

**BEFORE  
THE NATIONAL ELECTRIC  
POWER REGULATORY AUTHORITY**

**APPLICATION FOR THE GRANT OF A GENERATION LICENSE UNDER SECTION 15 OF THE  
REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION ACT 1997, AND THE RULES &  
REGULATIONS MADE THEREUNDER**

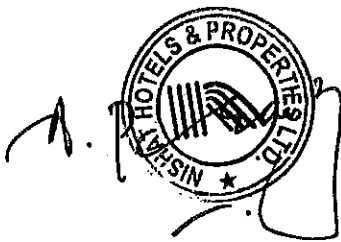
**IN RESPECT OF  
NISHAT HOTELS AND PROPERTIES LIMITED POWER PROJECT AT  
LAHORE, PAKISTAN**

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Dated: 12.03.2019

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**Filed for and behalf of:  
Nishat Hotels and Properties Limited**



**Through;**  
**RIAA BARKER GILLETTE**  
3RD FLOOR, 65-W, EXECUTIVE HEIGHTS,  
BLOCK-H, FAZAL-E-HAQ ROAD,  
BLUE AREA, ISLAMABAD  
UAN: (051) 111-LAWYER  
WEBSITE: [www.riabarkergillette.com](http://www.riabarkergillette.com)

12.03.2019


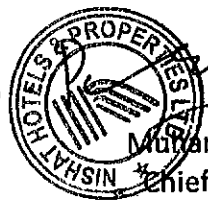
The Registrar  
**National Electric Power Regulatory Authority**  
NEPRA Tower, Ataturk Avenue (East), Sector G-5/1  
Islamabad, Pakistan.

**SUBJECT:                    APPLICATION FOR A GENERATION LICENCE**

I, **Muhammad Ali Pervaiz**, bearing CNIC No. 35200-1574382-3, the Chief Financial Officer being the duly authorized representative of Nishat Hotels and Properties Limited by virtue of a board resolution dated February 04, 2019, hereby to the National Electric Power Regulatory Authority (NEPRA) for the grant of a generation licence to Nishat Hotels and Properties Limited pursuant to section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provision of National Electric Power Regulatory Authority (NEPRA) Licensing (Application and Modification Procedure) Regulations, 1999, and undertake to abide by the terms and provisions of above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and corrected to the best of my knowledge and belief.

A pay order in the sum of Rupees Two Hundred Forty Seven Thousand Four Hundred And Forty only (PKR 247,440/-) being the non-refundable application processing fee calculated in accordance with Schedule-II to National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, is also attached herewith.

  
  
**Muhammad Ali Pervaiz**  
Chief Financial Officer  
Nishat Hotels and Properties Limited



## NISHAT HOTELS AND PROPERTIES LIMITED

Head Office: I.B. Aziz Avenue, Canal Bank, Gulberg V, Lahore.

Tel: +92-42-35717090-96, 35717159-63, Fax: 92-42-35717239

Registered Office: Nishat House, 53-A, Lawrance Road, Lahore. Tel: 111-113-333

### RESOLUTION NO. 136 DATED FEBRUARY 04, 2019 OF THE BOARD OF DIRECTORS OF NISHAT HOTELS AND PROPERTIES LIMITED.

**RESOLVED THAT** the Company intends to file application(s) for the grant of generation license and/or any review/revisions thereof to National Electric Power Regulatory Authority ("NEPRA") in respect of its 15.14MWs captive power generation project located at Nishat Hotels and Properties Limited, Lahore Province of Punjab, Pakistan. (the "Project") and in relation thereto, enter into and execute all required documents, make all fillings and pay all applicable fees, in each application(s), of any nature whatsoever.

**FURTHER RESOLVED** that the Mian Hassan Mansha Chief Executive Officer, Mr. Mahmood Akhtar Director Coordination, Mr. Tanvir Khalid (Authorized Representative) and Mr. Mohammad Ali Pervaiz, Chief Financial Officer of the Company be and are hereby authorized singly to review, verify, sign /execute, and file, application(s) (including any modification to the applications) for grant of generation license, tariff, applications for any review/revision thereof, or any other clarifications, or statements or affidavit or documents in support, or to make any oral or written representations or to pay necessary fee on behalf of the company in order to obtain the necessary approvals, permits, licenses and acceptance from the NEPRA, and make representation to any other body, organization, department, Judicial and quasi-judicial body, related to the aforesaid filing and do whatever is required in this regard, including but not limited to appointing/authorizing legal counsels.

**FURTHER RESOLVED** that a certified true copy signed by the Chief Executive, any of the Director or the Company Secretary be issued to whom it may concern and shall remain enforced until notice in writing to the contrary duly signed by the Chief Executive, or any of the Directors or Company Secretary be given.

Certified true copy issued today on this 4<sup>th</sup> day of February 2019.

  
**KHALID MAHMOOD CHOHAN**  
**COMPANY SECRETARY**





# NISHAT HOTELS AND PROPERTIES LIMITED

Head Office: 1B, Aziz Avenue, Canal Bank, Gulberg V, Lahore.

Tel: +92-42-35717090-96, 35717159-63, Fax: 92-42-35717239

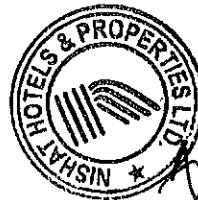
Registered Office: Nishat House, 53-A, Lawrance Road, Lahore. Tel: 111-113-333

## VAKALATNAMA

I, **Muhammad Ali Pervaiz**, bearing CNIC No. 35200-1574382-3, the Chief Financial Officer of Nishat Hotels and Properties Limited (the "**Company**"), hereby appoint and constitute M/s **Mr. NADIR ALTAF** of **RIAA BARKER GILLETTE**, Advocates and Corporate Counsellors, to appear and act for us as our advocates in connection with the processing, presentation of the Company's Application for the Generation Licence (the "**Application**"), in connection with the Application for the Company in respect of the Company's 15.14 MW Power Project located at adjacent to Lahore International Expo Centre, Abdul Haque Rd Johar Town, Lahore, Pakistan (the "**Project**").

I also authorize the said Advocates or any one of them to do all acts and things necessary for the processing, completion and finalization of the Application with NEPRA.

**ACCEPTED**



*M. Pervaiz*  
Muhammad Ali Pervaiz  
Chief Financial Officer

### **RIAA Barker Gillette**

RIAA Barker Gillette Chambers  
3rd Floor, 65-W, Executive Heights,  
Block-H, Fazl-ul-Haq Road,  
Blue Area, Islamabad,  
Pakistan

T +92 51 111 LAWYER

[www.riabarkergillette.com](http://www.riabarkergillette.com)

**Name of Company:** Nishat Hotels and Properties Limited

**Plant Capacity:** 15.14 MWs

**Project Location:** Adjacent to Lahore International Expo Centre, Abdul Haque Rd  
Johar Town, Lahore, Pakistan

**A. BRIEF OF THE APPLICATION:**

Nishat Group is one of the leading and most diversified business groups in South East Asia with assets of over Rs 300 billion (US\$ 5 billion), it ranks amongst the top five business houses of Pakistan.

Nishat Group, through the Nishat Hotels and Properties Limited ("Company") has undertaken Nishat Emporium Mall, Johar Town Complex. The Company's principal shareholders are Mian Raza Mansha, Mian Umer Mansha and Mian Hassan Mansha. For the purpose of operation and selling the electricity to Emporium Mall, the Company intends to seek Generation Licence.

**Project:**

To principally meet its electricity demand, the Company has successfully established its own captive power project with the installed capacity of 15.12 MW using pipeline quality gas as its primary fuel and diesel oil as secondary fuel.

**Consumer:** The Company intends to keep Lahore Electric Supply Company ("LESCO") as its main source of electricity and shall use its Captive Power Plant as a backup source of electricity to meet the electricity requirements of Emporium Mall, such as in the circumstances when: (i) there is power quality issue in LESCO; (ii) electricity is not available in any or all the feeders of LESCO; or (iii) any such circumstances when there is compromise on LESCO's supply of electricity.

**Premises:**

The Power Plant located within the vicinity of Nishat Emporium Mall. The land of the Company and Emporium Mall is owned by the Company i.e. Nishat Hotels and Properties Limited. No public property is passed/disturbed.

**Supply:** The electricity supplied through both LESCO and Captive Power Plant is managed on 11 kV and then stepped down to LV and distributed on 220 VAC to consumers.

**Fuel Supplier:** The Company has executed a Gas Supply Agreement with Sui Northern Gas Pipelines Limited (SNGPL) for the supply of gas (RLNG) to its captive power plant.



## **B. BRIEF OF THE APPLICANT (3(5)(1))**

### **BREIF ABOUT NISHAT HOTELS EMPORIUM PROJECT**

#### **Introduction**

Nishat Hotels and Properties Limited (the 'Company') is a part of the Nishat Group and has acquired approximately 119.3 kanals of commercial land in Johar Town, Lahore to build a mega real estate project namely the **Nishat Emporium Mall**.

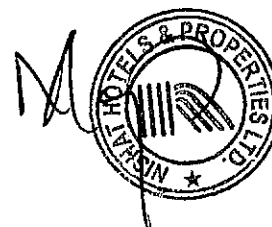
The Company is contemplating to develop a hotel, a prime shopping mall, banquet hall facilities, cinema and food courts. The Company engaged Colliers International Pakistan (Private) Limited to provide a comprehensive market research study covering the hospitality and retail sectors.

<b>Project brief and legal structure Project name</b>	Johar Town Complex - Financial Trade Centre
<b>Project description</b>	Hotel, prime shopping mall and banquet hall facilities, cinemas and food courts
<b>Industry</b>	Hotels and Hospitality
<b>Project location</b>	Financial Trade Centre, Johar Town, Lahore, Pakistan
<b>Project company</b>	Nishat Hotels and Properties Limited
<b>Legal structure of the project company</b>	Incorporated in Pakistan on October 4, 2007 as a public company limited by shares under the Companies Ordinance, 1984. Received Certificate of Commencement of Business on October 19, 2007
<b>Land area of project</b>	119.3 kanals
<b>Construction period</b>	3 years
<b>Total project cost</b>	Pak Rupees ('PKR') 27,362 million

The development consists of a high quality state of the art shopping mall of international standard as well as a budget hotel and a large banquet hall catering to the needs of the surrounding areas.

The building has a covered area of 2.74 million square feet comprising the following building components (2 basements + ground floor + 11 floors):

1. 4 star 198 rooms hotel
2. Banquet halls
3. Hyper Store (Carrefour Dubai)
4. Shopping Mall with following features:
  - Retail
  - Food Courts
  - Universal cinemas (9 screens)



- Health & Leisure Zones
- Two basements with 2,815 parking bays for cars
- Fun Factory

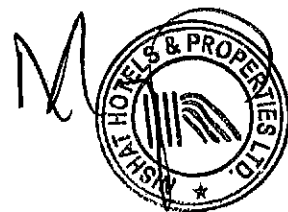
#### **Sponsors' profile and management's overview**

Nishat Group is one of the leading and most diversified business groups in South East Asia with assets of over Rs 300 billion (US\$ 5 billion), it ranks amongst the top five business houses of Pakistan. The group has strong presence in three most important business sectors of the region, namely textiles (Nishat Mills Limited), cement (D.G. Khan Cement Company Limited) and financial services (MCB Bank Limited). In addition, the Group also has reasonable market share in insurance (Adamjee Insurance Company Limited and Security General Insurance Company Limited), power generation (Nishat Power Limited, Lalpir Power Limited and Pakgen Power Limited), paper products (Nishat Paper Products Company Limited) and aviation (Pakistan Aviators and Aviation (Pvt) Ltd).

It also has the distinction of being one of the largest players in each sector. The Group has a remarkable position in the market as good as any multinationals operating locally in terms of its quality of products, services and management skills.

Furthermore, Nishat Group has also gained experience in the hotel business through its company, Nishat Hospitality (Private) Limited.

Nishat Group, through the Company has undertaken Nishat Emporium Mall, Johar Town Complex. The Company's principal shareholders are Mian Raza Mansha, Mian Umer Mansha and Mian Hassan Mansha.



**C. SALIENT FEATURES OF THE FACILITY OR THE SYSTEM IN RESPECT OF WHICH THE LICENSE IS SOUGHT**

**C.1. Certificate of Incorporation:**

*Regulation No. 3(5)(A)(i)*

Appended as Annexure-1

**C.2. Memorandum and Articles of Association:**

*Regulation No. 3(5)(A)(ii)*

Appended as Annexure-2.

**C.3. Latest Financial Statement:**

*Regulation No. 3(5)(A)(iii)*

Financial statements for the year 2018 and Bank Certificates are appended as Annexure-3 & 4.

**C.4. Location (location map/ site map):**

*Regulation No. 3(5)(A)(iv)*

The map of the location has been attached as an Annexure 5.

**C.5. Type of Technology**

*Regulation No. 3(5)(A)(v)*

Wartsila Generator set:

Four stroke, non-reversible, turbocharged and intercooled dual fuel engine with direct injection of liquid fuel & indirect injection of natural gas.

CAT Generator set:

Four stroke, non-reversible, turbocharged and intercooled diesel fuel engine

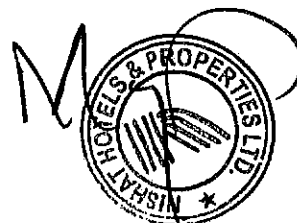
**C.6. Number of Units (No.)/Size (MW):**

*Regulation No. 3(5)(A)(vi)*

Total No. of units: 05 units

- 2 x 4.050 MW (Wartsila 9L34DF)
- 1 x 1.280 MW (CAT3512B-HD)
- 2 x 2.880 MW (CATC175-20)

**C.7. Year Make/Model, Operation Date and expected remaining life:**





**Regulation No. 3(5)-A(vii)**

- 2 x Wartsila 9L34DF = 2014.
- 2 x CAT C175-20 = 2014.
- 1 x CAT D3512B-HD = 2014

All engines commissioned on 2015. Expected remaining life is 17 years

**C.8. Installed Capacity, de-rated capacity, Auxiliary Consumption, Net Capacity:**

**Regulation No. 3(5)(A)(viii)**

- Installed capacity = 15.14 MW.
- De-rated capacity = 13.52 MW.
- Auxiliary Consumption = 600 kW
- Net Capacity = 12.920 MW

**C.9. Fuel: type, imported/Indigenous, supplier, etc.**

**Regulation No. 3(5)(A)(ix)**

Natural Gas (RLNG) via pipe line. GSA with SNGPL

Diesel Oil via supplier

**C.10. Supply Voltage (11kV/132 kV), in case of 132 kV voltage distance and name of nearest grid (Single Line Diagram):**

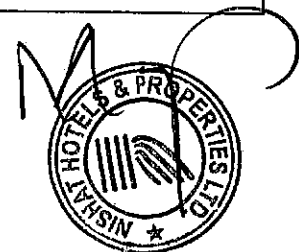
**Regulation No. 3(5)(A)(x)**

Emporium Mall is connected with LESCO via 4 x 11 kV independent feeders from Johar Town - II Grid

**C.11. Plant characteristics:**

**Regulation No. 3(5)(A)(xi)**

a)	Generation voltage	11 KV
b)	Frequency	50 HZ
c)	Power factor	0.8
d)	Automatic generation control	NO
e)	Ramping rate	05 minutes



f)	Alternative fuel	Main fuel = Natural Gas Alternative fuel = HFO Back-up fuel = LFO
g)	Time required to synchronize to grid	N / A

**C.12. Provision of Metering, Instrumentation, Protection and Control arrangement:**

*Regulation No. 3(5)-A(xii)*

- I. Engine-wise generation is being metered and recorded by Digital Intelligent Devices such as Power Monitoring Units (PMUs) and Energy Analysers installed on the generator incomer panels.
- II. All the instrumentation is installed as per OEM designs and recommendations.
- III. All the protections are installed as per OEM designs and recommendations.
- IV. PLC and DCS based control system is established as per the OEM designs and recommendations.

**D. Project Cost:**

Please see Annexure-6

**E. Social and Environmental impact of the Plant:**

Please see Annexure-7

**F. Efficiency Parameters under Regulation 3(6) Schedule-III Part A(a):**

The efficiency of Power Plant is estimated to be gross 38%.

**G. Cooling Water Source:**

The cooling water is taken from the drilled water tube wells at Emporium facility.

**H. Interconnection:**

Please see Annexure-8

**I. Training and Development:**

In accordance with the requirements of technical operations, frequent training sessions are being held with external trainers.



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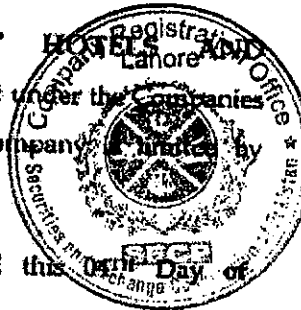
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
COMPANY REGISTRATION OFFICE  
LAHORE

**CERTIFICATE OF INCORPORATION**

Under section 32 of the Companies Ordinance, 1984 (XLVII of 1984)]

**Company Registration No.0063118**

I hereby certify that "NISHAT HOTELS AND PROPERTIES LIMITED" is this day incorporated under the Companies Ordinance, 1984 (XLVII of 1984) and that the company is authorized to issue Shares.



Given under my hand at LAHORE this 04th Day of October, 2007 (Two Thousand and Seven.)

Fee Rs.39,500/=

(MAHMOOD AHMAD)  
JOINT REGISTRAR OF COMPANIES



No. ANH 6845

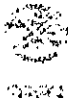
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**Certified to be True Copy**  
for Nishat Hotels and Properties Limited

Company Secretary

55  
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN



[Under section 146(2) of the Companies Ordinance, 1984 (XLVII of 1984)]

**CERTIFICATE FOR COMMENCEMENT OF BUSINESS**

I hereby certify that the **"NISHAT HOTELS AND PROPERTIES LIMITED"**

XX XX XX XX XX XX

which was incorporated under the Companies Ordinance, 1984 (XLVII of 1984), on the 4<sup>th</sup> day of October, 2007 and which has filed a duly verified declaration in the prescribed form that the conditions of clauses (a) to (g) of sub-section (1) of section 146 of the said Ordinance have been complied with, is entitled to commence business.

Given under my hand at Lahore this 19<sup>th</sup> day of October, 2007 two thousand and Seven.

  
(MAHBOOB AHMAD)  
Joint Registrar of Companies.


Fee Rs. 200/-

No. ARLJ 7418

Dated: 19/10/07



CERTIFIED TO BE TRUE COPY

  
JOINT REGISTRAR OF COMPANIES  
COMPANY REGISTRATION OFFICE  
LAHORE.

Certified to be True Copy  
for Nishat Hotels and Properties Limited

Company Secretary

THE COMPANIES ORDINANCE, 1984

--:0:--

(COMPANY LIMITED BY SHARES)

--:0:--

Memorandum of Association  
of

**NISHAT HOTELS AND PROPERTIES LIMITED**

- I. The name of the Company is "NISHAT HOTELS AND PROPERTIES LIMITED"
- II. The registered office of the Company will be situated in the Province of Punjab.
- III. The objects for which the Company is established are all or any of the following :-
1. To undertake all business and activities whatsoever required or beneficial for the establishment, management, operation and maintenance of high quality hotels, including without prejudice to the generality of the foregoing, the purchase, lease of land and construction or acquisition on rental basis of appropriate premises and recruitment of all required personnel.
  2. To enter into affiliation, franchise, or joint venture agreements with any entity or person engaged in any activity beneficial to the business of the Company as owner or operator of hotels, including agreements, licenses for the acquisition of such trade names, franchise names, trade marks and logos as may be considered beneficial by the Company.
  3. To carry on all or any of the businesses of hotel keepers, innkeepers, restaurant keepers, lodging-house keepers, apartment-building proprietors, caterers and purveyors of refreshments, refreshment contractors, refreshment room proprietors, sugar and sweetmeat merchants, tobaccoconists, farmers, dairymen and leisure retailing business of all kinds.
  4. To carry on the business of refreshment purveyors, and as proprietors or licensees of restaurants, refreshment and tea rooms, hotels, marriage halls, cafes and milk and snack bars, and as caterers and contractors in all their respective branches.

**Certified to be True Copy**

for Nishat Hotels and Properties Limited

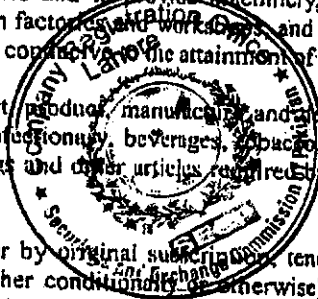
**Certified to be True Copy**

for Nishat Hotels and Properties Limited

Company Secretary

Company Secretary

5. To carry on the business of a property investment and development company and to purchase, acquire (by purchase, lease, concession, grant, licence or otherwise), rent, rent-out, build, construct, equip, execute, carry out, improve, adapt, work, develop, administer, maintain, manage or control any freehold, leasehold or other property and, in particular, hotels, restaurants, licensed premises, cafes, spas, gymnasiums, shops, offices, movie theatres/cinemas, refreshment saloons and the goodwill of any business carried on therein and the stock-in-trade, plant, machinery or effects thereof or thereupon, whether the same be required for the purposes of the Company or for sale or hire to or in return for any consideration from any other company or persons and to contribute to or assist in the carrying out or establishment, construction, maintenance, improvement, management, working, control or superintendence thereof respectively.
- 5A. To carry on and undertake all or any of the business of establishing, expanding, enhancing, providing, managing and operating telecommunication systems including system signals, data or messages, internet services of any and all kinds to anyone including its customer, tenants, outlets, shops, properties etc., subject to permission from Pakistan Telecommunication Authority.
6. To purchase or otherwise acquire or take on lease any land or building or both, in Pakistan or outside, and to work and construct on such lands, or hire or otherwise, buildings, houses, sheds and structures necessary and suitable for or auxiliary to the purposes mentioned in the preceding sub-clauses and to provide machinery, engines and apparatus requisite for the construction of such factories and work shops, and to do and perform all such acts and things as be necessary and convenient for the attainment of the above objects or any of them.
7. To buy, sell, import, produce, manufacture and deal in food and food products, meat, fish, groceries, fruit, confectionery, beverages, spices, chemists' and druggists' supplies, linen, furniture, furnishings and other articles required by visitors to the Company's premises and properties;
8. To acquire (whether by original subscription, tender, purchase, exchange, underwriting or otherwise and whether conditionally or otherwise) shares or stocks, debentures, debenture stock, bonds, obligations or any other securities issued or guaranteed by any other corporation constituted or carrying on business in any part of the world and whether or not engaged or concerned in the same or similar trades or occupations as those carried on by the Company or its subsidiaries and the debentures, debenture stock, bonds, obligations or any other security issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority, whether supreme, local or otherwise in any part of the world and whether such shares, stocks, debentures, debenture stocks, bonds, obligations or securities and to make payments thereon as called up or in advance of calls or otherwise and to hold the same with a view to investment or to sell, exchange or otherwise dispose of the same.
9. To take or otherwise acquire and hold shares in any other Company, to invest Company's funds in shares and other securities and from time to time sell or negotiate every such investment.



10. To invest and deal with the moneys of the company not immediately required for the purpose of its business in or upon such investment or securities and in such manner as may from time to time be determined.
11. To grow, manufacture, buy, sell, manipulate, and deal both wholesale and retail in commodities, articles and things of all kinds which can conveniently be dealt in by the Company in connection with any of its objects.
12. To carry on in Pakistan and elsewhere the business of an electric power generation and / or distribution company and to undertake all actions necessary to generate, accumulate, distribute and supply electricity and to light cities, towns, streets, markets, theaters, buildings and other places both public and private, after obtaining approval from the relevant authorities.
13. To carry on the business of electricians, mechanical engineers, electrical engineers, supply of electricity for purposes of light, heat, motive power or otherwise and of manufacturers and dealers in all apparatus and articles required or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity or any other form of power, which can be used as a substitute thereof, and to carry on any other business of a like nature.
14. To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any of the above businesses or objects, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights for the time being.
15. To carry on any of its business by or through a subsidiary or subsidiaries and to form or establish in any part of the world any company or companies for the purpose of carrying on as principal or as agent for the Company any business herein authorised or which may seem conducive to the Company's interests and to subscribe for, hold and deal with the shares of any company that may be so formed or established and to guarantee the due performance of its obligations and to transfer to any such company any part or branch of its business.
16. To promote and form any Company or Companies for the purpose of acquiring all or any of the property rights and liabilities and to have the power to make investment in any new project and to set up subsidiary company/companies for that matter and to do all or any of the aforesaid things and all such other things as are incidental to any of the objects or which may be thought conducive to any of the objects or which may seem calculated directly or indirectly to promote the Company's interest.



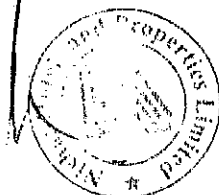
17. To purchase or otherwise acquire for any estate or interest any property or assets or any concessions, licences, grants, patents, trade marks or other exclusive or non-exclusive rights of any kind which may appear to be necessary or convenient for any business of the Company, and to develop and turn to account and deal with the same in such manner as may be thought expedient, and to make experiments and tests and to carry on all kinds of research work.
18. To draw, make, accept, endorse, discount, negotiate, execute and issue, and to buy, sell and deal with bills of exchange, promissory notes, and other negotiable or transferable instruments.
19. To apply for, or join in applying for, purchase or by other means acquire and protect, prolong and renew, whether in Pakistan or elsewhere, any patents, patent rights, brevets d'invention, licences, registered designs, protections and concessions, which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting and testing and making researches, and in improving or seeking to improve any patents, inventions or rights, which the Company may acquire or propose to acquire without indulging in the business of investment company.
20. To borrow or raise money by means of loans or by obtaining lease facility from directors, banks, government or other financial institutions, leasing companies, investment companies and other lending institutions for the purpose of business of the company in such manner as the company may think fit and in particular to issue of debentures, perpetual or otherwise convertible into shares or non convertible or perpetual annuities and as security for any such money so borrowed; and to mortgage, pledge, or charge whole or any part of the property, assets or revenue of the company, by specific assignment or otherwise to transfer or convey the same absolutely or in trust as may seem expedient and to purchase, redeem or pay of any such securities.
21. To remunerate any company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing or procuring the underwriting of any to the shares or debentures or other securities of the Company or any company in which this Company may be interested or proposed to be interested or in or about the conduct of the business of the Company, whether by cash payment or by the allotment of shares or securities of the Company credited as paid in full.
22. To amalgamate or enter into partnership or any joint purpose or profit / loss-sharing arrangement with and to co-operate in any way with or assist or subsidise any company, firm or person, and to purchase or otherwise acquire and undertake all or any part of the business, property



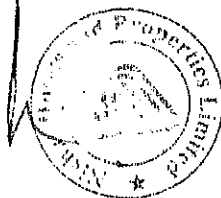


and liabilities of any person, body or company carrying on any business which this Company is authorised to carry on or possessed of any property suitable for the purposes of the Company.

23. To sell, lease, grant licenses, easements and other rights over, and in any other manner deal with or dispose of, the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and in particular for stocks, shares or securities of any other company whether fully or partly paid up.
24. To improve, manage, work, develop, exchange, lease, mortgage, turn to account, abandon or otherwise deal with all or any part of the property, rights and concessions of the Company.
25. To purchase, hire, lease, or otherwise acquire motor cars, buses, trucks, wagons, carts, and vehicles of all descriptions mechanically propelled or otherwise, and to work, run or operate these either by granting of a contract or in any other manner whatsoever, for the transport of persons or goods in furtherance of the objects set out in the foregoing sub-clause and to enter for any purpose into any agreement, contract, or undertaking with any Government, Municipal or other authorities or with any other private or public company or companies.
26. Generally to carry on in any place or places any other trade or business, whether manufacturing or otherwise subsidiary or auxiliary to, or which may seem to the Company capable of being conveniently carried on in connection with any of the Company's objects or calculated to enhance the value of or render available any of the Company's property or rights and to establish and maintain offices, in any part of the world for conduct of the business of the Company, or for the sale of any materials or things for the time being in the possession of the Company for sale, and to advertise and adopt means of making goods of the Company or any articles or goods traded or dealt in by the Company, in any way that may be thought advisable including the posting of bills in relation thereto and the issue of circulars, books, pamphlets and price lists, and the conducting of competitions, exhibitions and the giving of prizes, rewards and donations.
27. To grant pensions or gratuities to any employees or ex-employees and to officers and ex-officers (including Directors and ex-Directors) of the Company or its predecessors in business, or the relations, connections or dependents of any such persons, and to establish or support associations, institutions, clubs, funds, and trusts which may be considered calculated to benefit any such persons or otherwise advance the interests of the Company or of its members, and to establish and contribute to any scheme for the purchase by trustees of shares in the Company to be held for the benefit of the Company's employees, and to advance money to the Company's employees to enable them to purchase shares of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with its employees or any of them.

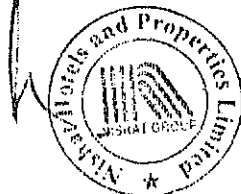


28. To distribute among members of the Company in specie or otherwise, by way of dividend or bonus or by way of reduction of capital, all or any of the property or assets of the Company, or any proceeds of sale or other disposal of any property or assets of the Company, with and subject to any incident authorised and consent required by law,
29. To place, to reserve or to distribute as dividend or bonus among the members, or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company, and any moneys received in respect of dividends accrued on forfeited shares, and money arising from the sale by the Company of forfeited shares or from unclaimed dividends.
30. To distribute any of the property of the Company amongst the members in specie or kind.
31. To open bank account of the company and to draw, accept, make, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, bills of lading or other negotiable or transferable instruments related to the business of the company.
32. To guarantee the re-payment of any finance or debt or performance of any contract, obligation or promise or stand surety in respect thereof for any associate company, undertaking or firm with whom the Company has a union of interest and/or reciprocal business relationship or association for mutual advantages and benefits which may be conducive and/or incidental to the promotion or advancement of the business or operation of the Company and to secure the same by creating a mortgage, hypothecation or floating charge or lien on all or any of the assets or properties of the Company.
33. To seek or extend financial accommodation by mortgage, lease, hypothecation of all or any of the property, assets or rights of the Company including any land, building and super structure thereon or to create a charge over the present and future assets of the Company or give security, surety, guarantee in favour of any bank, firm, corporation, financial institution or companies in order to secure the financial obligations of the Company or its sister concern, subsidiary and/or associated undertaking.
34. To receive money or loan and borrow or raise money in such manners as the Company shall think fit and in particular by the issue of debentures or debenture stocks (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by the mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) and also by similar mortgage, charge or lien to secure and



guarantee the performance of the Company or any other person or company of the obligation undertaken by the Company or any other person or the Company as the case may be, but not to act as a finance or banking company.

35. To accept stock, or shares in, or bonds, debentures or other securities of any other Company in payment or part payment of any services rendered or for any sale made to or debt owing from any such Company.
36. To draw, make, issue, accept and to endorse, discount and negotiate Promissory Notes, Bills of Exchange, Bills of Lading, Delivery Orders, Warrants, Warehouse Keeps, Certificates and other Negotiable or Commercial or Mercantile Instruments connected with the business of the Company.
37. To pay all the costs, charges and expenses, of and incidental to the promotion, formation, registration and establishment of the Company and to issue of its capital including any underwriting or other commission, broker's fees and charges in connection therewith, and remunerate or make donations to (by cash or other assets or by the allotment of fully paid shares or by call or option on shares, debentures, debenture-stock or securities of this or any other Company, or in any other manner, whether out of the Company's capital or profits or otherwise) any person, firm or Company for services rendered or to be rendered in introducing any property or business to the Company or in placing or assisting to place or guaranteeing the subscription of shares, debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or for any other reason which the Company may think proper.
38. To enter into any arrangements with any government or authority, federal, provincial, municipal, local or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
39. To adopt such means of making known the services and products of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting rewards and donations.
40. To do all or any of the things and matters aforesaid in any part of the world and either as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others.



41. To transact and carry on all kinds of Agency business.
42. To procure the registration or other recognition of the Company in any country, state or place, and to establish and regulate branches and agents for the purpose of the Company's business.
43. To do all such other things as may be considered to be incidental or conducive to the above objects or any of them.
44. Notwithstanding anything stated in any object clause, the Company shall obtain such other approval or licence from the competent authority, as may be required under any law for the time being in force, to undertake a particular business.
45. It is declared that notwithstanding anything contained in the foregoing object clauses of this Memorandum of Association nothing contained therein shall be construed as empowering the Company to undertake or to indulge in business of banking, company, banking, leasing, investment, managing agency or insurance business directly or indirectly as restricted under the law or any unlawful operation.

And it is hereby declared that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only if and so far as otherwise expressly provided in any paragraph) shall be separate and distinct objects of the Company and shall not be in anywise limited by reference to any other paragraph or the order in which the same occur or the name of the Company.

IV. The liability of the members of the Company is limited.

- V. The authorized capital of the Company is Rs. 10,000,000,000/- (Rupees Ten Billion Only) divided into 1,000,000,000 (One Billion) ordinary shares of Rs. 10/- each with power to increase, reduce, consolidate or otherwise re-organise the share capital and to divide the shares of the company into different classes in accordance with the provisions of the Companies Ordinance, 1984.



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

Name and Surname (Present & Former) in Full (in Block Letters) and C.N.I.C. #	Father's / Husband's Name (in Full)	Nationality with any former Nationality	Occupation	Residential Address (in Full)	Number of shares taken by each sub- scriber	Signature
1. MIAN RAZA MANSHA C.N.I.C. # 35202-2539500-5	Mian Muhammad Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
2. MR. SHAHZAD SALEEM C.N.I.C. # 35201-5339629-9	Mr. Muhammad Saleem	Pakistani	Businessman	469 - Z, DHA, Lahore - Cantt.	3,960	<i>[Signature]</i>
3. MIAN UMER MANSHA C.N.I.C. # 35202-0842523-5	Mian Muhammad Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
4. MIAN HASSAN MANSHA C.N.I.C. # 35202-1479111-5	Mian Muhammad Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
5. MRS. IQRA HASSAN MANSHA C.N.I.C. # 42000-0438842-4	Mian Hassan Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
6. MR. APTAB AHMAD KHAN C.N.I.C. # 35202-2938224-5	Sardar Ghulam Ahmad Khan	Pakistani	Service	53 - A, Lawrence Road, Lahore.	100	<i>[Signature]</i>
7. MR. I. U. MAZI C.N.I.C. # 35202-2732121-1	Ch. Muhammad Din	Pakistani	Service	53 - A, Lawrence Road, Lahore.	100	<i>[Signature]</i>
Total Number of Shares Taken					20,000 Twenty Thousand	

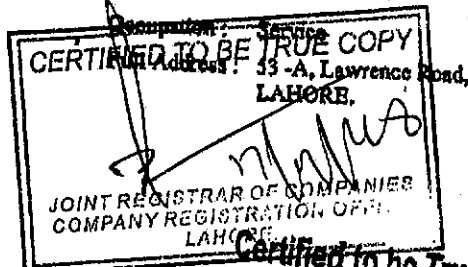
Dated this 3rd day of October 2007.

Witness to the above signatures :

Full Name : Khalid Mahmood Chohan  
C.N.I.C. # 33100-0985638-5

Father's  
Full Name : Abdul Rasheed

Signature .....  
Nationality : Pakistani



Certified to be True Copy  
for Nishat Hotels and Properties Limited  
Company Secretary

THE COMPANIES ORDINANCE, 1984

(COMPANY LIMITED BY SHARES)

Articles of Association  
of

**NISHAT HOTELS AND PROPERTIES LIMITED**

**PRELIMINARY**

1. The regulations contained in Table 'A' in the First Schedule to the Companies Ordinance, 1984 shall not apply to the Company except in so far as they are repeated or contained in these Articles.

2. The chapter headings shall not affect the construction hereof, and in these Articles, unless there is something in the subject or context inconsistent therewith :-

"The Ordinance" means the Companies Ordinance, 1984 as amended and now in force in Pakistan and any amendments or re-enactment thereof in force from time to time.

"The Articles" mean these Articles of Association as originally formed or as altered from time to time by resolution.

"The Commission" means the Securities and Exchange Commission of Pakistan established under the Securities and Exchange Commission of Pakistan Act, 1997.

"The Board" shall mean the Directors identified from time to time of the Company acting at a meeting or pursuant to unanimous written consent.

"The Central Depository" means a central depository as defined in clause (cc) of Section 2 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), and registered with the Commission under Section 32 A of that Ordinance.

"The Company" means "NISHAT HOTELS AND PROPERTIES LIMITED".

"The Chairman" means the Chairman of the Board elected from time to time.

**Certified to be True Copy**  
for Nishat Hotels and Properties Limited

**Certified to be True Copy**  
for Nishat Hotels and Properties Limited

Company Secretary

Company Secretary

"The Directors" means the Directors of the Company appointed from time to time pursuant to these Articles.

"The Dividend" means the distribution of profits of the Company to its members and includes bonus in the manner and mode prescribed in these Articles and subject to the right and privileges attached to the shares in the manner and mode provided by these Articles.

"Special Resolution" shall have the meanings assigned thereto by Section 2(1)(36) of the Ordinance.

"The Chief Executive" means the Chief Executive of the Company appointed from time to time pursuant to these Articles.

"The Member" means a member of the Company within the meaning of the provisions of Section 2(1)(21) of the Ordinance.

"The Memorandum" means the Memorandum of Association of the Company as originally framed or as altered from time to time in accordance with the provision of the Ordinance.

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

"Non-Voting Ordinary Shares" means shares of the Company with rights and privileges attaching to ordinary shares such as dividend, bonus, right shares etc. within the kind and class of Non-Voting Ordinary Shares subject to the limitations / restrictions that holder of such shares shall not be entitled to receive notice, attend general meetings and vote at meetings of the shareholders of the Company, except as otherwise provided by the Companies Ordinance, 1984 (the "Ordinance"), whereby the holders of such shares would be entitled to vote separately as a class, i.e., provisions with respect to voting entitlement of shareholders of a particular kind or class on matters / issues affecting substantive rights or liabilities of that particular kind or class of shareholders".

"The Office" means the Registered Office of the Company.

"Preference Shares" not being Ordinary Shares, means Preference Shares whether redeemable in accordance with the provisions of these Articles subject to Section 85 of the Ordinance, including but not limited to, by way of conversion into shares with such right, restrictions and privileges as determined by the Company in the manner and mode provided in these Articles or irredeemable, cumulative or otherwise with the rights, privileges and conditions attaching thereto, within the scope and purview as are provided by the Articles, in the manner and mode provided in the Articles.



"Preference Shareholders" not being Ordinary Shareholders mean, in relation to the Company, every person to whom the Company has allotted, or who becomes the holder of Preference Shares and whose name is entered in the register of preference shareholder or any such document as prescribed by the Ordinance.

"The Register" means the Register of Members to be kept pursuant to Section 147 of the Ordinance.

"The Seal" means the Common Seal adopted by the Company.

"Share" means share in the share capital of the Company.

"In writing" and "written" include printing, lithography and other modes of representing or reproducing words in a visible form. Words importing the singular number include the plural number and vice versa, unless a different intention appears from the context. Words importing the masculine gender also include the feminine. Words importing person include bodies corporate.

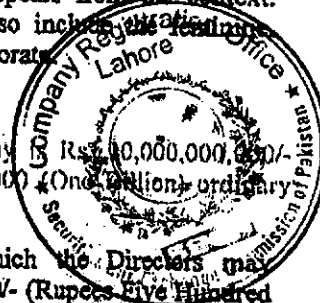
#### CAPITAL

3. The Authorised Capital of the Company (Rupees Ten Billion Only) divided into 1,000,000,000 shares of Rs. 10/- each.

3. (a) The minimum subscription upon which the Directors may proceed to allot the shares initially shall be Rs. 500,000/- (Rupees Five Hundred Thousand only).

4. Subject to Section 90 of the Ordinance and any rules in that regard made under the Ordinance, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with different rights, restrictions and privileges, including but not limited to the following, namely :-

- (a) different voting rights ; voting rights disproportionate to the paid-up value of shares held ; voting rights for specific purposes only ; or no voting rights at all ;
- (b) different rights for entitlement of dividend, right shares or bonus shares or entitlement to receive the notices and to attend the General Meetings ;
- (c) rights and privileges for indefinite period, for a limited specified period or for such periods as may from time to time be determined by the members through special resolution ; and
- (d) different manner and mode of redemption, including redemption in accordance with the provisions of these Articles subject to Section 85 of the Ordinance, including but not limited to, by



Capital.

Minimum Subscription





way of conversion into shares with such right and privileges as determined by the Company in the manner and mode provided in these Articles.

- (e) different manner, mechanism and mode for conversion of Preference Shares into shares with such right and privileges as determined by the Company in the manner and mode provided in the Ordinance and these Articles, including but not limited to by conversion of Preference Shares into Non-Voting Ordinary Shares.

5. Subject to Section nos. 85 and 95(4)(a) of the Ordinance, and any rules in that regard made under the Ordinance, the Company may issue shares or any other redeemable security, which are to be redeemed in the manner and mode provided by these Articles, including but not limited to, by way of conversion into shares with such rights and privileges as determined by the Company in the manner and mode provided in these Articles and / or in the offering document pursuant to which the same were issued / allotted or under the Ordinance.

Issue of Shares.

6. Subject to provisions of the Ordinance and any rules framed thereunder and these Articles and subject to any special rights or privileges for the time being attached to any issued shares, the shares in the capital of the Company for the time being, including any new shares resulting from an increase in the authorised capital, shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, company or other corporate body on such terms and conditions and with such rights and privileges annexed thereto as the Directors shall determine and at such times and in such manner as the Directors think fit, either at par or at a premium or subject to Section 84 of the Ordinance at a discount, in accordance with the provisions of law to give any person the right to call for and be allotted shares of any kind or class of the Company at par or at a premium or, subject as aforesaid, at a discount, such option being exercisable at such time, and for such consideration as the Board think fit. Provided that the shares in the capital of the Company shall always be issued as fully paid shares and no shares shall be issued as partly paid shares.

Shares for consideration other than cash.

7. The shares in the Capital of Company may be allotted in payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business, and any shares which may be allotted may be issued as fully paid-up otherwise than in cash, and if so issued shall be deemed to be fully paid-up shares as aforesaid.

Increase in Issued Capital.

8. Where at any time the Board decides to increase the issued capital of the Company by issuing further shares, then any such issue shall be made in accordance with Section 86 of the Ordinance.



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

Company not to  
Finance  
purchase of its  
shares.

10. If and whenever as a result of an issue of new shares or any consolidation or sub-division of shares any members become entitled to hold shares and, if the owners of such shares fail to agree otherwise shall be entitled to sell whole shares at a reasonable price and pay and distribute to and amongst the members entitled to such fractional shares in due proportion the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Board may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised 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.

Fractional  
Shares.

11. A share may be registered in the name of any Limited Company or other legal person, but not in the name of a firm. No more than four persons shall be registered as joint holders of any shares.

12. Any application or subscription signed for or on behalf of applicant or subscriber 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 accepts any shares and whose name is entered on the register shall for the purpose of these Articles be a member.

Evidence of  
membership.

13. The amount payable on application on each share shall be the full nominal amount of the share.

14. The Company shall cause to be kept a Register of Members and Index of Members in accordance with the provision of Section 147 of the Ordinance.

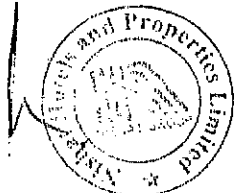
Register of  
Members.

15. The Register of Members and the Index of Members shall be open to inspection of members, gratis.

Register of  
Members open  
to inspection.

16. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on register of members as the holder of any shares as the absolute owner thereof, and accordingly shall not (except as order by a court of competent jurisdiction or as by law required) be bound to recognise any trust or equity or benami, equitable, contingent or other claim to or interest in such shares, on the part of any other person whether or not it shall have express or implied notice thereof.

Must not  
recognised.



## UNDERWRITING AND COMMISSION

Commission.

17. The Company may at any time pay commission to any person for subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or debentures of the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in or debentures of the Company; but so that the rate of commission shall not exceed such rate percent of amount as may be fixed by the Commission. The commission may be paid or satisfied in cash or in debentures of the Company. The Company may also pay the usual brokerage not exceeding one percent or such other rate as may be specified by the Commission of the price at which shares or debentures issued have been actually sold through the broker.

## CERTIFICATES

Member's right to certificate.

18. Every member shall be entitled without payment to one Certificate for all the shares registered in his name, or if the Board so approves (upon paying such fee as the Board may from time to time determine), to several Certificates, each for one or more shares. Every Certificate of shares shall specify the number and describing numbers of shares in respect of which it is issued, and the amount paid thereon. Such Certificate shall be issued under Seal, and shall bear the signature of one Director and shall be countersigned by the Secretary or by second Director, or by some other person appointed for that purpose by the Board.

Issue of New Certificate in place of defaced, lost or destroyed Certificates.

19. If any Certificate is worn out, defaced or rendered useless, then upon production thereof to the Board, it may order the same to be cancelled and may issue a new Certificate, in lieu thereof, and if any certificate is lost or destroyed, then on proof thereof, to the satisfaction of the Board and on such indemnity as the Board deems adequate being given a new Certificate in lieu thereof shall be given to party entitled to such lost or destroyed Certificate.

## TRANSFER AND TRANSMISSION

Register of transfer.

20. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

Transfer.

21. The instrument of any transfer of share shall be in writing in the usual common form or in the following form or as near thereto as circumstances will admit.



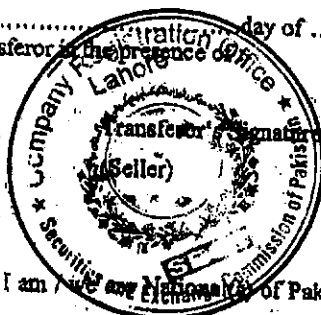
# NISHAT HOTELS AND PROPERTIES LIMITED

Form of  
Transfer.

"I, ..... of ..... in consideration of the sum of Rs. .... (Rupees .....)  
Paid to me by ..... of ..... (hereinafter called "The Transferee") do hereby transfer to the said transferee ..... Ordinary / Preference / Non-Voting share(s) numbered ..... to ..... inclusive, in the book of NISHAT HOTELS AND PROPERTIES LIMITED, to hold unto the said Transferee his executors, administrators and assigns subject to the several conditions on which "I" held the same at the time of the execution hereof, and I, the Transferee do hereby agree to take the said share(s) subject to the said conditions aforesaid".

As witness our hands this ..... day of .....  
Signed by the above named transferor in the presence of

Witness .....  
Occupation .....  
Address .....



I / We hereby declare that I am / we are National(s) of Pakistan and that I am / we are not minor(s).

Signed by the above named transferee in the presence of:

Witness .....  
Occupation .....  
Address .....

Transferee's Signature  
(Buyer)

Occupation .....  
Address .....

Entered in Register of .....  
Transfer No. ....  
Approved .....  
Director .....  
on .....

Purchaser's Specimen Signature



22. The Board shall not refuse the transfer any fully paid shares or debentures unless the transfer deed is for any reason, defective or invalid.

When Register  
may be closed.

23. The Board shall, subject to the provisions of Section 151 of the Ordinance, have power to close the Register of Transfer for such period or periods of time not exceeding 30 days at a time provided that the aggregate of 45 days in a year is not exceeded.

Transmission of  
Shares of  
deceased  
member.

24. In the case of the death of a shareholder, the survivor where the deceased was a joint holder, and (subject as hereinafter provided), where the deceased was a sole or only surviving holder, the executors or administrators of the deceased holding a grant of probate or letters of administration effective in Pakistan, shall be the only persons recognised by the Company as having any title to the shares. In any case in which such a grant of probate or letters of administration to the estate of a deceased sole or only surviving holder has not been obtained, the Board may, but shall not be bound to recognise the title of any person claiming to be entitled to the deceased holder's share on production by such claimant of a succession certificate or such other evidence of title as the Board may deem sufficient, and upon the claimant furnishing such indemnity, if any, as the Board may require.

Right of the  
Successor to  
be registered  
as a Member  
or to transfer  
shares.

25. Any person becoming entitled to a share in consequence of the death or insolvency of a member shall, upon such evidence being produced as may from time to time be required by the Board, have the right either to be registered as member in respect of share or, instead of being registered himself, to make such transfer of the share as the deceased or insolvent person could have made.

Right of  
successor to  
receive  
dividends and  
other  
advantages.

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

Company not to  
be liable.

27. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by 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 shares, 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 of any equitable, right, title or interest, or be under any liability whatsoever for refusing 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.



### ALTERATION OF CAPITAL

28. The Company may from time to time in General Meeting increase its Authorised Capital by the issue of new shares of such amount and of such designations, powers, preferences and rights as it thinks expedient.

Power to increase authorised capital.

29. Except and so far as otherwise provided by the conditions of issue or by these articles, any Capital raised by the creation of new shares shall be considered part of the Authorised Capital and shall be subject to the provisions herein contained with reference to transfer and transmission, voting and otherwise.

Conditions of issue.

30. The Company may reduce its share capital in the manner and mode provided in the Ordinance.

Power to reduce share capital.

31. Subject to the provisions of the Ordinance, the Company may in General Meeting by Ordinary Resolution alter the conditions of its Memorandum as follows :-

Power to sub-divide or consolidate share.

- (a) Consolidate and divide all and any of its Share Capital into Shares of larger amount than its existing shares.
- (b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum.
- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares so cancelled.

32. Whenever the capital is divided into different kinds or classes of shares, all or any of the rights and privileges attached to each kind or class may, subject to the provisions of Section 108 of the Ordinance, be modified, commuted, affected, abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that kind or class (as the case may be) provided such agreement is (a) ratified in writing by the holders of at least three-fourths in nominal value of the issued shares of the kind or class (as the case may be) or (b) confirmed by a Special Resolution passed at an Annual General Meeting / Extraordinary General Meeting of the holders of shares of that kind or class (as the case may be) and all the provisions hereinafter contained as to General Meetings, shall, mutatis mutandis, apply to every such meeting. This Article shall not by implication curtail the power of modification, which the Company would have if this Article were omitted.

Cancellation of share holders rights.

### BORROWING POWER

33. The Board may from time to time borrow any moneys for the purpose of the Company from the members or from any other person, firms, companies, corporations, institutions or banks whether local, domestic or foreign and / or overseas and / or international or the Directors may themselves lend any moneys to the Company.

Borrowing power and giving of securities.



Raising moneys.

34. The Board may raise and secure payment of such sum of money in such manner and upon such terms and conditions, in all respects as they think fit, and in particular by the issue of bonds, perpetual or redeemable debentures, or by mortgage or charge or other security on the whole or any part of the property, assets and rights of the Company, (both present and future).

Conditions of bonds, etc.

35. Any bonds, debentures or other securities issued or to be issued by the Company shall be under the control of the Board which may issue them upon such terms and conditions and in such manner and for such considerations as shall be considered by the Board to be for the benefit of the Company.

Issue at discount, premium, etc.

36. Any bonds, debentures or other securities may be issued at a discount, premium or otherwise and with any special privilege as to redemption, surrender, drawing, convertibility into shares, attending and voting at General Meeting of the Company, appointment of Directors and otherwise, provided that debentures with the right to vote or be converted into shares shall not be issued without the consent of the Company in General Meeting.

Indemnity to Directors.

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

#### GENERAL MEETING

Statutory Meeting

38. The Statutory General Meeting of the Company shall be held within the period required by Section 157.

General Meeting when to be held.

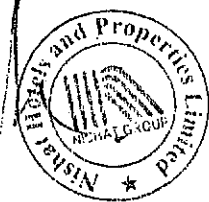
39. Annual General Meeting of the Company shall be held within eighteen months from the date of incorporation of the Company and there after once at least in every calendar year within a period of three months following the close of its financial year provided that no greater interval than fifteen months shall be allowed to lapse between two such Annual General Meetings of the Company.

Who may call Extraordinary General Meeting.

40. The Board may call an Extraordinary Meeting whenever it shall think fit. An Extraordinary Meeting may also be convened on the requisition of the members in accordance with the provisions of Section 159 (2) of the Ordinance.

Notice of meetings.

41. Notice of every General Meeting shall be sent to every member of the Company to any person entitled to a share in consequence of death of a member if the interest of such person is known to the Company; and to the auditors of the Company at least twenty-one days before the date fixed for the meeting. The notice shall specify place and the day and hour of the Meeting alongwith a statement of the business to be transacted at the meeting.



42. With the consent of all Members entitled to receive notice of a Meeting, or to attend and vote at any such meeting may be convened by shorter notice than specified in the foregoing articles.

Waiver of Notice

43. Three members present personally who represent not less than twenty five per cent of the total voting power, either of their own account or as proxies shall be a quorum of a General Meeting.

Quorum

44. The Chairman of the Board shall be entitled to take the Chair at every General Meeting. If there is no Chairman or if at any meeting he be not present within 15 minutes after the time appointed for holding such Meeting or is unwilling to act, the Directors present may choose a Chairman, and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director be present to take the Chair, the members present shall choose one of the members to be the Chairman.

Who to preside in General Meeting.

45. If within an hour after the time appointed for the holding of a General Meeting a quorum is not present, the Meeting if convened on the requisition of the members, shall be dissolved, and in every other case shall stand adjourned to the same day in the next week at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present being not less than two, shall be a quorum.

Adjournment of meeting for lack of quorum.

46. The Chairman with the consent of the Meeting may adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than business which might have been transacted at the Meeting from which the adjournment took place.

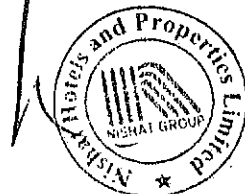
Adjournment by Chairman.

47. At any General Meeting a Resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded. A poll may be ordered to be taken by the Chairman of meeting of his own motion, and shall be ordered to be taken by him on a demand made by at least five members having the right to vote on the resolution and present in person or by proxy or by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution and unless a poll is so demanded, a declaration by the Chairman that resolution has been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the books of the proceedings of the Company, shall be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of or against such resolution.

Voting on resolutions by show of hands & when roll demanded.

48. If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the Meeting directs, and either at once or after an interval or adjournment and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. The demand for a poll may be withdrawn by the person who made it.

Poll.





Time of taking  
poll.

49. A poll demanded on the election of a Chairman of a Meeting or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken at such time not more than fourteen days from the day on which it is demanded, as the Chairman may direct.

Effect of poll.

50. 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.

Minutes.

51. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings, and any such minutes if purporting to be signed by the Chairman of the Meeting to which it relates or by the Chairman of the Next succeeding meeting, shall be receivable as evidence of the fact therein stated without further proof.

Minutes Books.

52. The Book containing Minutes of proceedings of General Meeting of the Company shall be kept at the Registered Office of the Company and shall be open to inspection by members without charge during business hours.

Vote of  
members.

#### VOTES OF MEMBERS

53. Upon a show of hands every member entitled to vote and present in person or by proxy shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have votes proportionate to the paid up value of shares or other securities carrying voting rights held by him according to the entitlement of the class of such shares or securities, as the case may be.

Vote of  
member of a  
corporate  
body.

54. A company which is a member of the Company may by resolution of its Directors authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of such company as the Company could exercise if it were an individual member of the Company.

Right of  
vote for  
Hairs or  
legatee etc.

55. A person entitled under the Transmission clause 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 48 hours before the time of holding the Meeting or adjourned meeting as 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.

Who may be  
appointed as  
proxy.

56. No person shall be appointed a proxy who is not a Member of the Company and qualified to vote.

Manner of  
proxy.

57. Every Proxy shall be appointed in writing under the hand of the appointer or by an agent duly authorised under a Power of Attorney or if such appointer is a Company or corporation under the Common Seal of the Company or corporation or the hand of its Attorney who may be the appointer.



58. Any proxy declared expressly on its face to be irrevocable shall not be revoked or be deemed revoked by the Member giving proxy whether by attendance at any General Meeting held during the period of such proxy or by any other action on his part whatsoever or otherwise during the term of such proxy if such proxy was furnished to and filed with the records of the Company and the Company shall be bound to recognize and give effect to such proxy in accordance with the terms thereof.

Irrevocable proxy

59. No person shall act as proxy unless the instrument of his appointment and the Power of Attorney, if any under which it is signed, shall be deposited at the registered office, of the Company at least forty-eight hours before the time for holding the meeting at which he proposes to vote.

Proxy to be deposited at the registered offices.

60. An instrument of proxy may be in the following form, or a form as near thereto as may be ;

Form of proxy.

### NISHAT HOTELS AND PROPERTIES LIMITED

"I, .....  
of .....  
in the district of ..... being a member of  
NISHAT HOTELS AND PROPERTIES LIMITED hereby appoint  
..... as my  
proxy to vote for me and on my behalf at the (annual / extraordinary, as the case  
may be) General Meeting of the Company to be held on the ..... day of  
..... and at any adjournment thereof.

61. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any Power of Attorney under which such proxy was signed provided that no intimation in writing of the death or revocation shall have been received at the registered office of the Company before the meeting.

Validity of proxy.

62. No objection shall be made to the validity of the vote except at the meeting or at the poll at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll.

Validity of vote.

63. The Chairman of the meeting shall decide in accordance with these Articles on the validity of every vote in respect of which objection is taken at such meeting.

Chairman to decide.



## DIRECTORS

## Number and qualifications of Directors.

Number of  
Directors.

64. The number of Directors shall not be less than three, such number to be fixed from time to time by the Board.

Directors of  
Loan advancing  
agencies.

65. If any loan(s) in foreign and or local currency is / are arranged, and the conditions attaching to the advancing of such loan(s) so provided, the loan giving agency / agencies shall have the right to nominate from time to time, during the subsistence of such loan on the Board of the Company one or more Directors, as per terms of the loan agreement. The loan giving agency / agencies shall also have the right to remove the Director(s) so appointed and to appoint any substitute thereof. Such Director(s) shall not be required to hold qualification shares nor can they be retired or removed from office by the Company.

Directors of  
Financing  
Institutions.

66. Provisions of Article 62 above shall apply, where appropriate, in case of financial and underwriting institutions, including the N.I.T., I.C.P., N.D.F.C., State Life Insurance Corporation, which acquire shares of the Company subject to the express provision that one Director only may be appointed by each of such institutions for holding at least 250 ordinary shares. These Directors shall have same rights, privileges, obligations, and responsibilities, as those of other Directors of the Company.

Alternate  
Directors  
Appointment  
and right.

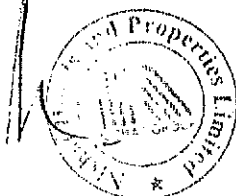
67. A Director who is about to leave or is absent from Pakistan may, with the approval of the Board, appoint any person (including another Director) to be an alternate Director during his absence. Provided that such absence shall not be for less than a period of three months, and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled in place of his appointer to exercise all the functions of his appointer as a Director of the Company but he shall ipso facto vacate office when his appointer returns or vacate office as a Director or removes the appointer 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.

Continuing  
Directors to act.

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

Casual Vacancy.

69. Any casual vacancy occurring in the Office of Director may be filled up by the Directors, if the majority of the Directors concur in the appointment but the person so chosen shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was elected a Director.



70. The remuneration of a Director for performing professional / extra services, including but not limited to, holding of the office of Chairman, and the remuneration to be paid to any Director for attending the meetings of the Directors or a Committee of Directors shall from time to time be determined by the Board of Directors.

Remuneration  
to Directors.

71. Any Director who serves on any Committee or who devotes special attention to the business of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary or statutory duties of a Director may be paid such extra remuneration by way of salary or allowance, perquisite or other facility, as the Directors may determine.

Extra  
remuneration  
may be paid to  
Directors.

72. A Director, (other than a Chief Executive), shall be his holding shares of the value of not less than Rs. 1,000/- in his own name, subject to the exceptions laid down in proviso to Section 187 of the Ordinance. In the case of Directors nominated by the Federal Government and Directors representing interests holding shares of the requisite value, no share qualification shall be required, provided intimation in writing as to such representation is lodged with the Company within two months of the appointment of such Directors.

Share  
qualification for  
Directors.

73. A Director shall ipso facto cease to hold office on the grounds specified in Section 188 of the Ordinance and in addition :-

Disqualification  
of Director.

- (a) if removed by the resolution of the members herein after provided.
- (b) if by notice in writing given to the Company he resigns his office.

74. Subject to any restrictions imposed by these Articles and the Ordinance and the observance and fulfilment thereof, no Director shall be disqualified from his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any sub-contract or arrangement entered into, by or on behalf of the Company in which any Director is interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for the profit realised from such contract or arrangement by reason only of his holding that office or the fiduciary relationship thereby established, but the nature of his interest must be disclosed by him at the meeting of the Board at which the contract or arrangement is determined, if his interest then exists, or in any other case at the first meeting of the Board after the acquisition of his interest.

Directors may  
contract with  
the Company.



Directors  
not to vote  
on contracts  
concerning  
themselves.

75. No Director shall, as a Director, vote in respect of any contract or arrangement in which he is either directly or indirectly concerned, nor shall his presence count for the purpose of forming a quorum at the time of such vote; and if he does so his vote shall not be counted. Provided however that the Directors or any of them may vote on any contract of indemnity against any loss which they or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company. A general notice that any Director is a member of any particular firm or a Director or member of any specified Company and is to be regarded as interested in any subsequent transactions with such firm or company shall be sufficient disclosure under 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.

Director may be  
interested in  
other  
companies.

76. A Director of this Company may be, or become, a Director of any Company promoted by this Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be liable to account for any benefit received as Director or member of such Company.

Loan to  
Directors.

77. The Company shall not make any loan, or guarantee or provide any security in connection with any loan, made by any other person in contravention of Section 195 of the Ordinance.

#### ELECTION AND RETIREMENT OF DIRECTORS

Election of  
Directors.

78. The Election Directors shall be held at a General Meeting in accordance with Section 178 of the Ordinance.

Duration of the  
office of  
Director.

79. A Director elected 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. The Directors retiring shall continue to perform their functions until their successors are elected.

Removal of  
Directors.

80. The Company may by resolution in General Meeting remove any Director elected under Article 75 or appointed under Article 66 before the expiration of his period of office notwithstanding anything contained, in these Articles or in any agreement between the Company and such Director, provided that the Resolution shall not be deemed to have been passed unless the requirements of Section 181 of the Ordinance have been complied with.

Company may  
fill vacancies in  
the board &  
appoint  
additional  
Directors.

81. The Company, in Annual General Meeting, may by a Resolution appoint another person in place of Director removed office under Article 77 and, without prejudice to the powers of the Directors herein above provided, the Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.



## CHIEF EXECUTIVE

82. The Company shall have an office of Chief Executive which shall be appointed, from time to time, by the Directors who may appoint a Director or (subject to Section 201 of the Ordinance) any other person to be the Chief Executive of the Company for a period not exceeding three years and on such terms and conditions as the Directors may think fit, and such appointment shall be made within fourteen days from the date on which the office of Chief Executive falls vacant or election of Directors under Section 178 of the Ordinance, as the case may be. If the Chief Executive at any time is not already a Director he shall be deemed to be a Director of the Company notwithstanding that the number of Directors shall thereby be increased and he shall be entitled to all the rights and privileges and shall be subject to all liabilities of the office of Director. Upon the expiry of his period of office, a Chief Executive shall be eligible for re-appointment. The Chief Executive may be removed from office in accordance with the provisions of Section 202 of the Ordinance notwithstanding anything contained in these Articles or in any agreement between the Company and the Chief Executive.

Appointment of  
Chief  
Executive.

83. The Directors may from time to time entrust to and confer upon the Chief Executive for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions, as they think expedient; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Powers of Chief  
Executive.

84. A Chief Executive of the Company shall receive such remuneration as the Directors may determine and it may be made a term of his appointment.

Delegation of  
powers by Chief  
Executive.

## PROCEEDING OF DIRECTORS

85. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of equality of votes, the Chairman shall have a casting vote. A Director may, and the Secretary on the requisition of a Director shall at any time, summon a meeting of the Directors. Notice of Director's Meetings shall be given to all Directors whether or not they are within Pakistan. The Directors shall meet at least twice in a year.

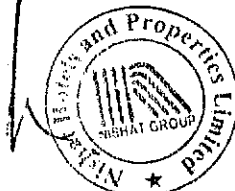
Directors  
meeting.

86. The quorum for a meeting of the Board shall not be less than one-third of their number or four, whichever is greater.

Quorum.

87. A meeting of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions, vested in or exercisable by the Directors generally, by or under these Articles for the time being.

Directors in  
meeting  
competent to  
exercise all  
powers of  
discretions.



Chairman of  
Directors  
meeting.

88. The Directors may elect one of their member to be the Chairman of their meetings, and determine the period for which he is to hold office, but if such Chairman is not present within fifteen minutes after time appointed for holding the meeting, the Directors present shall choose one of their member to be the Chairman of such meeting. The office of Chairman may be filled by any Director.

Directors  
may appoint  
committee.

89. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. A committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

Chairman of  
Committee  
meeting.

90. Unless the Chairman of any committee is designated by the Directors, a committee may elect a Chairman of its meeting and if no such Chairman is designated or elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the members present may choose one of their number to be the Chairman of the meeting.

Quorum and  
procedure  
for  
Committee  
meeting.

91. A Committee may meet and / or adjourn as it thinks proper. Questions 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.

Acts of  
Directors  
valid not-  
withstanding  
defects in  
appointment.

92. All acts done by any meeting of Directors or a committee of Directors or any person acting as a Director shall not with standing 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 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 that as soon as any such defect has come to notice, the Director shall not exercise the right of his office till the defect has been rectified.

Resolution  
by  
Circulation.

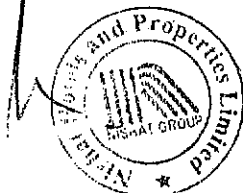
93. A Resolution may be circulated in writing and passed without any meeting of Directors or of a Committee of Directors and signed by majority of the Directors for the time being entitled to receive notice of a meeting of the Directors or of a committee of Directors shall be valid and effectual as if it had been passed by a meeting duly convened and held and may consist of several documents in like form, each signed by one or more of the Directors.

#### MINUTES

Minutes to be  
recorded.

94. The Directors shall cause the minutes to be duly recorded in books provided for the purpose, the minutes shall among other things contain :-

- (a) the names of the Directors present at such meeting of the Directors and of any Committee of Directors;
- (b) all orders made by the Directors and Committee of Directors; and



- (c) all resolutions and proceedings of General Meeting and of Meeting of the Directors and the Committee.

95. All such minutes shall be signed by the Chairman of the meeting or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so signed shall for all purposes, whatsoever, be prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceeding so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

Minutes of  
prima facie  
evidence.

#### POWERS OF DIRECTORS

96. The control of the Company shall be vested in the Board and the business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not by the Ordinance or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the regulations of these Articles, to the provisions of the Ordinance and such regulations, (not inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if the regulation has not been made. The Directors shall exercise the powers contained in Section 196(2) of the Ordinance on behalf of the Company and shall do so by means of a resolution passed at their meeting.

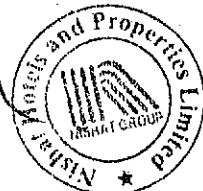
General  
powers of  
Company  
vested to  
Directors.

97. Without prejudice to the powers conferred by the last preceding Article and to any other powers or authorities conferred by these presents on the Directors it is hereby expressly provided that Directors shall have the following powers, that is to say powers:

- (a) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company and also to pay to the promoters all cost and charges they may incur in acquiring properties, machinery or other rights which the Company may take over from them.
- (b) To purchase or otherwise acquire for company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and subject to the provisions of the Ordinance to sell, let, exchange or otherwise dispose of absolutely or conditionally, any part of the property, privilege and undertaking of the Company upon such terms and conditions and for such consideration as they may think fit. The Directors shall not except with the consent of the General Meeting either specifically or by way of an authorisation sell lease or otherwise dispose of the undertaking or a sizeable part thereof.

To pay  
preliminary  
expenses.

To acquire  
and dispose  
off





To pay for  
property in  
debentures  
etc.

- (c) At their discretion to pay for any property, rights, and privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares (subject to Section 86 of the Ordinance), bonds, debentures or other securities of the Company, and any such shares may be issued as fully paid up and any such bonds, debentures, or other securities may be either specifically charged upon all or part of the property of the Company and its uncalled capital; or not so charged.

To secure by  
mortgage.

- (d) To secure the fulfilment of any contracts, or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.

To appoint  
officers etc.

- (e) To appoint and, at their discretion, remove or suspend such agents, managers, secretaries, officers, legal advisers, clerks and servant for permanent, temporary or special services as they may from time to time think fit, to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amount as they think fit, and to send any such persons to foreign countries for technical education or otherwise for the Company's business and pay all expenses thereof on such terms as the Directors may think fit.

To appoint  
trustees.

- (f) To appoint any persons or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such trusts and also all such deeds, documents and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustees or trusters.

- (g) Subject to the provisions of the Ordinance to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.

To refer to  
arbitration.

- (h) To refer any claim or demand by or against the Company to arbitration and observe and perform or resist the awards.

To act in  
matter of  
bankrupts &  
insolvents.

- (i) To act on behalf of the Company in all matters relating to bankrupts and insolvents.



- (j) To determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptance, cheques, releases, contracts and documents. To authorize acceptance, etc.
- (k) From time to time provide for the management of the affairs of the Company either in different parts of Pakistan or elsewhere in such manner as they think fit, and in particular to establish branch offices and to appoint any person to be the attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.
- (l) Subject to the provisions of Section 95 of the Ordinance to invest and deal with any of moneys of the Company upon such securities (not being shares in this Company) and in such manner as they think fit and from time to time vary or realise such investments. To invest money.
- (m) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or may be about to incur personal liability for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other power, conditions and provisions as shall be agreed on. To give security.
- (n) To give to any person employed by the Company for services rendered a commission on the profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company. To give percentage.
- (o) From time to time, to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants. To make Bye-laws.
- (p) To enter into all such negotiations and contracts and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company. To make Contracts etc.
- (q) To establish, maintain, support and subscribe to any charitable or public objects, and any institution, society, or club which may be for the benefit of the Company or its employees or may be connected with any town or place where the Company carries on business; to give pensions, gratuities, bonuses or charitable aid to any person who served the Company or to the wives, children or dependents of such persons, that may appear to the Directors just or proper whether any person, his widow, children or dependents have or have not legal claim upon the Company. To establish and Support charitable Objects etc.



To set aside profits for Provident fund.

- (r) Before recommending any dividends, to set aside proportions of the profits of the Company to form a fund to provide for such pensions, gratuities, compensation or to create any Provident or Benefit Fund in such or any other manner as the Director may deem fit.

To make and alter rules.

- (s) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees of the Company respectively to any such fund and the accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof, and otherwise in relation to the working and management of the said Fund as the Directors shall from time to time think fit.

Borrowing powers and giving of securities.

98. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets, (both present and future), and unpaid capital, (whether called up or not), and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company, or of any third party.

#### THE SEAL

Custody of Seal.

99. The board shall provide for the safe custody of the Seal, and the Seal shall never be used except by the authority of the Board or a committee of Directors previously given and one Director at least shall sign every instrument to which the Seal is affixed. Provided, nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching any authority to issue the same.

#### DIVIDENDS AND RESERVES

Dividends to be declared in General Meeting.

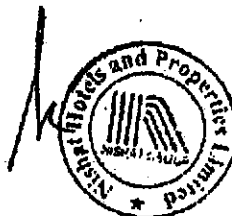
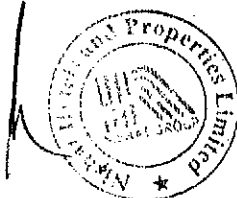
100. The General Meeting may declare dividends, but no dividends shall exceed the amount recommended by the Directors.

Interim dividend.

101. Directors may from time to time pay to the members such interim dividends as appears to the Directors to be justified by the profits of the Company.

Dividends out of profits.

102. No dividend shall be declared or paid by the Company for any financial year out of the profits of the Company made from the sale or disposal of any immovable property or assets of a capital nature comprised in the undertaking or any of the undertakings of the Company except after such profits are set off or adjusted against losses arising from the sale of any such immovable property or assets of a capital nature. No dividend shall be paid otherwise than out of profits of the Company.



103. 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 equalising dividends, or for any other purpose to which the profits of the Company may be properly applied. Pending such application the profits may, at the like discretion, be either 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.

Division of profits.

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

Dividend payments to Joint Holder.

105. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

Notice of dividend.

106. No dividend shall bear interest against the Company.

Dividends not to bear interest.

107. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Transfer not to pass right to dividend already declared.

108. Unless otherwise directed, any dividend may, if the Directors so think fit, be paid by cheque or warrant sent through post to the registered address to the Member or person entitled or, in the case of joint holders, to the registered address of the first named in the register in respect of joint holders. Every such cheque or warrant shall be payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

Dividend how remitted.

109. All dividends unclaimed for one year after having been declared may be applied by the Directors for the benefit of the Company until claimed. No dividend shall be forfeited by the Company.

Unclaimed dividends when to be used by the Company.

110. Any General Meeting sanctioning for declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part, by the distribution of specific assets, and in particular by paid up shares, debenture stock of the Company, or of any other Company, or in any one or more of such ways and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that such payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and such specific assets upon trusts from the persons entitled to the dividend as may seem expedient to the Directors. Where requisite a proper contract shall be filled in accordance with Section 73 of the Ordinance and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

Dividends in specie.



115. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and books of the Company, or any of them shall be open to inspection of members, not being Directors and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by Directors or by the Company in General Meeting.

Inspection  
members.

116. The Directors shall once at least in every calendar year lay before the Company in Annual General Meeting a balance-sheet and profit and loss account for the period since the preceding account, made up to a date not earlier than the date of the meeting by more than three months.

Statements of  
accounts to be  
laid before  
General  
Meeting.

117. A copy of the balance sheet and profit and loss account and the Director's report shall, not less than twenty-one days prior to the meeting be sent to the persons entitled to receive notice of General Meeting in the manner in which notices are to be given as provided hereunder.

Balance Sheet  
and report be  
sent to the  
address of every  
member.

#### AUDIT

118. Auditors shall be appointed at each Annual General Meeting of the Company and shall hold office until the next Annual General Meeting. Their appointment, remuneration, rights and duties shall be regulated in accordance with Sections 252 to 255 of the Ordinance.

119. A notice may be given by the Company to any member either personally or by sending it by post to his registered address. In case of shareholder residing outside Pakistan, notice shall be sent by air mail to such shareholder's registered address and a copy shall be sent to any address in Pakistan supplied by such shareholder for this purpose.

Notice how to  
be given.

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

When service of  
notice deemed  
complete.

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

Notice to Joint  
Holders.

122. A notice may be given by the Company to the person 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 of representatives, of the deceased, or assignees of the insolvent, or by any like description, at the address (if any) in Pakistan supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.



Members  
bound by  
notice given  
to previous  
holders.

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

Signature on  
Notice.

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

### INDEMNITY

Indemnity.

125. Subject to the provisions of Section 194 of the Ordinance every Director, Manager, Auditor and other officer or servant of the Company shall be indemnified by the Company and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses, which any such officer or servant may incur or become liable to by reasons of any contract entered into, or act or thing done by him as such officer or servant on in any way in the discharge of his duties including travelling expenses and in particular, as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, manager, officer, or servant in defending any proceedings whether civil or criminal, in which judgment is given in his favour or he is acquitted, or in connection with any application under Section 488 of the Ordinance in which relief is granted by the Court, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of Company and have priority over all other claims.

Neglect or  
Default of any  
other Director  
or officer.

126. Subject to the provisions of Section 194 of the Ordinance no Director, Manager or other officer of the Company shall be liable for any act, or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency for or on behalf of the Company or for the insufficiency of the title to any property acquired by order of the Directors or any security in or upon which any of the money of the Company shall be invested or for loss of damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss damage or misfortune, whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happened through his own dishonesty.

### WINDING UP

Distribution  
of Assets.

127. Without prejudice to the rights of the holders of shares subject to special terms and conditions, if on the winding up, the assets available for distribution among the members shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the



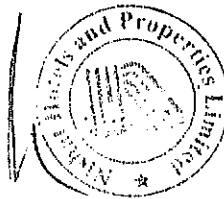
## ARBITRATION

All differences between members and the Company to be referred to arbitration.

129. Whenever any difference arises between the Company on the one hand and any of the Members, their executors, administrators or assignees on the other, touching the true intent or construction or the incidence or consequence of these presents or of the statutes or touching anything then or thereafter done executed, omitted or suffered in pursuance of these or otherwise relating to the premises or to the Company, or to any statute affecting the Company, or to any of the affairs of the Company, every such difference shall be referred to the decision of the arbitrator to be appointed by the parties in difference, or if they cannot agree upon a sole arbitrator to the decision of arbitrators of whom one shall be appointed by each of the parties in difference, or umpire to be appointed by the arbitrators.

Cost of arbitration.

130. The cost of and in relation to, any such difference and award shall be in the discretion of arbitrator or umpire, as the case may be, who may determine the amount thereof or direct the same to be taxed between attorney and client or otherwise and may be awarded by whom and in what manner the same shall be borne and paid.



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

Name and Surname (Present & Former) in Full (In Block Letters) and C.N.I.C. #	Father's/ Husband's Name (In Full)	Nationality with any former Nationality	Occupation	Residential Address (In Full)	Number of shares taken by each sub- scriber	Signature
1. MIAN RAZA MANSHA C.N.I.C. # 33202-2339500-5	Mian Muhammad Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
2. MR. SHAHZAD SALHEEM C.N.I.C. # 33201-5339629-9	Mr. Mohammed Saleem	Pakistani	Businessman	469 - Z, DHA, Lahore - Cantt.	3,960	<i>[Signature]</i>
3. MIAN UMER MANSHA C.N.I.C. # 33202-0842513-5	Mian Muhammad Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
4. MIAN HASSAN MANSHA C.N.I.C. # 33202-1479111-5	Mian Muhammad Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
5. MRS. IQRA HASSAN MANSHA C.N.I.C. # 42000-0438842-4	Mian Hassan Mansha	Pakistani	Industrialist	28 - Main Gulberg, Lahore.	3,960	<i>[Signature]</i>
6. MR. AFTAB AHMAD KHAN C.N.I.C. # 33202-2938228-3	Sardar Chuhra Ahmad Khan	Pakistani	Service	53 - A, Lawrence Road, Lahore.	100	<i>[Signature]</i>
7. MR. I. U. NIAZI C.N.I.C. # 33202-2732121-1	Ch. Muhammad Din	Pakistani	Service	53 - A, Lawrence Road, Lahore.	100	<i>[Signature]</i>
Total Number of Shares Taken					20,000 Twenty Thousand	

Dated this 3rd day of October 2007.

Signature ..... *[Signature]*  
Nationality : Pakistani

Witness to the above signatures :

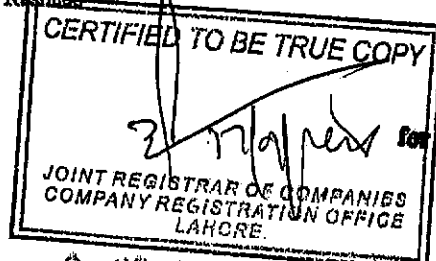
Full Name : Khalid Mahmood Chohan  
C.N.I.C. # 33100-0985638-5

Occupation : Service

Full Address : 53 - A, Lawrence Road,  
LAHORE.

Father's

Full Name : Abdul Rashid



Certified to be True Copy  
for Nishat Hotels and Properties Limited

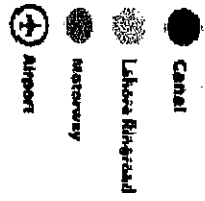
Company Secretary

Certified to be True Copy  
for Nishat Hotels and Properties Limited

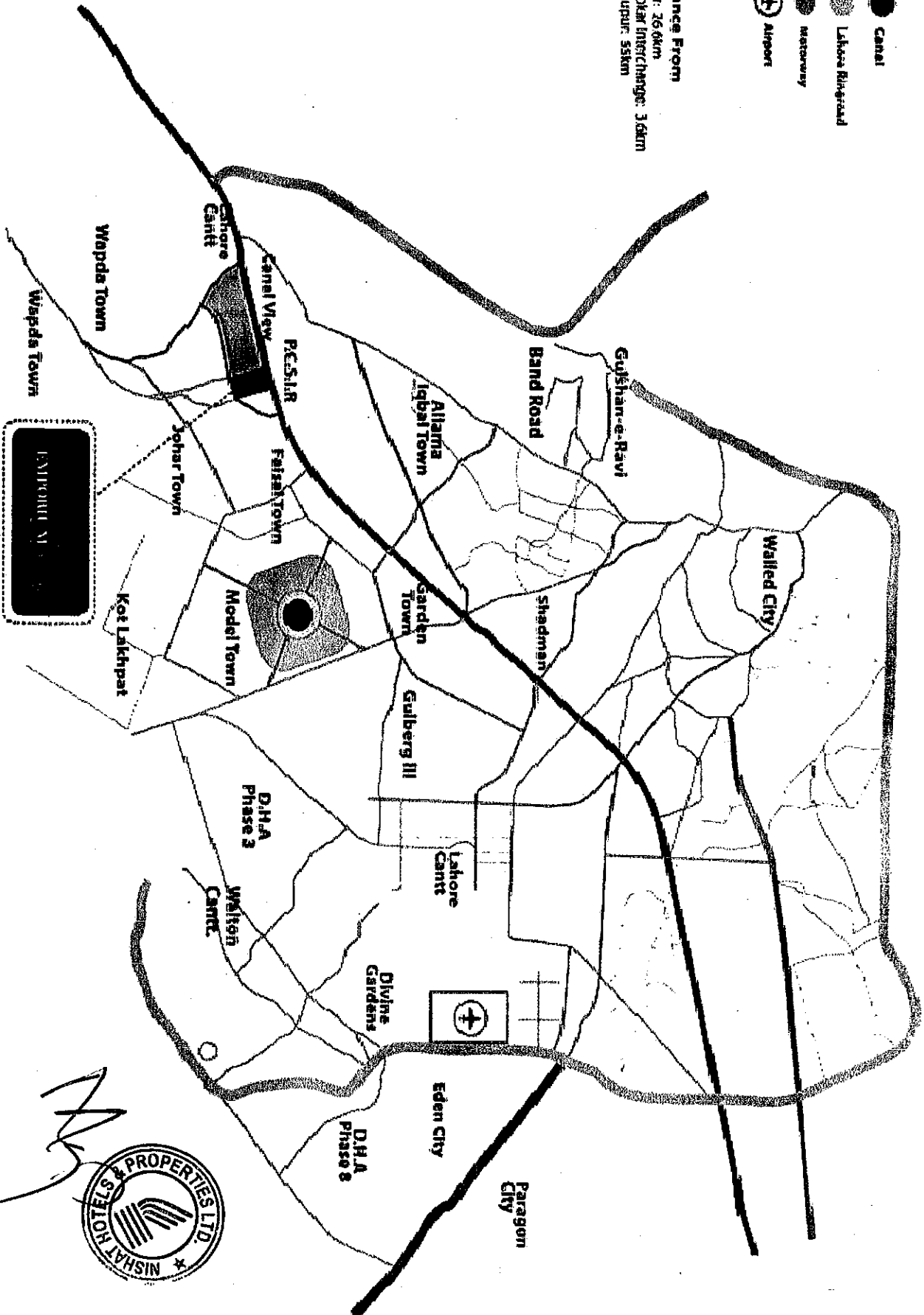
Company Secretary



# Annexure 5



Distance From  
 Airport: 26.6km  
 M2 Thoker Interchange: 3.6km  
 Shahdipur: 55km



## BREIF ABOUT NISHAT HOTELS EMPORIUM PROJECT

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### Introduction

Nishat Hotels and Properties Limited (the 'Company') is a part of the Nishat Group and has acquired approximately 119.3 kanals of commercial land in Johar Town, Lahore to build a mega real estate project namely the **Nishat Emporium Mall**.

The Company is contemplating to develop a hotel, a prime shopping mall, banquet hall facilities, cinema and food courts. The Company engaged Colliers International Pakistan (Private) Limited to provide a comprehensive market research study covering the hospitality and retail sectors.

### Project brief and legal structure

<b>Project name</b>	Johar Town Complex - Financial Trade Centre
<b>Project description</b>	Hotel, prime shopping mall and banquet hall facilities, cinemas and food courts
<b>Industry</b>	Hotels and Hospitality
<b>Project location</b>	Financial Trade Centre, Johar Town, Lahore, Pakistan
<b>Project company</b>	Nishat Hotels and Properties Limited
<b>Legal structure of the project company</b>	Incorporated in Pakistan on October 4, 2007 as a public company limited by shares under the Companies Ordinance, 1984. Received Certificate of Commencement of Business on October 19, 2007
<b>Land area of project</b>	119.3 kanals
<b>Construction period</b>	3 years
<b>Total project cost</b>	Pak Rupees ('PKR') 27,362 million

The development consists of a high quality state of the art shopping mall of international standard as well as a budget hotel and a large banquet hall catering to the needs of the surrounding areas.

The building has a covered area of 2.74 million square feet comprising the following building components (2 basements + ground floor + 11 floors):

- 1) 4 star 198 rooms hotel
- 2) Banquet halls
- 3) Hyper Store (Carrefour Dubai)
- 4) Shopping Mall with following features:

- Retail
- Food Courts
- Universal cinemas (9 screens)
- Health & Leisure Zones
- Two basements with 2,815 parking bays for cars
- Fun Factory

#### **Sponsors' profile and management's overview**

Nishat Group is one of the leading and most diversified business groups in South East Asia with assets of over Rs 300 billion (US\$ 5 billion), it ranks amongst the top five business houses of Pakistan. The group has strong presence in three most important business sectors of the region, namely textiles (Nishat Mills Limited), cement (D.G. Khan Cement Company Limited) and financial services (MCB Bank Limited). In addition, the Group also has reasonable market share in insurance (Adamjee Insurance Company Limited and Security General Insurance Company Limited), power generation (Nishat Power Limited, Lalpir Power Limited and Pakgen Power Limited), paper products (Nishat Paper Products Company Limited) and aviation (Pakistan Aviators and Aviation (Pvt) Ltd).

It also has the distinction of being one of the largest players in each sector. The Group has a remarkable position in the market as good as any multinationals operating locally in terms of its quality of products, services and management skills.

Furthermore, Nishat Group has also gained experience in the hotel business through its company, Nishat Hospitality (Private) Limited.

Nishat Group, through the Company has undertaken Nishat Emporium Mall, Johar Town Complex. The Company's principal shareholders are Mian Raza Mansha, Mian Umer Mansha and Mian Hassan Mansha.