and give financial assistance to charitable and other societies, associations, clubs, schools, colleges and universities and other institutions as may be deemed proper.
 40. To appoint agents, representatives and distributors and to establish agencies and branches of the Company.
 41. To sell or dispose of or transfer the business, property whether movable or immovable, undertaking of the Company or any part thereof for such consideration as the Company may think fit.
 42. To open accounts, overdraft accounts and such credit with or without security, to keep fixed and other deposits with any bank, to draw, accept, discount, execute, sign, issue and deal in cheques, bills of exchange, drafts, promissory notes, bills of lading, debentures, bonds, warrants, debenture coupons, and other negotiable instruments in connection with the business of this Company.

 43. To borrow money at any time and from time to time for the purpose of the Company with or without securities upon such terms as the Directors may deem expedient and in particular by taking advances from or by cash credit or current or overdraft accounts with any bank, financial institution, society, company, organization or an individual, including the directors of the Company, and/or by mortgage, hypothecation, charge, pledge or by the issue of debentures charged upon all or any of the Company's properties (both present and future) including its uncalled capital or by such other means as the directors may in their absolute discretion deem fit.
 44. To do all or any of the above things in any part of the world and as principals, agents or trustees or otherwise.
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45. To undertake any job that may be assigned by the Government.
46. To do such other things as are incidental or conducive in the opinion of the Board of Directors to the attainment of the above objects or any of them, either by itself or in collaboration with Private Sector.
47. It is hereby undertaken that the Company shall not engage in banking or the business of an investment Company or in any unlawful business and that nothing in the object clause shall be construed to entitle it to engage in any such business.

LIABILITY OF MEMBERS

- IV. The liability of members is limited.

CAPITAL

- V. The authorized capital is Rs.1,000 million (Rupees one thousand million only) divided into 10,000,000 ordinary shares of Rs.100/= each.

We the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take number of shares in the capital of the Company set opposite our respective names:

S.#	Name and surname (Present and former) in full (in Block Letters)	Father's/ Husband's Name in full	Nationality with any former nationality.	Occupation	Residential address in full	Number of shares taken by each subscriber	Signature
1.	Furqan Ahmed Rabbani, Director (Finance), Pakistan Industrial Development Corporation, Karachi.	Mr. Tufail Ahmed.	Pakistani	Service	D-32, Block 'J', North Nazimabad, Karachi.	One	
2.	S. Ziaur Rehman Shami, Secretary, P.I.D.C.	Mr. S. Faizur Rehman Shami.	Pakistani	Service	67/11, 2 nd Street, Phase V, Defence Housing Society, Karachi.	One	

Dated, the _____ day of _____

Witness to above signatures.

(Full Name, Father's/Husband's Name)
in Block Letters)

Signature

Full
Address

Occupation

The Companies Ordinance, 1984

Private company limited by shares.

Articles of Association of

PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION (PRIVATE) LTD.

1. The regulations contained in Table 'A' in the First Schedule to the Companies Ordinance 1984 shall be the regulations of this Company so far as these are applicable to a private company and are not amended or substituted by Articles herein given below or unless the same are repugnant to clauses hereinafter contained.

INTERPRETATION

2. In these presents, unless there be something in the subject or context inconsistent therewith:

"The Company" or "this company" means the above-named Company.

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

"The Office" means the Registered Office for the time being of the Company.

"The Government" means the Federal Government of Pakistan.

"Words importing the singular number" include the plural number.

"Words importing the plural number" include the singular number.

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

Subject as aforesaid, any words or expressions defined in the Ordinance shall, except where the subject or context forbids, bear the same meaning in these Articles.

3. The Company is a private company, and accordingly:
- (a) the number of members for the time being of the company (exclusive of persons in the employment of the company) is not to exceed fifty but where two or more persons hold one or more shares in the company jointly they shall for the purposes of this sub-clause be treated as a single member.
 - (b) Any invitation to the public to subscribe for any shares or debenture of the company is prohibited.
 - (c) The right to transfer of shares shall be restricted as hereinafter provided.

The business and function of the company shall, amongst others, be to ensure that companies, projects, surveys, institutions, establishments, properties and undertakings envisaged by or under the Pakistan Industrial Development Corporation Ordinance, 1962 (Central Ordinance No. XXXVIII of 1962) or by any other central laws, orders, ordinances and regulations or which may be entrusted to the company by the Federal Government in pursuance of any law, direction whether in force or brought into force hereinafter are managed, run and operated efficiently and that activities harmonized, coordinated and rationalized in accordance with sound business principles in the greater public interest and to ensure that the existing employees of the present aforesaid bodies and companies are protected at all times and to foster a spirit of enterprise, facilitate entrepreneurs and promote development of internationally competitive industry, to promote economic and industrial development of the country by itself or in collaboration with the private sector, to facilitate in the establishment of a conducive environment for growth of the industry and to act as the primary vehicle for facilitating industrialization by focusing on creating enabling environments for different segments of the industries and establishment of industrial parks in the country by itself or in collaboration with the private sector. Towards these ends the Company may acquire part or all of the equity in said companies, projects, surveys, institutions, establishments and undertakings and or enter into any such agreements, contracts, amalgamations, schemes, mergers and other such like or other arrangements whatever with the same and or shareholders thereof and or abide and comply with any arrangements that the Federal Government or any other competent authority may cause for fulfillment/accomplishment of the said purposes in pursuance of any law or statutory instrument whether in force or brought into force hereinafter. Nothing herein contained shall prejudice the right and powers of the Company to undertake any business authorized by the Memorandum.

SHARE CAPITAL

4. The authorized capital of the Company is Rs.1,000 million (Rupees one thousand million) divided into 10,000,000 ordinary shares of Rs.100/= each carrying equal rights with regard to voting dividend and all other matters.
5. No shares shall be offered for subscription except upon the term that the amount payable on application shall be the full amount of the nominal value of the share.
6. The directors shall, as regards any allotment of shares, duly comply with such of the provisions of sections 68 to 73, as may be applicable thereto.
7. Save as herein otherwise provided, the company shall be entitled to treat the person whose name appears on the Register of members as the holder of any shares as the absolute owner thereof, and accordingly shall not (except as ordered by a court of competent jurisdiction) be bound to recognize any benami transaction, trust or equitable, contingent or other interest whether or not it shall have express or implied notice thereof.

CERTIFICATE

8. Every person whose name is entered as a member in the register of members shall, without payment, be entitled to receive, within two months after allotment or within forty-five days of the application for registration of transfer, a certificate under the seal specifying the share or shares held by him and the amount paid up thereon:

Provided that, in respect of the share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

9. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding one rupee, and on such terms, if any, as to evidence and indemnity and payment of expenses incurred by the company in investigating title as the directors think fit.

10. Except to the extent and in the manner, allowed by section 95, no part of the funds of the company shall be employed in the purchase of, or in loans upon the security of, the company's shares.

LIEN

11. The company shall have a first and paramount lien upon all shares registered in the name of each member (whether solely or jointly with others) for his debts, liabilities and engagements solely or jointly with any other person to or with company, whether the time for the payment fulfillment, or discharge thereof shall have arrived or not. Any such lien shall extend to all dividends, from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the company's lien, if any, on such shares. The directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.
12. The company may sell, in such manner as the Directors think fit, any shares on which the company has a lien, but no sale shall be made unless the sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of whole amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of shares, or the persons entitled by reason of his death or insolvency to the shares.
13. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debts, liabilities, or engagements of such member and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold.

TRANSFER OF SHARES

14. No transfer of any share shall be made or registered without the previous sanction of the Directors.

15. If the directors refuse to register a transfer of shares, they shall within one month after the date on which the transfer deed was lodged with the company send to the transferee and the transferor notice of the refusal.
16. An application for transfer of shares will be accompanied by the certificate or certificates of shares and an instrument of transfer duly stamped and executed by the transferor and transferee in the presence of two witnesses who will also sign the instrument in witness that it was executed by the transferor and transferee in their presence. Each witness will write his full name, address and occupation under his signature.
17. The transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
18. All instruments of transfer which shall be registered shall be retained by the company, but any instrument of transfer which the Board may decline to register shall be returned to the person depositing the same, within fifteen days from date of refusing the transfer.

TRANSMISSION OF SHARES

19. The executors, administrators, heirs, or nominees, as the case may be, of a deceased sole holder of a share shall be the only persons recognized by the company as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the executors or administrators of the deceased survivor, shall be the only persons recognized by the company as having any title to the share.
20. Any person becoming entitled to a share in consequence of the death or insolvency of a member shall, upon such evidence being produced as may from time to time be required by the directors, have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or insolvent person could have made; but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or insolvent person before the death or insolvency.

21. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

INCREASE AND REDUCTION OF CAPITAL

22. Subject to the prior consent of the Government and the Ordinance the company may from time to time in general meeting by special resolution increase its authorized capital and create new shares of such amount as it thinks expedient.
23. Subject to the provisions of the Ordinance, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the directors, be conveniently offered under this regulation.
24. The new shares shall be subject to the same provisions with reference to transfer, transmission and otherwise as the shares in the original share capital.
25. The Company may, by ordinary resolution:
- (a) consolidate and divide its share capital into shares of 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 clause (d) of sub-section (1) of section 92;
 - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
26. The company may, by special resolution, reduce its share capital in any manner and with, and subject to, any incident authorized and consent required, by law.

JOINT HOLDERS

27. Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these Articles:
- (a) The Directors shall be entitled to decline to register more than four persons as the joint holders of any share.
 - (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all payments which ought to be made in respect of such shares.
 - (c) On the death of any such joint holder the survivor/survivors shall be the only person or persons recognized by the company as having any title to the share, unless otherwise decided by the consent of the survivors and legal heirs of the deceased or by a court of competent jurisdiction in Pakistan, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
 - (d) Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such shares.

- (e) Only the person whose name stands first in the register of members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notice (which expression shall be deemed to include all documents mentioned in Article 93) from the company and any notice given to such person shall be deemed notice to all the joint holders.
- (f) Any one of two or more joint holders may vote at any meeting either personally or by an agent duly authorized under a power of attorney by proxy in respect of such share as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney, then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such share shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorized under a power of attorney or by proxy, although the name of such person present by an agent or proxy stands first in the register in respect of such shares. Several executors or administrators or holders of Succession Certificate of a deceased member in whose (deceased member's) sole name any share stands, shall for the purposes of this clause be deemed joint holders.

BORROWING POWERS

28. Subject to the provisions of the ordinance and the consent of the Government, the Directors may from time to time at their discretion borrow sum or sums of money for the purposes of the company PROVIDED THAT the Directors shall not, without the sanction of a General Meeting of the Company by a Special Resolution so borrow any sums of money which will make the amount borrowed by the Company and then outstanding exceed the issued share Capital of the Company for the time being. Nevertheless no lender or other person dealing with the Company shall be concerned to see or enquire whether this limit is observed.
29. The Directors may borrow money either without giving any security or may secure that payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stocks,

or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the company (both present and future), including its uncalled capital for the time being.

30. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the company by way of indemnity to secure the Directors or persons so become liable as aforesaid from any loss in respect of such liability.

GENERAL MEETING

31. A general meeting, to be called annual general meeting, shall be held in accordance with the provisions of section 158, within eighteen months from the date of incorporation of the company and there after once at least in every year within a period of six months following the close of its financial year and not more than fifteen months after the holding of its last preceding annual general meeting as may be determined by the directors.
32. The directors may, whenever they think fit, call an extra ordinary general meeting, and extraordinary general meeting shall also be called on such requisition or in default, may be called by such requisitionists, as is provided by section 159. If at any time there are not within Pakistan sufficient directors capable of acting to form a quorum, any director of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be called by the directors.
33. Twenty one days notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business, shall be given in manner provided by the Ordinance for the general meeting, to such persons as are, under the Ordinance or the regulations of the company, entitled to receive such notices from the company, but the accidental omission to give notice to, or the non-receipt of notice by, any member shall not invalidate the proceedings at any general meeting.

34. All business shall be deemed special that is transacted an extraordinary general meeting, and also all that is transacted at an annual general meeting with the exception of declaring a dividend, the consideration of the accounts balance sheet and the reports of the directors and auditors, the election of directors, the appointment of, and the fixing of the remuneration of, the auditors.
35. With the consent of all members in writing entitled to receive notice of a meeting, or to attend and vote at any such meeting, may be convened by a shorter notice or in any manner they think fit.

PROCEEDINGS AT GENERAL MEETINGS

36. Two members shall be a quorum for a General Meeting, and no business shall be transacted at any general meeting unless the quorum requisite be present at the commencement of the business.
37. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, but if he be not present within fifteen minutes of the time appointed for holding such meeting, the members present may choose one of the Directors as Chairman of that meeting, and if none of the Directors is present or is unwilling to act as Chairman the member present shall choose one of their number to be the Chairman.
38. If within half an hour after the time appointed for the holding of a general meeting, a Quorum be not present the meeting, if called upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present being not less than two shall be a quorum.
39. Subject to the provisions of the last preceding Articles, the Chairman with the consent of the meeting, may adjourn any meeting from time to time and from place to place.

40. No business shall be transaction at any adjourned meeting other than business which might be transacted at the meeting from which the adjournment took place.
41. At any general meeting a resolution put to the vote of 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 the provisions of section 167 of the Ordinance. A declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority, or lost and an entry to that effect in the books 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 favour of or against such resolution.
42. If a poll is duly demanded, it shall be taken in accordance with the manner laid down in section 168 and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
43. A poll demanded on the election of chairman or on a question of adjournment shall be taken at once.
44. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall have and exercise a second or casting vote.
45. The Directors shall cause minutes to be duly entered in books provided for that purpose of all resolutions and proceedings of general meetings and of meetings of the Directors, and any such minutes if signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, shall be prima facie evidence of the matters stated in such minutes.

VOTES OF MEMBERS

46. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present

in person shall have one vote except for election of directors in which case the provisions of section 178 shall apply, on a poll every member shall have voting rights as laid down in section 160.

47. In case of joint-holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint-holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
48. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
49. On a poll votes may be given either personally or by proxy
50. (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing. A proxy must be a member.

(2) An instrument appointing a proxy may be in the following form, or a form as near thereto as may be:

..... Limited.

"I _____ of _____ in the district of _____ being a member of the _____ 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.

51. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney, shall be deposited at the Registered Office of the company not later than Forty-eight hours before the time for holding the meeting at which the person named in the instrument

proposes to vote, and in default the instrument of proxy shall not be treated as valid.

52. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy, or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting.
53. No objection shall be made to the validity of any vote except at the meeting or poll or election at which such vote shall be tendered and every vote whether given personally or by proxy not disallowed at such meeting or poll or election shall be deemed valid for all purposes of such meeting or poll or election whatsoever.

DIRECTORS

54. The number of Directors shall not be less than three nor more than twenty, such number to be fixed from time to time by the Board, unless the Government otherwise directs.
55. Only a natural person shall be a director and no director shall be the variable representative of a body corporate.
56. The First Directors of the Company shall be appointed by the Government, or in the absence of such appointment, by the subscribers to the Memorandum: provided that any Directors appointed by the Subscribers to the Memorandum shall be deemed to have resigned from office upon the appointment of Directors by the Government.
57. A Director who is out of Pakistan or is about to go out of Pakistan may with the approval of the Directors appoint an Alternate Director to act for him, during his absence for a period of not less than three months, and such appointment shall have effect and such appointee while he holds office as

Alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly; but he shall ipso facto vacate office if and when the appointer returns to Pakistan or vacates office as Director or removes the appointee from office, and any appointment and removal under this clause shall be effected by notice in writing under the hand of the Director making the same.

PROCEEDINGS OF DIRECTORS

58. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit.
59. The meetings of the Board of Directors will be summoned from time to time as may be deemed necessary or expedient. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be three.
60. The Chairman of the Board will preside over all the meetings of Directors. If at any such meetings the Chairman is not present within 10 minutes after the time appointed for holding the meeting or expresses his inability to take the chair, the Directors present shall choose one of their member to be the Chairman of the meeting.
61. Questions arising at any meeting shall be decided by a majority of votes. In case of equality of votes, the Chairman shall have and exercise a second or casting vote.
62. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions by or under the Articles of the company for the time being vested in or exercisable by the Directors generally.
63. A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

64. All acts done by any meeting of the Directors shall notwithstanding that it afterwards be discovered that there was some defect in the appointment of such Directors or any of them, or that they or any of them were disqualified, be as valid as if, every such person had been duly appointed as was qualified to be a Director.

REMUNERATION OF DIRECTORS

65. Each Director including Chairman shall be paid out of the funds of the company such fees as may from time to time be fixed by the Directors in accordance with the provisions of law and the directives of the Government for the time being in force.
66. If any Director shall be called upon to perform any extra services or make any special exertion or to go out of the place of his ordinary residence for any purpose of the company or to give special attendance to or be actively engaged in the business of the company, he shall be paid such remuneration, allowances and perquisites as may be determined in general meeting in accordance with the provisions of law and Government notifications for the time being in force.

POWER AND DUTIES OF DIRECTORS

67. The business of the company shall, subject to any general or specific orders issued by the Government from time to time, be managed by the Directors who may exercise all such powers of the company and do on behalf of the company all such acts as may be exercised and done by the company and as are not by the statutes or by these Articles required to be exercised or done by the Company in general meeting subject nevertheless to any regulations in these Articles, to the provisions of the statutes and to such regulations as may from time to time be prescribed by the company in general meeting, but no regulation made by the company in general meeting shall invalidate any prior act of the Directors, which would have been valid if such regulation had not been made.

TERM OF OFFICE, REMOVAL AND CASUAL VACANCIES

68. Such of the first Directors of the Company who have not been appointed by the Government shall hold office until the first Annual General Meeting of the Company.
69. After the first appointment of Directors, the number of Directors determined by the Board under Article 54 who have not been appointed by the Government shall subject to the provisions of the Ordinance be elected to office by the members in General Meeting in the following manner, namely:
- ✦ a Member shall, subject to Article 66 here above, have such number of votes as is equal to the product of voting shares or securities held by him and the number of Directors to be elected;
 - ✦ 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
 - ✦ the candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who gets the next highest number of vote shall be so declared, and so on until the total number of Directors to be elected has been so elected;
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- ✦ no person, other than a retiring Director, shall be eligible for election as a Director unless his candidature for election has been lodged in writing at the Office not less than seventy two hours before the Meeting at which an election of Directors is to take place.
70. A Director, other than a Director appointed by the Government, shall hold office for a period of not more than three years, unless he earlier resigns, becomes disqualified from being a director or otherwise ceases to hold office. An election of Directors in the manner prescribed by the preceding Article shall be held once in every three years.

71. Not with standing the provisions of Article 69 above, the Government shall have the right to nominate Directors on the Board and may at any time remove such nominee Directors or any of them and appoint others or another in their or his place. Any such appointment or removal shall hold effect as from the receipt of Notification in writing therefor by the company at the office.

PROVIDED that for each Director nominated by the Government on the Board such number of votes computed in the manner laid down in Article above as is equal to the minimum number of votes which would have been sufficient to elect such Director if he had offered himself for election shall stand excluded from the total number of votes otherwise available at an election of Director to the Government.

CASUAL VACANCY

72. Any casual vacancy occurring among the Directors may be filled up according to the provisions of section 180(2) read with section 183(b) of the Ordinance and the person so appointed shall hold office for the remainder of the term of the Director in whose place he is appointed.

RESIGNATION OF DIRECTORS

73. A Director may resign from his office upon giving one month's notice in writing to the company of his intention to do so, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance.

REMOVAL OF DIRECTORS

74. The company may remove a Director but only in accordance with the provisions of the Ordinance.

DISQUALIFICATION OF DIRECTORS

75. A Director shall vacate his office on the happening of any of the disqualifications set out in section 188 of the Ordinance or on the happening of any of the following events, that is to say:
- (a) On his failing to pay calls made on him in respect of shares held by him within six months of such call being made.
 - (b) On his becoming bankrupt or insolvent or suspending payment or compromising with his creditors.
 - (c) On his resignation from office by notice in writing to the company, as provided in Article 73 hereof.
 - (d) On his removal by the company in general meeting as provided by Article 74 hereof.
 - (e) On his removal through an order issued by Federal Government.

CHAIRMAN

76. Upon the first appointment, and thereafter upon each election of Directors, and unless the Government shall have appointed a Chairman, the Directors shall appoint a Chairman from amongst themselves, who shall be the Chairman of the Board, and determine the period for which he is to hold office.
77. The Board may from time to time delegate all or any of their powers to a committee or committees consisting of two or more Directors as they think fit. Any committee so formed shall conform to any regulations that may be imposed upon it by the Board and shall be governed, in the exercise of the powers so delegated, by the provisions herein contained for regulation meetings and proceedings applicable to the Directors.
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CHIEF EXECUTIVE

78. (a) The directors shall appoint a Chief Executive in accordance with the provisions of sections 198 and 199 unless the Government has appointed a Chief Executive.
- (b) The Chief Executive shall subject to the provisions of section 191 of the Ordinance received such remuneration (whether by way of salary, commission, participation in profits, allowances, perquisites, etc., or partly in one way and partly in another, as may be determined by the Government, or in the absence of such determination, as the Directors may fix and the Controller of Capital Issues may approve, if such approval is required by law.
- (c) The Chief Executive may, subject to any general or specific orders issued by the Government from time to time, exercise all the powers of the Directors hereunder collaterally with the Board, subject only to such restrictions as may from time to time be imposed by the Board. In particular, and without prejudice to the generality of the foregoing, the Chief Executive shall have authority over and responsibility for the management of the day-to-day affairs of the company and the conduct of its business, and the custody and maintenance of its properties, assets, records and accounts.

THE SEAL

79. The directors shall provide for the safe custody of the seal and the seal shall not be affixed to any instrument except by the authority of a resolution of the board of directors or by a committee of directors authorized in that behalf by the directors and in the presence of at least two directors and of the secretary or such other person as the directors may appoint for the purpose; and those two directors and secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

80. The Company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the directors.
81. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.
82. No dividends shall be paid otherwise than out of profits of the year or any other undistributed profits.
83. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
84. (1) The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of company or be invested in such investments (other than shares of the company) as the directors may, subject to the provisions of the Ordinance, from time to time think fit.
- (2) The Directors may carry forward any profits which they may think prudent not to distribute, without setting them aside as a reserve.
85. If several persons are registered as joint-holders of any share, any one of them may give effectual receipt for any dividend payable on the share.

86. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.
87. The dividend shall be paid within the period laid down in the Ordinance.

CAPITALIZATION

88. Subject to the prior consent of the Government, any General Meeting may by special Resolution resolve that any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization of any capital assets of the company) standing to the Reserve Fund or any other Fund of the company and available for dividend or representing premium received on the issue of shares and standing to the credit of the shares premium account be capitalized:

(1) by distributing among the holders of the shares of the company or any of them on the footing that they become entitled thereto as capital in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid thereon, paid up shares, debentures or debenture stock, bonds or other obligations of the company; or

(2) by crediting shares of the company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon respectively with the whole or any part of the sums remaining unpaid thereon. The directors shall give effect to any such resolution and apply such portion of the profits or Reserve Fund or any other Fund as may be required for the purpose of making payment in full or part for the shares, debentures, or debenture stock, bonds or other obligations of the company so distributed, or (as the case may be) for the purpose of paying, in whole or on part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up; provided that no such distribution or payment shall be made unless recommended by the directors and if so recommended such distribution and payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum. For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they

think expedient, and in particular they may issue Fractional Certificates and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and Fractional Certificates or otherwise as they may think fit and may make cash payment to any holders of shares on the footing of the value to fixed in order to adjust rights and may vest any shares, debentures, debenture stock or other obligations in trustees upon such trusts for adjusting such rights as may seem expedient to the Directors. When deemed requisite, a proper contract shall be filed in accordance with the Ordinance and the Board may appoint any person to sign such contract on behalf of the holders of the shares of the company which shall have been issued prior to such capitalization and such appointment shall be effective.

ACCOUNTS

89. (a) The Directors shall cause true accounts to be kept as required under section 230 of the Ordinance, of (a) all sums of moneys received and expended by the company and the matters in respect of which such receipt and expenditure takes place, (b) all sales and purchases of goods by the company, and (c) the assets, credits and liabilities of the company, and generally of all its commercial, financial and other affairs, transactions and engagements and of all other matters necessary for showing the true financial state and condition of the company, and the accounts shall be kept in such books and in such manner as the Directors may deem fit. The Directors shall from time to time determine whether and to what extent and on 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 the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or books or document of the company except as conferred by law or authorized by the directors or by the company in general meeting.
90. The Directors shall as required by sections 233 and 236 of the Ordinance cause to be prepared and laid before the company in general meeting such profit and loss Accounts, Balance Sheets and reports as are referred to in those Sections.
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AUDIT

91. Once at least in every year the accounts of the company shall be balanced and audited by a Chartered Accountant and the correctness of the Profit and Loss Account and Balance Sheet ascertained and certified in accordance with the provisions of the Ordinance.
92. Subject to section 252 of the Ordinance the first auditor and any auditor to fill any casual vacancy may be appointed by the Directors on such remuneration as they may determine. In any other case the auditor will be appointed and his remuneration will be fixed by the company in general meeting.

NOTICES

93. (a) A notice (which expression shall be deemed to include and shall include any summons, notice, process, order, judgment or any other documents in relation to or in the winding up of the company), may be given by the company to any member either personally or by sending it by post to him at his registered address or (if he has no registered address in Pakistan) to the address, if any, within Pakistan supplied by him to the company for the giving of notices to him.

(b) Where a notice is sent by post the service of such notice shall be deemed to be effected by properly addressing, preparing 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 have been delivered in the ordinary course of post.
94. If a member has no registered address in Pakistan, and has not supplied to the company an address within Pakistan for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the company shall be deemed to be duly given to him on the day on which the advertisement appears.

95. 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.
96. 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 by sending it through the post in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in Pakistan supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notices in any manner in which the same might have been given if the death or insolvency and not occurred.
97. 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 (having no registered address within Pakistan) have not supplied to the company an address within Pakistan for the giving of notices to them, and also to (b) every person entitled to a share in consequence 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 (c) to the auditors of the company for the time being.
98. Every person who by operation of law, transfer, or by other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such shares which previously to his name and address being entered on the Register of Members shall have been duly given to the person from whom he derived his title to such shares.

WINDING UP

99. (1). If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Ordinance, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they consist of property of the same kind or not.

(2). For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(3). The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefits of the contributories as the liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

100. The Directors and Managing Director, Managers, Auditors, Secretary and other offices or servants for the time being of the company acting in relation to any of the affairs of the company, and every one of them and every one of their heirs, executors, or administrators, shall be indemnified and secured harmless out of the assets and profits of the company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs executors or administrators shall or may incur or sustain by reason of any act done concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, except (if any) as they shall incur or sustain through or by their own willful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the company shall be placed which may happen in the execution of their respective offices or in relation thereto except the same shall happen by or through their own willful neglect or default respectively.
101. These Articles are subject to the Ordinance which shall to the extend of its applicability; regulate all matters not expressly provided for herein.

We the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take number of shares in the capital of the Company set opposite our respective names:

S.#	Name and surname (Present and former) in full (in Block Letters)	Father's/ Husband's Name in full	Nationality with any former nationality.	Occupation	Residential address in full	Number of shares taken by each subscriber	Signature
1.	Furqan Ahmed Rabbani, Director (Finance), Pakistan Industrial Development Corporation, Karachi.	Mr. Tufail Ahmed.	Pakistani	Service	D-32, Block 'J', North Nazimabad, Karachi.	One	
2.	S. Ziaur Rehman Shami, Secretary, P.I.D.C.	Mr. S. Faizur Rehman Shami.	Pakistani	Service	67/11, 2 nd Street, Phase V, Defence Housing Society, Karachi.	One	

Dated, the _____ day of _____

Witness to above signatures.

(Full Name, Father's/Husband's Name)
in Block Letters)

Signature

Full
Address

Occupation