Articles

of

Association

of

PAKISTAN TELEVISION CORPORATION LIMITED

THE COMPANIES ORDINANCE, 1984

(COMPANY LIMITED BY SHARES)

I. PRELIMINARY

1. The Regulations contained in Table "A" in the First Schedule to the Companies Ordinance, 1984, shall not (except as reproduced herein) apply to the Company.

2. In these Articles, unless the context or subject matter otherwise requires:

   i) "The Articles" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

   ii) "The Authority" means the Corporate Law Authority constituted under Section 11 of the Ordinance.

   iii) "Board" means a meeting of the directors duly called and constituted or as the case may be the directors assembled at a Board.
iv) "The Chief Executive" means the Chief Executive of the Company appointed from time to time pursuant to the Articles.

v) "The Company" means Pakistan Television Corporation Limited.

vi) "The Directors" means the directors for the time being of the Company or as the case may be, the directors assembled as a Board.

vii) "Dividend" includes Bonus.

viii) "Month" means calendar month according to the English calendar.

ix) "Member" means the member of the Company as defined by Clause (21) of Sub-section (1) of Section 2.

x) "The Office" means the registered office for the time being of the Company.

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

xii) "Proxy" includes Attorney duly constituted under a Power of Attorney.

xiii) "The Register" means, unless the context otherwise requires, the register of members to be kept pursuant to Section 147 of Ordinance.

xiv) "The Registrar" means the Joint/Deputy Registrar Joint Stock Companies, Islamabad.

xv) "The Seal" means the common seal of the Company.

xvi) "Section" means the Section of the Ordinance.
xvii) "Secretary" means the Secretary of the Company and the expression Secretary shall include the person appointed to perform the duty of Secretary.

xviii) "Special Resolution" has the meanings assigned thereto by Clause (36) of Subsection (1) of Section 2 of the Ordinance.

xix) Words importing person include bodies corporate.

xx) Words importing singular number shall only include the plural number.

xxi) Words importing masculine gender shall only include the feminine gender.

xxii) Expressions referring to writing shall, unless the contrary intention appears, be construed as including reference to printing, lithography, photography and other modes of representing or reproducing works in a visible form.

xxiii) Unless the context otherwise requires words or expression contained in these Articles shall bear the same meaning as in the Ordinance or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

II. SHARE CAPITAL AND SHARES

3. Except to the extent and in the manner permitted by Section 95, of the Ordinance, none of the funds of the Company shall be employed in the purchase of, or in loans upon the security of, shares of the Company.

4. The Share Capital of the Company is Rs.8000 million, divided into 30 million ordinary Shares of Rs.100/- each, classified as follows:-

a) 10 million A Class ordinary Shares of Rs.100/- each.

b) 20 million B Class ordinary Shares of Rs.100/- each.
The rights as between the classes of ordinary shares, as to profits, votes and other benefits, shall be strictly proportionate to the fully paid-up value of Shares.

5. 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 Director, who may allot or otherwise dispose of the same to such persons on such terms and conditions either at a premium or at par and at such times and for such consideration as the Directors think fit unless the Company shall in General Meeting decide upon the issue of such shares on other terms.

6. 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.

7. If and whenever as a result of an issue of new shares, or any consolidation or subdivisions of shares, any member becomes entitled to hold shares in fractions, the Directors shall be entitled to sell whole shares at a reasonable price and pay and distribute and amongst the members entitled to such fractional shares in due proportion or dispose of in any other manner, as determined by the members in General Meeting, the 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 purchaser thereof and the purchaser shall be registered as the holder of 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 affected by the irregularity or invalidity in the proceedings in reference to the sale.

8. 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 payment for any property sold or transferred, goods or machinery supplied, or for services rendered to the Company in the conduct of the business or affairs, and any shares, which are allotted, shall be issued as fully paid up shares.

9. With the previous sanction of the Company in General Meeting and the sanction of the Authority and upon otherwise complying with section 34 of the Ordinance it shall be lawful for the Directors to issue shares at a discount.
10. The Company shall not issue partly paid shares.

11. The Company may issue ordinary shares or grant option to convert into ordinary shares against loans etc in the manner provided in section 87 of the Ordinance.

12. An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accept any shares and whose name is on the Register, shall for the purposes of these Articles, be a Member.

13. Every member 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 purposes of the Company.

14. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.

15. 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.

III. COMMISSION AND BROKERAGE

16. The Company may, at any time when shares or debentures are offered for allotment or for sale, 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 the statutory conditions and requirements as prescribed in Section 82 of the Ordinance shall be observed and complied with, and the rate of commission shall not exceed the rate, if any, fixed under Section 82 of the Ordinance or any other law for the time being in force. The commission may be paid or satisfied in cash or (subject to the provisions of the Ordinance and these Articles) in shares.
debentures or debenture stock of the Company. The Company may also issue shares at such brokerage as may be lawful.

17. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound to recognize any equitable, contingent, further or partial interest in any share or any interest in any fractional part of a share or (except only as by the Articles or by Law otherwise provided) any other right in respect of any share except an absolute right to the entire thereof in the registered holder.

18. The Company shall not give, whether directly, and whether by means of loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made by any person of any shares in the Company, nor shall the Company make a loan for any purpose whatsoever on the security of its shares, but nothing in these Articles shall prohibit any transactions which may be permitted by the Ordinance.

IV. CERTIFICATES

19. Every person whose name is entered as member in the Register shall be entitled without payment to one certificate for all his ordinary shares of each class, or upon payment of such sum every certificate after the first, as the Directors shall from time to time determine, to several certificates, each for one or more of his shares. Every certificate shall be issued within 90 days after allotment or within 45 days of the lodgment with the Company of the transfer of the shares and shall be under the Seal of the Company, and bear the autographic signatures of the Chairman and one Director or two Directors and the Secretary, and shall specify the number and class and distinguishing number (if any) of the shares to which it relates. The Company shall not be bound to register more than four persons as the joint-holders of any share or shares (except in the case of executors or trustees of a deceased member) and in case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate thereof, or to issue any certificate for a share to one of several joint-holders unless it shall be sufficient delivery to all.
20. 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 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 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.

V. TRANSFER OF SHARES

21. The Company shall maintain a Register of transfers and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

22. The Directors shall not refuse transfer of any fully paid shares or debentures unless the transfer deed is defective or invalid.

23. If the Directors refuse to register the transfer of any shares, they shall, within thirty days from the date on which the instrument of transfer was lodged with the Company, send or cause to be sent to the transferee and the transferor notice of the refusal.

24. Subject to the provisions of Section 76 of the Ordinance, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the Certificate or Certificates of shares. The instrument of transfer of any share shall be signed both by the transferor and transferee, and shall contain the name and address along with other particulars as contained in Article 26 hereof, both of the transferor and transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.
25. Application for the registration of the transfer of a share shall be made either by the transferor or the transferee, and subject to the provisions of Article 23 the Directors shall, unless objection is made by the transferor within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

26. The instrument of transfer of any share shall be in writing in the usual common form.

27. No transfer shall be made to a minor insolvent or person of unsound mind.

28. Every instrument of transfer shall be left at the Office for registration, accompanied by the certificate of the shares to be transferred, and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares and upon payment of the prop fee, the transferee shall (subject to the Directors' right to decline to register hereinbefore mentioned) be registered as a member in respect of such shares. The Director may waive the production of any certificate upon evidence satisfactory to them of its loss.

29. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in any case of fraud) be returned to the person depositing the same.

30. A fee not exceeding rupee two may be charged for each transfer and shall if required by the Directors, be paid before the registration thereof.

VI. TRANSMISSION OF SHARES

31. The executors or administrators of the nominee(s) appointed under section 80 of the ordinance of a deceased member (not being one of several joint holders) shall be the only persons recognized by the company as having any title to the shares registered in the name of such members, and in case of the death of any one of the joint holders of any registered shares, the survivors shall be the only persons, recognized by the Company as having any title to
interest in such shares. Before recognizing any such executor or administrator the Directors may require him to obtain a Grant of Probate or nomination as mentioned above or Letters of Administration or other legal representation as the case may be, from a competent court of Law. Provided nevertheless that in any case where the Board in their absolute discretion think fit it shall be lawful for the Directors to dispense with the production of Probate or Letters of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Directors, in their absolute discretion, may consider necessary.

32. Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence as to the title being produced as may from time to time be required by the Directors, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Director 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 that Member before his death or bankruptcy as the case may be.

33. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall notify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of Articles relating to right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of a Member had not occurred and the notice or transfer were a transfer signed by that Member.

34. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any 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 to or in the same share, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and the Company shall not be bound or required to regard or attend or give effect to any notice which
may be given to it if any equitable right, title or neglecting so to do, but the Company shall, nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit.

VII. ALTERATION OF CAPITAL

35. Subject to Section 92 of the Ordinance, the Company by Ordinary Resolution in General Meeting may from time to time increase its share capital by the creation of new shares of such amount as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no directions be given as the Board shall determine.

36. Subject to Section 87 of the Ordinance any agreement made by the Company and approved in General Meeting giving any financial institution, company, firm or person, the right or option of requiring at a future date, the allotment of any shares at par or at such premium as may be agreed, and subject to Section 86 all new shares shall, before issue, be offered to Members of the Company in proportion as nearly as the circumstances admit, to the amount of the existing shares held by each Member. 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 have been 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 subject to the provision of sub-section (7) of Section 86, to such person or persons, companies or corporations whether Members or not, in such manner as they in their absolute discretion may think fit. The directors 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 new shares) cannot, in the opinion of the directors, be conveniently offered under the Article. Such fractional of share be disposed of as provided in Article 7.

37. The new shares shall be subject to the same provisions with reference to transfer and transmission and otherwise as the shares in the original share capital.
38. The Company may, by ordinary resolution:-
   a) Consolidate and divide its share capital into shares of larger amount than its existing shares.
   b) By sub-division of its existing shares or any of them, divide the whole or any part of its share capital into shares of smaller amount than is fixed by the Memorandum of Association.
   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.

39. The Company may subject to the provision of Section 96 to 106 by Special Resolution, reduce its share capital in any manner and with subject to any incident authorized and consent required by the Ordinance.

40. The Company may vary and modify the rights of Members of any class of share-holders provided always that such variation or modification shall be carried out only if a majority of at-least three-fourth of the members affected by such alteration, as the case may be, personally or through proxy, vote for such alteration.

VIII. BORROWING POWERS

41. 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 or person and secure the payment of any such sum or sums of money borrowed and to mortgage or charge its undertaking, or 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.
42. The Directors may raise or secure the payment or repayment of any sum or 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 of the whole or any part of the property, present or future, or by the 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.

43. Subject to the provision of Section 114 of the Ordinance any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors of the Company or otherwise.

44. 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 affecting the property of the Company, and shall duly comply with the requirements of Section 121, 122, 128 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.

45. 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.

46. With regard to transfer of debentures and refusal to transfer, the conditions of Articles 22, 23, 27 and 34 and Sections 76 to 81 of the Ordinance shall be complied with.

47. The Company shall comply with the provisions 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.
48. The Company shall comply with the provisions of Section 113 of the Ordinance as to supply copies of any trust deed for securing any issue of debentures.

IX. REGISTERS, INSPECTION AND COPIES

49. The Directors shall cause to be kept at the office of the Company register of Members and register of debenture holders together with the indices thereto and register of annual list of Member in accordance with the provisions of Section 147, 149 sub-Section (a) of Section 156 of the Ordinance.

50. Every register mentioned in Article 49 shall, 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 a Member, debenture holder or a creditor 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.

51. A certified copy of the registers mentioned in Article 49 or of any part thereof shall, at the request of a Member, debenture holder or any person, be supplied to him, on payment such amount not exceeding the prescribed amount as the Company may fix, in the manner provided in sub-Section (2) of Section 1 of the Ordinance.

52. Register of members or of debenture holders, as the case may be, may be closed for any time or times, as the Directors think fit, but not exceeding in the whole forty five days in a year and not exceeding thirty days at a time, in the manner laid down in Section 151 of the Ordinance.

X. GENERAL MEETINGS

53. A General Meeting of the Company shall be held in accordance with the provisions of Section 158 of the Ordinance once at least in every calendar year within a period of six months following the close of its financial year in the town in which the office is situated and at such time and place as may be determined by the Directors, provided that no greater interval than fifteen months shall be allowed to elapse between two such General Meetings.
54. The above mentioned General Meeting shall be called Annual General Meeting, and all other General Meetings shall be called Extraordinary General Meeting.

55. The Directors may, whenever they think fit, and they shall, on the requisition of the holders of not less than one-tenth of the issued capital of the Company, forthwith proceed to convene an Extraordinary General Meeting of the Company, and in the case of such requisition the following provisions shall have effect:

i) The requisition must state the objects of the meeting and must be signed by the requirement and deposited at the Office and may consist of several documents in like form each signed by one or more requisitionists.

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

iii) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors but shall be held at the office.

iv) A requisition by joint-holders of shares must be signed by all such holders.

56. No less than twenty-one days notice to the Members specifying the place, day and hour of meeting shall be sent by post or otherwise served as provided by Section 50 of the Ordinance. Such notice shall be accompanied by copies of draft resolutions, other than routing or procedural resolutions which are proposed for consideration in the meeting. Provided always that not less than twenty-one days notice shall be given of a meeting to pass a Special Resolution specifying the intention to propose the resolutions of a Special Resolution but if all the Member entitled to attend and vote at any such meeting so agree, a resolution may be proposed and passed as a Special
Resolution at a meeting of which less than twenty-one days notice has been given.

57. The accidental omission to give any such notice to or the non receipt of notice by any of the members shall not invalidate the proceedings of any such meetings.

XI. PROCEEDINGS AT GENERAL MEETING

58. All business shall be deemed special that is transacted at an Extraordinary General Meeting and all that is transacted at an Annual General Meeting with the exception of sanctioning a dividend, the consideration of the accounts, balance sheets and the ordinary report of Directors and Auditors, the election of Directors and Auditors in the place of those retiring in the manner provided in Section 178 to 252 of the Ordinance and the fixing of the remuneration of the auditors, and to transact any other business which, under these Articles, ought to be transacted at an Annual General Meeting.

59. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business, save as herein otherwise provided, five members present personally or by proxy, and entitled to vote, representing not less than 50 per cent of the issued share capital of the Company shall be a quorum.

60. If within half an hour from the time appointed for the meeting a quorum is 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 succeeding 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 personally or by proxy shall be quorum and may transact the business for which the meeting was called.

61. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting of the Company.
62. If at any of the meeting the Chairman is present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act as Chairman, the members present shall choose another Director of the Company as Chairman, and if no such Director be present or if all the Directors present decline to take the chair, then the members present shall choose one of their number being a member entitled to vote to be Chairman.

63. The Chairman may with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place and it shall not be necessary to give any notice of an adjournment, provided when a meeting adjourned for 10 days or more notice of the adjourned meeting shall be given as in the case of an original meeting.

64. 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 the declaration of the result of the show of hands) demanded in accordance with 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 an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number of proportion of the votes recorded in favour of or against that resolution.

65. A poll demanded on any matter, other than that contained in Article 66, 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 demanding the poll shall scrutinize the votes given on the poll and the result shall be announced by the Chairman. Subject to the provisions 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 on the resolution on which the poll was taken. In case of any dispute as to the admission or rejection of a vote on a poll, the Chairman shall decide such dispute and his decision shall be final and conclusive.
66. All poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs.

67. The demand for a poll shall not prevent the continuation of a Meeting for the transaction of any business, other than the question on which the poll was demanded.

68. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings, and any such minutes if signed by any person purporting to have been the Chairman of the Meeting to which it relates or by the Chairman of the Board shall be receivable as evidence of the facts therein stated without further proof.

69. The books containing minutes of proceedings of General Meetings of the Company shall be kept at the Office of the Company and shall during business hours (subject to reasonable restrictions as the Board may from time to time impose but so that no less than two hours each day is allowed for inspection) be open to the inspection of any Member without charge.

XI. VOTES OF MEMBERS

70. Every Member present in person or by proxy on a show of hands shall have one vote and on a poll shall have one vote in respect of each share held by him. Provided always that in the case of election or removal of directors the provisions of Articles 100 and 105 respectively shall apply.

71. In the 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 vote 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.
72. A member who is of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a 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.

73. Any person entitled under the "Transmission clause" conferred in Article 31 to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

74. i) 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 proposes 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 company or corporation being a Member of the Company may appoint as proxy or as its representative under sub-section(1) of Section 162 of the Ordinance any person to exercise in General Meeting the same powers on behalf of the company or the corporation which he represents as that company or corporation could exercise if it were an individual Member of the Company.

iv) A company or a corporation 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 provisions of the Ordinance or any other meeting to which it is entitled to attend in pursuance of the provisions 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 or corporation which he represents.

v) The Federal Government, or a Provincial Government, as the case may be, if a Member of the Company, may appoint such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members 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 in 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.

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

76. Subject to the provision of these Articles, votes may be given either personally or by proxy. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or if the appointer is a corporation either under the common seal or under the hand of an officer or attorney so authorized. No person shall be appointed a proxy who is not a member of the Company qualified to vote except that a corporation being a member may appoint as proxy a person who is not a member.

77. 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 or authority, shall be deposited at the office of the Company not less than 48 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.
76. A vote given in accordance with the terms of an instrument appointing a 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 transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the office before the Meeting.

79. An instrument appointing a proxy may be in the following form or in any other forms which the Directors may approve:

PAKISTAN TELEVISION CORPORATION LIMITED

I/We..................................................................of..............................................being a Member/Members of PAKISTAN TELEVISION CORPORATION LIMITED hereby appoint Mr...................................................(or failing him.........................Mr..................................................) as my/our proxy to vote for me/us and on my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Company to be held on the............day of.....................and at any adjournment thereof. As witness my/our hand this.....................day of.....................20......

Signed by the said in the presence of:

80. No objection shall be made to the validity of any vote except at the Meeting or at the 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 purposes of such Meeting or poll.

81. 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.
XIII. DIRECTORS

82. Until otherwise determined by the Company in General Meeting the number of Directors shall be not less than seven including the Chairman and the Managing Director, excluding the Debenture Directors, if any.

83. Subject to the provisions of Section 183 of the Ordinance, the Government of Pakistan shall have the right to nominate directors who shall hold office during the pleasure of the Government of Pakistan. In addition to the directors nominated by the Government of Pakistan, the Company may have directors nominated by the Company’s Creditors or other special interests by virtue of contractual arrangement.

84. The continuing directors may act notwithstanding any vacancy in their body, but if the minimum falls below the number fixed by Article 82 hereof, the Directors shall not, except for the purpose of filling a vacancy in their number, act so long as the number remains below the minimum.

XIV. REMUNERATION OF DIRECTORS

85. 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, the amount to be determined by the Company or the Directors, for each meeting of the Directors attended by him. The Directors may allow and pay to any Director 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.

86. The remuneration of the Directors, shall from time to time be determined by the Company in its General Meeting, except those who are deputed to work on a whole time basis in which case the remuneration will be determined by the Board.
87. 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 perform extra services, which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, fees, allowances or otherwise as shall from time to time be determined by the Directors.

88. No person shall be appointed as a Director of the Company if he:-

   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 behaviour 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

IX. POWER AND DUTIES OF DIRECTORS

89. The business of the Company shall be managed by the Directors who may in addition to the powers and authorities by these presents otherwise, expressly conferred upon them, exercise all such powers and do all such things as may be exercised or done by the Company and are not heretofor, by any enactment expressly directed or required to be exercised or done by the Company in
General Meeting but subject nevertheless to provision of Section 195 and 196 and to the other provisions of the Ordinance and of these articles and to any regulations from time to time made by the Company in its General Meeting provided that no regulation so made shall invalidate any prior act of Directors which would have been valid if such regulation had not been made.

90. Without prejudice to the general powers conferred by the last preceding article and the other powers conferred by these Articles, the Directors shall subject to sub-Section (3) of Section 196 have the following powers namely:

a) To take on lease, purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit.

b) To appoint any person or persons to hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose, and execute and do all such instruments and things as may be requisite in relation to any such trust.

c) To buy or procure the supply of all plant, machinery, material, stores, fuel, implements and other movable property required for the purpose of the Company.

d) To sell and dispose of all articles and goods manufactured, or dealt in by the Company.

e) To engage, fix and pay the remuneration of and dismiss or discharge all managers engineers, agents, secretaries, clerks, servants, workmen and other persons, employed, or to be employed in or in connection with the Company's Business.

f) To appoint any person or persons to be attorney or attorneys of the Company for such purpose and with powers, authorities and discretions, not exceeding those vested in or exercisable by the Directors, and for such period and subject to such conditions, as the Directors may from time to time think fit.
g) To enter into, carry out, rescind or vary all financial arrangements with any banks, persons and corporations for or in connection with the Company's business or affairs and pursuant to or in connection with such arrangements to deposit, pledge or hypothecate any property of the Company or the documents representing or relating to the same.

h) To make and give receipts, for money payable to the Company and for the claims and demands of the Company.

i) To compound and allow time for the payment or satisfaction of any debts due by the Company and any claims and demands against the Company to arbitration and observe and prefer the awards.

j) For and on behalf of the Company to draw, accept, endorse and negotiate all such cheques, bills of exchange, promissory notes, hooandies, drafts, Government and other securities as shall be necessary in or for carrying on the affairs of the Company.

k) To institute, prosecute, defend, compromise, withdraw or abandon any legal proceedings by or against the Company or its officers otherwise concerning the affairs of the Company.

l) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof upon such securities or investments and in such manner as they may think fit and from time to time to vary or realize such securities and investments.

m) To enter into such negotiations and contracts and rescind or 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 purpose of the Company.
n) To pay for any property or rights acquired by or service rendered to the Company or the premium payable in respect of any lease taken by the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and any such shares to be issued as fully paid up and any such bonds, debentures or securities to be either specially charged upon all or any part of the property of the Company not so charged.

91. The Board may entrust to and confer upon the Chief Executive any of its powers upon such terms and conditions and subject to the provisions of sub-Section (2) of Section 196 of the Ordinance and to such restrictions as it may deem fit. The Board may at any time amend, supplement, revoke, withdraw alter or vary any or all of its powers so delegated.

92. The Directors of the Company and any Officer, 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.

93. The Board shall cause Minutes to be made in Books provided for the purpose:

a) of the names of Directors present at each meeting of the Company, and of the Board, and of any committee of Directors.

b) of all resolutions and proceedings at all meetings of the Company, and of the Board, and of any committee of Directors.

Any such minutes of any meeting of the Board or of a committee of the Company, if signed or purporting to be signed by the Chairman of such meeting, or of the next succeeding meeting shall be receivable as evidence of the matter stated in such minutes.
94. The Board may pay and agree to pay pension or other retirement, superannuation, death or disability benefits or allowances to any person in respect of any Director of former Director who may hold or may have held any executive office of employment under the Company, or any subsidiary company of the Company, or its holding Company, (if any), and for the purpose of providing any such pension or other benefits or allowances, may contribute to any scheme or fund and may make payments towards insurance or trusts in respect of such persons.

XVI. CHAIRMAN

95. The Board of Directors shall elect a Chairman of the Company from amongst the Directors representing Government of Pakistan to preside over their meeting, and determine the period for which is to hold office. The office of the Chairman shall be filled up on any vacancy by the Directors in accordance with the directives received by them from the Government of Pakistan and subject to the provision of the Ordinance.

95-A Notwithstanding anything contained in these Articles, if the Board of Directors is of the opinion that a person be elected as Chairman whose presence would bring, in the opinion of the Board, prestige to the Company then it may elect such person as the Chairman whether he is or is not a Director of the Company. In case of such a Chairman, he shall not be entitled to any remuneration. However, he may be paid all or any of the expenses incurred in attending the Board meetings or representing the Company in any matter. The position of such Chairman shall be mainly honorary in nature and under no circumstances he shall be considered to be in the service of the Company.

XVII. MANAGING DIRECTOR/CHIEF EXECUTIVE

96. i) There shall be Chief Executive of the Company who shall be appointed in the manner provided in Section 196 and 199 of the Ordinance by the Board from amongst the Directors representing the Government of Pakistan. He may be styled as the Managing Director.

ii) Such appointment of Chief Executive shall not be for a period exceeding three years from 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.

v) The Chief Executive shall exercise such powers as are conferred on him by the Directors under Article 91.

vi) 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.

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

viii) The Chief Executive shall be authorized to sub-delegate all or any of powers, authorities and discretions for the time being vested in him and, in particular, from time to time for the appointment of any attorneys for management and transactions of the affairs of the Company in any special locality in such manner as he thinks fit.

XVIII. DISQUALIFICATION OF DIRECTORS

97. The office of a Director shall ipso facto be vacated if:

a) he becomes ineligible to be appointed a Director on any one or more of the grounds enumerated in clauses (a) to (h) of Section 187 of the Ordinance;

b) he absents himself from three consecutive meetings of the Directors or from all the meetings of the Directors for a continuous period of three months, whichever is the longer, without leave of absence from the Directors;
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 the 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 or

ii) accepts a loan or guarantee from the Company in contravention of Section 195 of the Ordinance.

d) he is removed as a Director by resolution of Members in General Meeting in compliance with Article 105.

e) he tenders to the Board his resignation from the office of Director of the Company.

f) he fails to obtain within two months after his appointment, or at any time thereafter ceases to hold, the share qualifications, if any, necessary for his appointment.

The appointment of an alternate Director under Article 120 will constitute leave of absence from the Board to the Director for whom such alternate is appointed during such Director's absence.

98. Subject to provisions 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 Director 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 such office of the fiduciary relation thereby established, but the nature of his interest must be disclosed by him at the meeting of the Directors.
which the contract or arrangement is determined upon, or approved, if the interest then exists, or in 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, be a sufficient disclosure within the meaning 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 one financial year by giving 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 Directors 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 shall not be counted.

99. A register shall be kept or caused to be kept by the Directors in which shall be entered particulars of all contracts or arrangements to which the preceding Article applies.

XIX. ELECTION AND REMOVAL OF DIRECTORS

100. a) The Directors shall, subject to Article 82 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 approval 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 expressed state:

i) the number of the elected Directors fixed under clause (a) of this Articles, and

ii) the names of the retiring Directors.
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 clause (c) of this Article shall be transmitted to the Members not later than seven days before the date of the meeting. Subject to the provision of Article 83.

e) The Directors of the Company shall, unless the number of persons who offer themselves to be elected is more than the number of Directors fixed under clause (a) of this Article, be elected by the Members in General Meeting in the following manner, namely;

i) a member shall have such 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 propose and

iii) the candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who the next highest number of votes shall be so declared and on until the total number of Director to be elected has so elected.

101. The Company may from time to time by ordinary resolution increase the number of Directors subject to the provisions of the Ordinance.

102. The Company at the General Meeting at which Directors retire may fill, the vacated office in the manner prescribed in Article 100 and in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected.
103. If at any meeting at which an election of Directors ought to take place, the places of the vacating Directors are not filled up, the meeting shall stand adjourned till the same day in the next succeeding week at the same time and place, and if at the adjourned meeting the places of the vacating Directors are not filled up, the vacating Directors or such of them as have not had their places filled up shall be deemed to have been re-elected at the adjourned meeting.

104. 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.

105. The Company may by a Resolution remove any Director before the expiration of his period of office, elected in the manner provided in Article 83 or 100 or appointed under Article 106 provided that a resolution for removing a Director shall not be deemed to have been passed unless the votes cast in favour of such resolution is not less than, (i) the minimum number of votes that were cast for the election of Director at the immediately preceding election of Directors, if the resolution relates to removal of a Director elected in the manner provided in Article 83 or 100, or (ii) the total numbers of votes for the time being computed in the manner laid down in Article 83 divided by the number of directors for the time being, if the resolution relates to removal of Director appointed under Article 83.

106. Any directive received by the Board or the Company from the Government of Pakistan authorized to appoint Directors, as per Article 83, regarding the removal or substitution of any or all of the nominees, shall be binding on the Board and on the Company and shall be acted upon. Intimation of any casual vacancy occurring in the Board of Directors out of directors so nominated shall be given to the Government of Pakistan by the Company and any directive received in this regard shall be acted upon so far as they are in conformity with the Article referred to above and the Ordinance.
107. Subject to Article 106- Any casual vacancy occurring among the Directors may be filled up by the Directors, but any person so chosen shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Directors may not fill a casual vacancy by appointing any person who has been removed from the office of a Director of the Company under Article 106.

108. The Company shall keep at the office a Register of the Director and officers, containing the particulars required by Section 205 of the Ordinance and the Company shall otherwise comply with the provisions of that Section as regards furnishing returns to the Registrar and giving inspection of the Register.

109. So long the Government of Pakistan hold 100% issued and paid up Capital of the Company, the provisions of Articles 100, 102, 103, 104, 105, 107 and Section 178, 180 and 181 of the Ordinance pertaining to the appointment of Chief Executive/Directors, election and removal of Directors, filling of casual vacancies, etc. shall not apply to the Directors representing special interest, which has been defined in Section 183 of the Ordinance, subject, however, to the conditions as imposed in the said Section 183.

XX. PROCEEDINGS OF DIRECTORS

110. The Directors shall meet together at least twice a year for the despatch of business, adjourn, and otherwise regulate meeting of the Board as they may think fit. The Chairman or the Chief Executive, if any, may at any time, summon a meeting of the Board. At least four clear days notice must be given to all Directors to summon a meeting of the Board, and such notice shall set forth the purpose or purposes for which such meeting is summoned. However, with the consent of all Directors entitled to receive notice of a meeting, or to attend and vote at any such meeting, a meeting of the Board may be convened by shorter notice than specified in this Article. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Pakistan.

111. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be five.
112. The meeting of Directors at which quorum is present shall be competent to exercise all or any of the authorities, power and discretions by or under these Articles for the time being vested in or exercisable by the Directors generally other than those required to be exercised by the Board under Section 196(2) of the Ordinance.

113. Questions arising at any meeting shall be decided by a majority of votes, each Director having one vote and in case of equality of votes the Chairman shall have a second or casting vote.

114. Subject to sub-section (2) of Section 196 of the Ordinance the Directors may delegate any of their powers to the Managing Director, Chief Executive Committees consisting of such member or members of their body as they think fit. Any Committee so formed shall in the exercise of the powers so delegated conforms to any regulations that may be imposed on it by the Directors.

115. A committee may meet and adjourn as it thinks proper. Question arising at any meeting shall be determined by a majority of votes of the Members present. The quorum for a meeting of a Committee, unless, otherwise determined by the Directors, shall be a majority of the Committee.

116. All acts done by any meeting of Directors or of a Committee of Directors by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote. Provided, however, as soon as such defect has come to the notice of the Director or the person concerned shall not exercise the right of his office till the defect has been rectified.

117. Retiring Director shall continue to perform their functions until their successors are elected.
118. A resolution in writing other than resolution in respect of the matters specified in sub-Section (2) of Section 196 of the Ordinance, circulated to all the Directors who are for the time being entitled to receive a notice of meeting of Directors (not being less than the quorum required for a Board meeting) and signed by majority of such Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

119. The Company, its Directors or Officers, as the case may be, shall comply with the provisions of Sections 214 to 227 of the Ordinance, regarding disclosure of interest by the Directors and Officers, restriction on voting, disclosure to Members of interest, keeping the register of Directors, shares notice of beneficial interest, filing of statements of such interest, prohibition of short-selling, purchase and sale of the Company’s security and depositing of provident fund.

XXI. ALTERNATE DIRECTORS

120. A Director who is about to leave or is absent from Pakistan may with the approval of the Directors appoint any person to be an Alternate Director during his absence from Pakistan, provided such absence shall not be less for a period of three months and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to exercise in place of his appointer all the functions of his appointer as a Director of the Company but he shall ipso facto vacate office as and when his appointer returns to Pakistan or vacate office as a Director or remove the appointee from office. Any appointment or removal under this Article shall be effected by notice in writing under the hand of the Director making the same.

121. If and when Debentures of the Company are issued, the Company by a special resolution given the holders thereof the right to appoint and from time to time remove and re-appointment one or more Director in accordance with the provision of the Trust Deed securing the said Debentures. The Directors appointed under this Article are herein referred to as the Debenture Directors and the term “Debenture Director means the Director for the time being in office under this Article.
XXII. SECRETARY

122. The Directors may from time to time appoint any person to be Secretary of the Company and may determine his powers and duties.

XXIII. THE SEAL

123. The Directors shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Board or a Committee of Directors and in the presence of at least two Directors or one Director and the Secretary who shall sign every instrument to which the Seal is affixed.

XXIV. DIVIDENDS AND RESERVES

124. The Company in General Meeting may declare dividends, but no dividends shall exceed the amount recommended by the Directors and shall be paid within the time period prescribed by the Ordinance.

125. 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.

126. No dividends shall be paid otherwise than out of profit of the year subject to the restriction in sub-section (2) of Section 248 or any other un-distributed profits.

127. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

128. 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 the Company or be
invested in such investments (other than shares of the Company) as the Directors may from time to time think fit.

129. If several persons are registered as joint-holders of any share, any one of them may give effectual receipts for any dividend payable on the share.

130. No dividend shall bear interest against the Company.

131. Any General Meeting declaring a dividend may resolve that such dividend be paid and satisfied wholly or in part in cash or by the distribution of specific assets, and in particular by the distribution of paid up shares, debentures or debentures-stock of the Company, or paid up shares, debentures or debentures-stock of any other Company, or in any one or more of such ways.

132. Notice of any dividends that may have been declared shall be given in the manner hereinafter mentioned to the person entitled to share therein.

133. For the purpose of giving effect to any resolution under Article 109 or Article 110 the Directors may settle any difficulties which may arise in regard to the distribution as they think expedient and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such cash or specific assets in trustees upon such trusts, for the persons entitled to the dividend or capitalized funds as may seems expedient to the Directors. When required a proper contract shall be filed in accordance with the provisions of Section 73 of the Ordinance, and the Directors may appoint any person to sign such contract on behalf of the person entitled to the dividend or capitalized fund and such appointment shall be effective.

134. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
135. The Directors may retain the dividends payable upon shares in respect of which any person under the Transmission Clause is entitled to become a Member or which any person under the same clause is entitled to transfer until such person shall become a member in respect thereof shall duly transfer the same.

136. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled thereto, 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-holding or to a financial institution or the bankers, the Member or person entitled, or such joint-holders as the case may be, may direct, and every cheque or warrant so sent shall be made order of the bankers or a financial institution, as aforesaid, as the member or person entitled or such joint-holders as the case may be direct. The dividend shall be paid within the period laid down in Section 251 of the Ordinance.

137. All dividends unclaimed after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

XXV. CAPITALISATION OF PROFITS

138. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum may not be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on conditions that the same be not paid in cash but be applied for paying up in full un-issued shares or Debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid and the Directors shall give effect to such resolution.
139. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and allotments and issues of fully paid shares or debentures if any and generally shall do all acts and things required to give effect thereto, with full powers to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fraction, and also to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization any agreement under such authority shall be effective and binding on all such members.

XXVI. ACCOUNTS

140. The Directors shall cause to be kept proper books of accounts with respect to the matters set out in Section 230 of the Ordinance.

141. The books of accounts shall be kept at the office or at such other places as the Directors shall think fit and shall be open to inspection by the Directors during business hours.

142. 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 the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.

143. The Directors shall as required by Section 236 of the Ordinance, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, Income and Expenditure Account, Balance Sheet, and reports as are referred to in those Section.
144. The profit and loss account shall subject to the provisions of Section 234 of the Ordinance show, "arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account, so that a balance of profit and loss may be laid before the Meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated with the addition of the reason why only a portion of such expenditure is charged against the income of the year.

145. A balance sheet shall be made out in every year and laid before the Company in General Meeting made up to a date not more than six months before such Meeting. The Balance Sheet may be accompanied by a report of the Chairman and of the Directors as to the state of the Company's affairs in accordance with Section 236 of the Ordinance and the amount (if any) which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to a reserve fund.

146. A copy of Balance Sheet and Profit & Loss Account together with the report of the Directors and Auditors shall not less than 21 days before the date of the Meeting be sent to the persons entitled to receive notice of General Meeting in the manner in which notices are to be given hereinafter.

147. The Directors shall in all respect comply with the provisions of Section 230 and 247 of the Ordinance or any statutory modification thereof for the time being in force.

148. After the Balance Sheet and Profit & Loss Account have been laid before the Company at the Annual General Meeting, such number of copies thereof along with the reports and documents required to be annexed to the same, not being less than five, as may be prescribed, signed by the Chief Executive, Directors, Chairman of Directors, or the Auditor of the Company, as the case may be, in the manner provided by Sections 236, 241 and 257 of the Ordinance, shall be filed by the Company, with the Registrar of Joint Stock Companies.
Companies in accordance with the requirements of Section 242 of the Ordinance.

**XXVII. AUDIT**

149. Once at least in every year the accounts of the Company shall be examined and to reported upon to Members by one or more Auditor or Auditors in such form and manner as may be prescribed by the Ordinance or any other law for the time being in force in this respect.

150. The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office until the conclusion of the next Annual General Meeting and the following provisions shall have effect, that is to say:

i) If an appointment of an Auditor is not made at an Annual General Meeting, the Authority may appoint an Auditor of the Company for the current year;

ii) The Directors may fill up any casual vacancy that may occur in the office of Auditor by the appointment of a person who shall hold such office until the conclusion of the next Annual General Meeting, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act;

iii) None of the following persons shall be appointed as Auditor of the Company, namely:

   a) a person who is not a chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961).

   b) a person who is, or at any time during the proceeding three years, was a Director, other officer or employee of the Company;

   c) a person who is a partner of, or in the employment of, a Director, officer or employee of the Company;

   d) the spouse of a Director of the Company;
e) a person who is indebted to the Company and
f) a body corporate.

If, after his appointment, an Auditor becomes subject to any of the disqualifications specified in this Article, he shall be deemed to have vacated his office as Auditor with effect from the date on which he becomes so disqualified.

iv. Retiring Auditor shall be eligible for re-election.

v. No person other than a retiring Auditor shall be capable of being appointed to the office of Auditor at an Annual General Meeting unless notice of an intention to nominate him be given to the Company not less than fourteen days before the day appointed for the holding of such Annual General Meeting and upon receipt of such notice the provisions of Section 253 of the Ordinance shall be complied with.

151. The remuneration of the Auditor of the Company shall be fixed:

   a) in the case of an Auditor appointed by the Directors or by the Authority, as the case may be and

   b) in all other cases, by the Company in General Meeting or in such manner as the General Meeting may determine.

152. The Auditor of the Company shall have a right of access at all times to the books, papers, accounts and vouchers of the Company and shall be entitled to require from the Company and the Directors and other Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

153. The Auditor of the Company shall be entitled to attend any General Meeting of the Company, and to receive all notices of, and any communications relating to, any General Meeting which any member of the Company is entitled to receive, and to be heard at any General Meeting which he attends on any part of the business which concerns him as auditor.
154. Every account of the Directors when audited and approved by the Company in General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the accounts shall forthwith be corrected and henceforth shall be conclusive.

XXVIII. NOTICES

155. A notice (which expression shall be deemed to include and shall include any summons, notice, process or order, judgment, or any other document in relation to or in the winding up of the company) may be given by the Company to any member or Director either personally or by sending it by post to him to 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 notice to him.

156. Where a notice is sent by post, service of the notice shall be deemed to be effected properly addressing, prepaying and posting the 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.

157. If a Member or Director has no registered address in Pakistan and has not supplied to the Company an address within Pakistan for the giving of notice to him, a notice addressed to him and advertised in a newspapercirculating in the neighbourhood of the Office shall be deemed to be duly given to him on the day on which the advertisement appears.

158. A notice may be given by the Company to the joint-holders of a share by giving notice to the joint-holder named first in the Register in respect of the share.

159. 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 prepaid letter addressed to them by name or by the title or 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 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.

160. Notice of every General Meeting shall be given in same manner hereinbefore 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 giving of notice to him; (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) the Auditors of the Company.

161. 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, previous to his name and address being entered on the Register, shall be duly given from whom he derives his title to such shares.

162. Any notice to be given by the Company shall be signed by the Chief Executive or by the Secretary or by such other Director or Officer as the Directors may appoint and the signature thereto may be written, printed or lithographed.

163. A notice to be given on the part of the Members shall be served on the Company by sending it to the Company at the Office of the Company by post under a certificate of posting or by registered post, or by delivering it at the office of the Company against a proper acknowledgement of such delivery.

XXIX. INDEMNITY

164. Subject to the provisions of Section 194 of the Ordinance and so far as such provisions permit, every director, chief executive, manager or officer of the Company or any person (whether an officer or the Company or not) employed by the Company as Auditor or advisor, shall be indemnified out of the funds of the Company against any liability incurred by him as such director, chief executive, manager, officer, auditor, or advisor, in defending any proceedings, whether civil or criminal, 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 court.
165. Subject to the provisions of the Ordinance, no Director, Chief Executive or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Chief Executive, Directors or other Officer 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 tortious act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by error of judgment or oversight on his part or for any other loss or 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.

166. 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.

167. 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 be the contract of sale, agree for the allotment to the members 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 members contained in these Articles, provided that a time may be limited at the expiration of which shares, obligations or other interests not accepted or required to be sole, shall be deemed to have been refused and be at the disposal of the Liquidator or the purchasing Company.
168. If the Company shall be wound up whether voluntarily or otherwise, the Liquidator may, with the sanction of Special Resolution, divide amongst the contributions in specie or kind any part of the assets of the Company and may, with like sanction, vest any part of the property 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.

169. 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.

XXXI. RECONSTRUCTION

170. 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 or 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 for 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 Articles.

CERTIFIED TO BE TRUE COPY

Deputy Registrar
Company Registration Office Islamabad

No. ADI

Dated
XXXII. SECRECY

171. 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 Board before entering upon his duties, sign a declaration in the form approved by the Board pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by 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 Board, or by any general meeting, or by a Court of law, and except so far as may be necessary in order to comply with any provisions in these Articles.

ii) No Member of other person (not being a Director of the Company) shall be entitled to enter the property of the Company, or to inspect or examine the Company's premises or properties of the Company, without permission of the Board or the Chief Executive or subject to these Articles to require disclosure of any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process; or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board or the Chief Executive will be expedient in the interest or of the Members of the Company to communicate.