

THE COMPANIES ORDINANCE, 1984

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION OF PAKISTAN SYNTHETICS LIMITED

- I. The name of the Company is **Pakistan Synthetics Limited**.
- II. The Registered Office of the Company will be situated in the Province of Sindh.
- III. The objects for which the Company is established are:
 1. To carry on the business of manufactures of and dealers in all kinds of polyester fibres, polyester filaments, and polyester yarns, synthetics, polypropylene and man-made fibres.
 2. To carry on all or any of the businesses of manufacturing, preparing, spinning, doubling, combining, blending, weaving, combing, crimping, texturizing, souring, sizing bleaching, colouring, dyeing, printing, finishing, processing, working or otherwise treating in any way whatever, polyester fibres, polyester filaments, polyester yarns and other fibrous or textile substances, whether synthetic, man-made, regenerated, animal, vegetable or mineral, of treating and utilizing and dealing in any by-products and waste products arising from any such operations, whether carried on by the Company or other-wise, and of buying and selling and dealing in all or any of the substances and products aforesaid and the products resulting from any such operations as aforesaid, whether carried on by the Company or other-wise.
 3. To carry on the business of manufactures of and dealers in flax, hemp, jute, woollen, cotton, silk, artificial silk, polyester and other yarns, and all kinds of fabrics manufactured from such yarns, and to purchase, comb, prepare, blend, combine, spin, dye, process, treat and deal in flax, hemp, jute, wool, cotton, silk, artificial silk, polyester fibre and other fibrous substances, and to weave or other-wise manufacture, buy and sell and deal in linen, cloth, and other goods and fabrics, whether textile, felted, netted or looped.
 4. To carry on all or any of the businesses namely: cotton spinners and doubles, flax, hemp and jute spinners, linen manufactures, flax, hemp, jute, and wool merchants, wool combers, worsted spinners, woollen spinners, yarn merchants, worsted stuff manufactures, bleachers and dyers, and makers of vitriol, bleaching and dyeing materials, and auxiliary and fishing materials for textiles and textile fibres and yarns.

5. To carry on the business of manufacturers and refiners of and dealers in all kinds of petro-chemical and other chemicals, and chemical preparations, articles and compounds (whether of animal, vegetable or mineral origin), drugs, pharmaceuticals, dyes, cosmetics, paints, pigments, oils, varnishes, resins, textile auxiliaries, and synthetic and man-made materials of whatsoever nature.
6. To carry on the business of chemical manufactures and wholesalers and retail chemists and druggists, analytical chemists, drysalter, oil and colour men, importers, exporters and manufactures of and dealers in heavy chemicals, drugs, essences, cordials, acids, alkalis, pharmaceuticals, medicinal, chemical, industrial, and other preparations and articles of any kind whatsoever, mineral and other waters, cements, oils, paints, pigments and vanishes, drug, paint and colour grinders, makers of and dealers in proprietary articles of all kinds, and of electrical, chemical, photographically, surgical and scientific apparatus and materials and in any similar of allied businesses and either in connection with the said business or as distinct or separate businesses.
7. To carry on business as manufacturers of manure, paper pulp, paper glass, bricks, pottery, terracotta, and sanitary and disinfecting preparations, coke, cement, and artificial stone.
8. To carry on the business of manufactures and producers of fats, fertilizers, manures, sprays, vermifuges, fungicides, medicines and remedies of all kinds for agricultural, fruit-growing or other purposes or as remedies for men or animals and whether produced from vegetable or animal matter or by any chemical process.
9. To carry on the business of water proofers and manufacturing of india-rubber, leather, imitation leather, leather cloth, plastics, oil cloth, linoleum, tarpaulins, hospital sheeting and surgical bandages.
10. To buy carry, sell, manufactures, import or repair, alter and exchange, let on hire, export and deal in all kinds of articles and things which may be required for the purposes of any of the said business or commonly supplied or dealt in by persons engaged in any such business or which may seem capable or being profitable dealt with in connection with any of the said businesses.
11. To own, purchase, acquire, on hire/lease, build, erect, install, establish, operate, use, repair, maintain and dispose of factories, machineries, plants, laboratories, equipments, apparatus and other facilities, for the manufacturing formulating, processing, refining, storage, sale and distribution of the products in which the company is authorized to deal.
12. To purchase, take on lease or in exchange, or other-wise acquire, any lands and to lay out, improve and prepare the same for building or com-

- mercial, purposes; to sell, mortgage or let the same; to construct, alter, repair, pull down, decorate, maintain, furnish, fit up and improve buildings, to lay out, construct and pave roads, streets, alleys, paths and walks, to drain, improve and landscape grounds, and enter into contracts and arrangements of all kinds with builders, property owners, tenants and other but not to carry on business of housing colonies and real estates.
13. To clear, manage farm, cultivate, irrigate and other-wise work or use any lands over which the company has any rights and to dispose of or other-wise deal with any farm or other products, animals or vegetable, of or on any such lands, and to lay out sites for and establish temporary or permanent camps, towns and villages on any such lands and to carry on all or any of the businesses of farmers, dairymen, milk contractors, dairy, farmers, millers, seedsmen nurserymen, dealers in agricultural equipment, growers of and dealers in grain, hay and straw, and purveyors and vendors of dairy products, poultry, animals feeds and provisions of all kinds and to buy, sell and trade in any goods usually traded in any of the above businesses and to carry on any other businesses which may be advantageously carried on by the Company in connection therewith.
 14. To own, acquire, construct, establish, install, lay out, improve, maintain work, manage, operate, carry out, control, or aid in, contribute or subscribe to the constructions, erection, maintenance and improvement or working of, any roads, ways, tramways, railways, aerodromes and landing fields, docks, wharves, piers, bridges, jetties, breakwaters, dredging facilities, moorings, harbour abutments, viaducts, aqueducts, canals, water courses, wells, tanks, storage installations, refineries, pipes, pipelines, conveyors, telegraphs, telephones, wireless, gas works, steam works, electric lighting and power works, power houses, hydro-electric plants, laboratories, factories, mills, foundries, workshop boilers, machine shops, warehouses, shops, stores, fuel stores, hangars, garages, guard towers, machinery and other appliances, hotels, clubs, restaurants, lodging house, baths, places of worship, hospitals, dispensaries, places of amusements, pleasure grounds, parks, gardens, reading rooms, dwelling houses, office and other buildings, works and conveniences which, may be calculated, directly or indirectly, to advance the Company's interests and to contribute to, subsidise or other-wise assist or take part in, the construction, improvement, maintenance, working, management, carrying out of control thereof, and to take any lease or enter into any working agreement in respect thereof.
 15. To purchase, build, charter, affright, hire and let out for hire, or for chartering and affreightment and other-wise to obtain the possession, of land use, operate and dispose of, and employ or turn to account ships, lighters, barges, tugs, launches, boats and vessels of all kinds, automobiles, lorries, motor trucks and tractors, airplanes, helicopters, locomotives, wagons, tank cars, and other forms of transport and rolling stock, and other-wise to provide for and employ the same in the conveyance of

- property and merchandise of all kind and the transportation of personnel, employees, customers and visitors and to purchase or other-wise ot acquire any shares or interest in any ships or vessels, airplanes, helicopters, railways, motor transportation or in any companies possessed of or interested in any ships, vessels, airplanes, helicopters, railways and motor transportation.
16. To purchase, acquire, take on lease or tenancy, sell, dispose of, mortgage or let any estate or interest in and to take and acquire options over any property, immovable and movable, or right of any kind, and develop, improve, turn to account, deal with, lease mortgage, sell or other-wise dispose of the same in such manner as may be thought expedient.
 17. To apply for, purchase or otherwise acquire protect, prolong and/or renew whether in Pakistan or elsewhere any patents, patent right, brevets d'inventions, trademarks, copyrights, licences, protections, concessions and the like conferring any exclusive or non exclusive or limited right to use, or any secret, or other information as to any invention, process or privilege which may seems capable of being used for any of the purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, manufacture under or right or licences or privileges in respect of or otherwise turn to account the property, rights and information so acquired and to carry on any business in any way connected therewith and to expend money in experimenting upon testing or improving any such patents, inventions or rights.
 18. To act as shipping, insurance, commission, Travel Agents, and/or Financial Technical, Operational Consultants of and to provide services to any business or concern that the Company may find convenient or advantageous.
 19. To act as insurance agents for all kinds and varieties of risks, including life, fire, marine, motor, accident, sickness and other lawful forms of insurance.
 20. To carry on all or any of the business of stevedores, dubashes, shipwrights and shipping clearing forwarding and travel agents.
 21. To invest in shares or securities or in any banking deposit or otherwise deal with the surplus moneys of the Company not immediately required in such manner as may from time to time be thought fit.
 22. To establish or promote or concur any company or companies for the purposes of acquiring all or any of the property, rights and liabilities of this Company or for any other purpose which may seem directly or indirectly in Pakistan or in or under the laws of any territory outside Pakistan subject to completion of all, laws rules and regulations in Pakistan as well as such foreign country or otherwise to subscribe for, underwrite,

- purchase or acquire and to hold, dispose of, and deal in shares, debentures, debenture-stocks, annuity or the securities of any such other companies or bodies out of surplus money of the Company not immediately required.
23. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorized to carry on, or possessed of property suitable for the purposes of the Company, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly to benefit the Company.
 24. To amalgamate or consolidate or merge with a view to affecting a union of interest either in whole or in part, with or into any other companies, associations, firms or person or to amalgamate with any company or companies having objectives altogether or in part similar to those of this Company.
 25. To give advance to such persons or companies and on such terms as may seem expedient subject to the provisions of the Companies Ordinance, 1984 and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees for the purpose of any of the company's business or for its associated company or companies, subsidiary or holding company subject to the provision of section 195 and 208 of the companies Ordinance, 1984.
 26. To borrow or secure the payment of moneys for the business of the company in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise. PTCs, TFCs and other certificates, charged upon all or any of the Company's property (both present and future), and to purchase, redeem and pay off any such securities; without derogating from the generally of foregoing, to obtain finances for the Company's business under supplier's credit, hire purchase mark-up in price participation in profit and loss, musharika and/or modaraba and leasing arrangement(s). The Company shall have full power through its Board of Directors for the time being to enter into appropriate arrangements with banks, financial institutions, leasing companies, modaraba, investment Bank, etc. for all sorts of finances that may be needed for achieving the objects or conducting the business of the Company, including but not limited to financing by lending. Trade Related Financing such as finances for short/medium/long term on mark-up basis, finances for working capital, finances against packing credit, discounting of DA/DP outward bills (finances against foreign bills), running finance, cash finance, demand finance, financing by Bai-Muajjal, financing by Bai-Salam, financing for purchase of trade bills, finances through purchase of movable and immovable properties with buy-back agreements or otherwise, financing from leasing companies under leasing or hire purchase or hire purchase arrangement and/or

- financing for development of properties and investment modes of financing such as musharika for profit and loss sharing, equity participation and purchase of shares, purchase of and sale or surrender of PTCs, TFCs, etc. modaraba, rent sharing, etc. and all other type of finances, whether on the basis of mark-up, mark-down, service charges, annual rates of profit, profit & loss sharing, hire-purchase or leasing arrangements or otherwise on such securities as the Board may deem necessary and on such terms and conditions as may be permissible by the law for the time being in force. The Company will, however, not indulge in the business of a banking or investment company, leasing company or a modaraba company.
27. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stock contracts, mortgages, charges, obligations instruments and securities of this Company or of any associated company or subsidiary or holding company and generally to become sureties for the performance of any contracts or obligations to stand as surety for payment/repayment of finances, loans, advances and other indebtedness of the company or its associated companies and subject nevertheless to the provisions of Section 195 and 208 of the Companies Ordinance, 1984 and as security there against, to mortgage, hypothecate, charge and/or create liens or other encumbrances on the Company's movable and immovable properties in favour of financial institutions, banks, creditors and other principals.
 28. To draw, make accept, endorse, sell, execute, negotiate, purchase hold and dispose of cheques, promissory notes, bills of exchange, drafts, charter parties, bills of lading, warrant and other negotiable documents and contracts, deeds and other instruments and to cancel and vary such instrument, relating to the business of the Company.
 29. Subject to the provisions of Section 209 of the Companies Ordinance, 1984, to appoint any person or company as attorney or nominee or otherwise and to accept, and hold in trust for the Company any property of the Company, and to remunerate any such person or company and instead of itself holding any property to hold all or any of the shares in any company whether in Pakistan or outside Pakistan which may or may not hold such property.
 30. To sell, lease, mortgage or otherwise dispose of the property, assets or undertaking of the Company or any part thereof shares, stock, debentures, or other securities or obligations of any institution, corporate or governmental body, person or company whether or not having objects altogether or in part similar to those of the Company, or for any other consideration.

31. To obtain any legislative, judicial, administrative or other acts or authorizations of any government or authority competent in that behalf for enabling the Company to carry any of its objects into effect and for effecting any modification of the Company's constitution or for any other purpose which may seem expedient, to take all necessary or proper steps with the authorities, supreme, national, local, municipal, or otherwise, of any place in which the Company may have interest, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or furthering the interest of its Members and to oppose any proceedings, applications, actions or steps taken by and Government authority or body, or any company, association, firm or persons, which may seem calculated, directly or indirectly, or prejudice the interest of the Company or its Members.
32. To enter into joint ventures or partnership or into any agreements for sharing profits, union of interests, reciprocal concessions, amalgamation or co-operation with any person or persons or engage in any business or transaction which the Company is authorized to carry on or engage in any business, transaction capable of being conducted so as, directly or indirectly, to the benefit of this Company and to take or subsidies or otherwise assist any such company and to sell, hold, reissue, with or without guarantee or otherwise and to procure the company to be registered or recognized in any part of the world.
33. To remunerate working Directors, officials, agents, employees and servants of the Company and others and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences, calculated to benefit employees or ex-employees of the Company, or the dependants or connections of such persons, and to grant pensions, gratuities and allowances and to provide houses, amenities and conveniences of all kinds and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful purpose and for the purpose of this paragraph the "employees" and "ex-employees" shall include, respectively, present and former directors and other officers, agents, employees, trainees and servants.
34. To manage, improve, develop, sell, exchange, lease mortgage pledge, hypothecate, assign, transfer or deal with all or any part of the property and assets, immovable and movable, corporal or incorporeal, tangible or intangible, and any right, title and interest therein of the Company, including rights, licences, privileges, concessions and franchises as may seem expedient.

35. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation, promotion and registration of the Company or the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or under writing or procuring the under-writing of shares, debentures or other securities of the Company.
36. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment of service of the Company or is allied or associated with the Company or with any such subsidiary company or who are or were at any time directors or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependents of any such persons, and also establish and subsidize and subscribe to any institution including in particular any cafeteria, canteen or club funds calculated to be for the benefit of or to advance the interest and well being of the Company or its employees as aforesaid and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either.
37. To pay for any rights or property acquired by the Company and to remunerate any person or company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part, or otherwise.
38. To adopt, such means of making known the services and products of the Company as may seem expedient, and in particular by undertaking educational, training and demonstration programmes and by advertising in the press, by circulars and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
39. To aid, peculiarly or other-wise, any association, body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
40. To undertake, assist and participate in commercial and industrial operations and undertakings, in any part of the world, and both singly and in connection with other persons, firms, association and companies and corporations.
41. To procure the company to be registered or recognized in any foreign country or place, in any part of the world.
42. To distribute among the Members in special and property of the Company, or any proceeds of sale or disposal of any property of the Company,

- but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law and/or to capitalize such portion of the profits of the Company as are not distributed amongst the shareholders of the Company in the form of dividends and as the directors of the Company may think fit and to issue bonus shares in favour of the shareholders of the Company.
43. To carry out all or any of the objects of the Company and do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors, or other-wise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or other-wise and either alone or in conjunction with others.
 44. To do all or any of the above things, either as principals, agents, trustees, contractors, or other-wise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or other-wise, and either alone or in conjunction with others and to all such things as are incidental or conducive to the attainment of the above objects.
 45. To act as trustee under any deeds constituting or securing any debenture stocks, or other securities or obligations and to undertake and execute any other trusts, and also to undertake the office of or exercise the powers of the executor, administrator, receiver, treasurer, custodians and trust corporation.
 46. To establish maintain or contribute to any scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of its employees or former employees, or those of its subsidiary or holding company or of any other subsidiary of its holding company, or by for the benefit of such other persons as may for the time being be permitted by law, or any scheme for scheme for sharing profits with its employees or those of its subsidiary or associated companies, and (so far as for the time being permitted by law) to lend money to or to trustees for the Company's employees (other than Directors) with a view to enabling them to acquire shares in the Company or its holding company.
 47. It is hereby undertaken that the Company shall not carry on banking business, insurance, leasing or in any unlawful business and that nothing in object clauses shall be so construed to entitle it to engage in such business.

Notwithstanding anything contained in any object clause, the Company shall obtain such other approval or license from the competent authority, as may be required under any law for the time being in force, to undertake a particular business.

IV. The liability of the members is limited

- V. The share capital of the company is Rs.700,000,000 (Rupees seven hundred million) divided into 70,000,000 (seventy million) ordinary shares of Rs. 10/-each. The company shall have the power to increase, reduce or reorganise the capital of the company, sub-divide the share capital of the company into different classes consisting of Ordinary share only.