

**STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE, 1984.**

This Statement sets out the material facts pertaining to the Special Business to be transacted at the Extraordinary General Meeting of the Company:

**Amendment in Articles of Association of the Company:**

The Board of Directors the Company has proposed following amendments in the Articles of Association of the Company for the purpose including, to bring them in line with the requirements of the regulators and provisions of the Companies Ordinance, 1984:

Serial No.	Article No.	Existing Articles	Review of Proposed Amendments in Articles
1.	8.	The Company may at any time pay at commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares debentures or debenture-stock in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock in the Company, but so that if the commission in respect of shares shall be paid or payable out of capital, the statutory requirements and conditions shall be observed and complied with, and the amount or rate of commission shall not exceed 2 ½ percent on the shares, debentures, or debenture-stock in each case subscribed or to be subscribed. The commission may be paid or satisfied, either wholly or in part, in cash or in shares, debentures or debenture-stock. The Company may also on any issue of shares pay such brokerage as may be lawful; provided that such brokerage shall not exceed 1 percent on the shares debentures or debenture-stock paid up.	<p><b>Commissions for placing shares</b></p> <p>Subject to Section 82 of the Ordinance, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company but so that if the commission shall be paid or payable out of capital, the statutory conditions and requirements, if any, shall be observed and complied with; and the amount or rate of commission shall not exceed such rate percent of the amount as may be fixed by the Commission and may be paid or satisfied, wholly or in part, in cash or in shares, debentures or debenture-stock.</p> <p>The Company may on issue of any shares, debentures or debenture stock-paid up, pay brokerage, as may be lawful. not exceeding one (1) percent (or such other rate as may be prescribed by the Commission) of the shares, debentures or debenture stock-stock paid up.</p>
2.	35.	No business shall be transacted in the General Meeting unless a quorum of members is present at the time when the meeting proceeds to business, the quorum shall be three (3) members present personally or by proxy representing, not less than 25% of the issued share capital.	No business shall be transacted in the General Meeting unless a quorum of members is present at the time when the meeting proceeds to business, the quorum shall be ten (10) members present personally or by proxy, representing not less than 25% of the issued share capital.
3.	55.	The Directors may designate the Chairman or the Managing Director as	The Directors may designate the Managing Director [or any other individual] as the Chief Executive of the Company and

		the Chief Executive of the Company and define the respective roles of the Chairman and the Managing Director in the management and administration of the Company subject to the general supervision and control and determine their remuneration.	define the role of the Chief Executive in the management and administration of the Company subject to their general supervision and control and their remuneration.
4.	59. and 60.	<p>Subject to the limits laid under the Capital Issuing (Exemption) Order 1967, each Director (other than the regularly paid Chief Executive and full time working directors) shall receive out of the funds of the company a fee of Rs. 500 for every meeting of the Board attended by him plus other reasonable expenses incurred by him in connection with attending and returning from the Board.</p> <p>If any Director, being willing, shall be called upon to perform extra services, or to make special exertion for any of the purposes of the Company, or giving any special attendance to the business of the Company, the Directors may remunerate the Director so doing, which remuneration, if required by law, shall be subject to the approval of the Company in General Meeting, and also to prior approval required by law.</p>	<p>Subject to any approval or limits required by applicable law, every Director (other than the regularly paid Chief Executive and full time working directors) shall be entitled to be paid remuneration and emoluments for his services, as may be determined by the Board and if required provisions of the Companies Ordinance 1984 and/or other applicable statutes, approved by the General Meeting. Such services shall include:</p> <p>(i) Attending meeting of the Board and/of any Committee of Directors; and</p> <p>(ii) Performing extra services or making special exertions or efforts for the business of the Company (including serving on any Committee).</p> <p>No director shall be involved in deciding his own remuneration.</p>
5.	62.	The term of office of a Director shall be three (3) years from the date of his election to office in the manner prescribed by the Articles. The qualification of a director to office in the manner prescribed by the Articles. The qualification shall be the holding of shares in the company of the nominal value of Rs. 5,000 (Rupees five thousand) in his own name and the directors shall not be required to hold any qualification shares unless required by law provided that when so required Directors representing interests holding the shares of the requisite value need not themselves hold the qualification shares.	The term of office of a Director shall be three (3) years from the date of his election to office in the manner prescribed by the Articles. A Director must be a member holding at least one (1) share in the Company, in his own name. The requirement to hold qualifying shares shall not apply in the case of (i) a person representing the Government, or an institution, or an authority which is a member; (ii) a whole time Director who is an employee of the Company; (iii) the chief executive; and (iv) a person representing a creditor
6.	72.	(1) The Directors may meet for the dispatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. Four (4) Directors or such higher number as may from time to time be determined by the Board of Directors shall be a quorum. Subject to the provisions of sub-article (2) hereof, questions arising at any meeting shall be decided by majority of votes, and in case of an equality of votes	(2) Subject to the provisions of the Ordinance, 1984, the following acts and measures shall be decided at a meeting of a Directors with the concurrence of at-least two third of the total number of Directors present and voting: <ul style="list-style-type: none"> <li>i. Issue of new capital</li> <li>ii. Determination of the number of Directors</li> <li>iii. Proposal for declaration of dividends</li> <li>iv. Re-organisation, amalgamation of projects and proposition of new projects.</li> <li>v. Sale, transfer, charging mortgaging or hypothecation of land or fixed assets.</li> </ul>

		<p>the Chairman shall have a casting vote.  (2) the following acts and measures shall be decided with the concurrence of at least two third of the total number of Directors:</p> <ol style="list-style-type: none"> <li>i. Issue of new capital</li> <li>ii. Determination of the number of Directors</li> <li>iii. Proposal for declaration of dividends</li> <li>iv. Re-organisation, amalgamation of projects and proposition of new projects.</li> <li>v. Sale, transfer, charging mortgaging or hypothecation of land or fixed assets.</li> <li>vi. Acquisition and sale of shares of other companies.</li> <li>vii. Closing down or material reduction of the production of the Company</li> <li>viii. Appointment and removal of the Chief Executive and fixing of his remuneration and power.</li> <li>ix. Decision on investment above Rs. 10 million</li> <li>x. Conclusion, amending or termination of licensing, know-how, consultancy, advisory service or management agreement, or any other contract with duration of more than one year.</li> <li>xi. Any decision for payment of any commission under Article 8 of these Articles of Association.</li> </ol>	<ol style="list-style-type: none"> <li>vi. Acquisition and sale of shares of other companies.</li> <li>vii. Closing down or material reduction of the production of the Company</li> <li>viii. Appointment and removal of the Chief Executive and fixing of his remuneration and power.</li> <li>ix. Decision on investing the funds of the Company</li> </ol>
7.	74.	<p>When any Director intends to be , or absent for period of not less than three (3) months from Pakistan, he may with the approval of the Directors appoint any person to be his Alternate Director and such Alternate Director during the absence of the appointer from Pakistan, shall be entitled to receive notice of and to attend and vote at meeting of Directors, shall be subject to and entitled to the benefit of the provisions contained in these Articles with reference to Directors and may exercise and perform all such powers, directions and duties as his appointer could have exercised or performed. Such appointment shall be recorded in the Directors' minute book. A Director may at any time by notice in writing to the Company remove an Alternate Director appointed by him.</p>	<p>When any Director intends to be, or absent for period of not less than three (3) months from Pakistan, he may with the approval of the Directors appoint any person, who is eligible to be a Director under Section 187 of the Ordinance, to be his Alternate Director and such Alternate Director, while he holds office as an Alternate Director, shall be entitled to receive notice of and to attend and vote at meeting of Directors, shall be subject to and entitled to the benefit of the provisions contained in these Articles with reference to Directors (in case the Alternate Director is outside the existing Board of Directors) and may exercise and perform all such powers, directions and duties as his appointer could have exercised or performed. Such appointment shall be recorded in the Directors' minute book. A Director may at any time by notice in writing to the Company remove an Alternate Director appointed by him. An Alternate Director so appointed shall not be entitled to appoint another Director, but shall otherwise be subject to the provisions of the Articles with regard to Directors, except that he need not be a member nor shall he require any</p>

		<p>Upon the return of the appointer to the Pakistan or the death of or the retirement or resignation as Director of the appointer, the Alternate Director 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 as if he had not otherwise ceased to be effective shall continue to operate after his re-election as if he had not so retired.</p> <p>An Alternate Director shall not be deemed to be an agent of the Director appointing him, but shall be reckoned as one with his appointer.</p> <p>Any Director may act as Alternate Director for any one or more other Directors, as well as being able to act as a Director in his own right.</p> <p>An Alternate Director may resign as such upon giving thirty (30) days prior notice to the Board to this effect.</p>	<p>share qualification, if any specified in these Articles.</p> <p>Upon the return of the appointer to the Pakistan or the death of or the retirement or resignation as Director of the appointer, the Alternate Director shall ipso facto vacate office as an Alternate Director 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 as if he had not otherwise ceased to be effective shall continue to operate after his re-election as if he had not so retired.</p> <p>An Alternate Director shall not be deemed to be an agent of the Director appointing him, but shall be reckoned as one with his appointer.</p> <p>Any Director may act as Alternate Director for any one or more other Directors, as well as being able to act as a Director in his own right.</p> <p>An Alternate Director may resign as such upon giving thirty (30) days prior notice to the Board to this effect.</p>
8.	76 and 77	<p>The Directors shall cause Minutes to be duly entered in the books prescribed for the purpose of all:</p> <ol style="list-style-type: none"> <li>Appointment of Secretary</li> <li>Names of the Directors present at each meeting of the Board</li> <li>Orders made by the Board</li> <li>Resolutions and proceedings of the Board</li> </ol>	<p>The Directors shall cause Minutes to be duly entered in the books prescribed for the purpose of all:</p> <ol style="list-style-type: none"> <li>Appointments of officers made by the Board;</li> <li>Names of the persons present at each meeting of the Board and of any Committee of Directors and the General Meetings;</li> <li>Orders made by the Board and Committee of Directors;</li> <li>Resolutions and proceedings of the Board, all General Meetings of the Company and of the Committees of the Directors. In the case of each resolution passed at any such meeting, the names of Directors/Members, if any, dissenting from or not concurring in the resolution.</li> </ol>
9.	106.	<p><b>INDEMNITY:</b></p> <p>Every Director, managing agent, auditors, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings whether civil or criminal arising out of any action taken in carrying out the business of the Company in which judgment is given in his favour, 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.</p>	<p>Subject to Section 194 of the Ordinance, every Director, managing agent, auditors, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against:</p> <ol style="list-style-type: none"> <li>all costs, losses and expenses which any such Director, managing agent, auditors, Secretary or other officer may incur or become liable to by reason of any contract entered into, or act or deed done by him as such Director, managing agent, auditors, Secretary or other officer or in any way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims; and</li> <li>any liability incurred by him in defending any proceedings, whether civil or criminal, arising out of any</li> </ol>

			action taken by him in carrying out the business of the Company, except that brought by the Company against him, in which judgment is given in his favour, 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.
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