



PAKISTAN RAILWAYS FREIGHT  
TRANSPORTATION COMPANY (PRFTC) (PVT) LTD.

# Memorandum & Article of Association

The Companies Ordinance, 1984  
(Private Company Limited by Shares)

**Memorandum of Association of**  
Pakistan Railway Freight  
Transportation  
Company (PVT) Limited

- I. The name of the Company is "Pakistan Railway Freight Transportation Company PRFTC (Pvt.) Ltd."
- II. The Registered Office of the Company will be situated in Islamabad Capital Territory.
- III. The objects for which the Company is established are all or any of the following in respect of movement of freight, specially coal by rail from port area at Karachi to up-country
  1. The Company may exercise such powers and perform such functions as may be necessary for carrying out the purpose of planning, designing, operating and managing the operations of freight transportation;
  2. To procure, own, control and maintain locomotives & rolling stock for transportation of coal and to own, further develop and maintain terminals, maintenance depots/shops, yards or sidings and other ancillary facilities which are transferred to it by the government where required by the company for efficient transportation of freight;
  3. To acquire by purchase or transfer from Pakistan Railway on lease, locomotives or otherwise rolling stock warehouses, sheds, depots and shelters, offices, colonies for staff, railway yards, any remodeling of existing yards and allied works connected therewith;
  4. To collect fares as determined by the company/government and collect and use fare, fees and fines and all revenues generated for the purpose of its operations;
  5. To plan, operate and maintain the operating assets for movement on Karachi-Peshawar corridor and its further extension/expansion to other sections/destinations;
  6. To incur all necessary expenditure for planning and operation of freight trains including construction and maintenance of depots, shops, sheds, yards & sidings/lines etc, including administrative expenses;
  7. For the purposes of achieving the above objects, the company is authorized:-
    - 1) To make adequate arrangement for effective security of the depots, shops and other ancillary facilities under the control of the company and to ensure safe, efficient and comfortable railway operations on the said



route/corridor and further expand the same to other routes, corridors & destinations, where found feasible for the company;

- 2) To enter into contracts including concession agreements, grant licenses, leases, make other arrangements and to perform all tasks necessary for efficient functioning of the new transportation company and to enter into joint venture with any Federal/Provincial Department, government or private entity for the purpose of freight transportation and grant licenses to such Joint Venture/rail operator and all other service providers, where considered appropriate;
- 3) To carry out field surveys, investigations, analysis, plan and evaluate financial viability/economies of proposed operation on the said route /corridor and prepare preliminary/pre-feasibility and feasibility reports and any other inter related reports or surveys, either on its own or through any third party;
- 4) To carry out activities with regard to carrying out pre-feasibility/feasibility of proposed freight operation along with development, improvement, maintenance and operation of trains including their rolling stock, locomotives and works of other description connected therewith in general and to act as Advisors and agents and estimators, valuers, appraisers, surveyors and any other civil engineering, signal and telecommunication engineering, mechanical engineering, electrical engineering, electric traction, transportation engineering, transportation economics, traffic forecasts and similar allied works.
- 5) To plan and carry out all other related works in connection with the said transportation of freight.
- 6) To buy, sell, manufacture and generally deal in rolling stock viz., locomotives, and specialized/dedicated goods wagons etc. plant and machinery, tools, goods or things of any description connected with operation of freight trains.
- 7) To plan and carry out construction of new tracks, lines and sidings where needed;
- 8) To apply for, tender, offer and accept purchase or otherwise acquire any contracts and concessions for or in relation to the transportation of freight, planning, projection, execution, carrying out improvements, management, administration or control of works and conveniences; and undertake, execute, carryout, dispose off or otherwise turn to account the same.

- 9) To purchase, take on lease in exchange, hire, apply for or otherwise acquire and hold for any interest, any rights, privileges, lands, buildings, easements, trademarks, patents, patent right, copyright, licenses, secret processes, machinery, plants, rolling stock, locomotives, stock in trade and any movable and immovable property of any kind necessary or convenient for the purposes of or in connection with the company's business or any branch or department or turn to account any property, rights, and information so acquired, subject to any permission as required under the law.
- 10) To acquire by concession, grant, purchase, barter, license or otherwise either absolutely or conditionally and either solely or jointly with others any lands, buildings, machinery, plants, equipment, rolling stock, locomotives, privileges, rights, licenses, trademarks, patents and other movable and immovable property of any description which the company may deem necessary or which may seem to the company capable of being turned to account subject to any permission as required under the law.
- 11) To act as representative, and trustees for any person, firm or company and to undertake and perform subcontract, and also act in the business of the company through or by means of agents, subcontractors and to do all or any of the things mentioned herein or elsewhere in this Memorandum in any part of the world, either alone or in collaboration with others and by or thorough agents, subcontractors trustees or otherwise.
- 12) To go in for, buy or otherwise acquire and use any patent design, copyright, license, concession, convenience, innovation, invention, trade, trademark, secret device, or process, rights, or privileges, plants, tools or machinery and the like in Pakistan or elsewhere, which may for the time being appear to be useful or valuable for adding to the efficiency or productivity of the company's work or business, as permissible under the law.
- 13) To acquire by purchase or otherwise land, plots, commercial and residential buildings and spaces and to sell, lease, construct, manage and maintain plots, commercial buildings, colonies, houses, hotels, motel, flats, shops, shopping malls, departmental stores, super markets, utility stores, plazas, community buildings, multi-storied buildings, cinemas and theatres, bowling alleys, shopping arcades, restaurants, health clubs and related infrastructure, recreational and entertainment facilities and let on hire, lease and license out commercial and residential buildings and spaces and recreational, entertainment facilities, petrol/ gas stations etc. and to deal with all kinds of immoveable property and matters/business relating thereto, whether belonging to the company or not, and to advance and



lend money or assets of all kinds, on such terms as may deem fit and provide other ancillary facilities whenever required for the benefit of the Company in the interest of the project subject to compliance with any relevant government polices and laws.

- 14) To carry on execution, operation, restructuring, strengthening, repair, refurbishing of rolling stock, locomotives and other ancillary facilities of all descriptions under any legal arrangement and for that purpose to undertake, execute, operate, handle and manage works, jobs and functions of all kinds which are directly or indirectly connected with the aforesaid job including extension/expansion and maintenance works and to equip these projects or any part thereof with all or any conveniences and facilities, subject to any permission required by law and for that purpose to do all such acts, deeds or things as would be required for effective discharge of these objects.
- 15) To form joint venture with Federal Government, Provincial Government, local or international organizations for leveraging capital and undertaking execution of any of the functions stated herein.
- 16) To work as agents, representatives, coordinators for government, semi-government, local authorities, industrial, commercial or other organizations or individuals in all forms and perspectives and to do all such acts, deeds or things as would be required for effective discharge of these objects.
- 17) To enter into, make and perform contracts and arrangements of every kind and description that may be conducive to the Company's object or objects and for any lawful purpose with any Government, Authority, Public, Quasi-Public, Municipal, Railway or trucking company or any other authority and with any firm, person or company without any rights, privileges, contracts, concessions, grants, which the Company may think desirable to obtain and to carry out, exercise and comply with any such arrangement, rights, privileges, concessions and dispose off or turn to account the same;
- 18) To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person, firm or company carrying on any business which this Company is authorized to carry;
- 19) To sell and, in any manner, deal with or dispose off the undertaking or property of the Company, or any part thereof for consideration as the Company may think and in particular for shares, debentures and other

securities of any other Company having objects altogether or in part similar to those of the Company;

- 20) To improve, manage, develop, exchange, lease, mortgage, franchise, dispose off, turn to account or otherwise deal with all or any part of the property, rights, patents and concessions of the Company;
- 21) To carry on construction of buildings, buying and selling lands and buildings, and to lease, hire, manage or otherwise deal with all kinds of immovable property belonging to the Company and /or to advance and lend surplus money to builders and others for investment in real estate who may be willing to improve or build any land and buildings for the construction of dwelling houses, trade premises, public and other buildings, commercial buildings, shopping malls, plazas, recreational facilities, and to advance and lend money or assets of all kinds on such terms in connection with all or any of the Company's objects or purposes as may be determined subject to compliance with any relevant government policies and laws;
- 22) To undertake and execute any trusts which the Company may think fit expedient to undertake and to act as agents, managers, managing agents, Directors for any person, firm, company or companies;
- 23) To enter into partnership, to amalgamate or merge movable with immovable and / or to buy all interests, assets, liabilities, stocks or to make and to use, exercise, develop, grant licenses in respect of or otherwise arrangement for sharing profits, union of interests, co-operation, merger, joint-venture, reciprocal concession or otherwise with any person, firm or company carrying on or proposing to carry on any business which this Company is authorized to carry on or which is capable of being conducted, so as directly or indirectly, to benefit this Company and to have foreign collaborations and to pay royalties/technical fees to collaborators, subject to the provisions of the Companies Ordinance, 1984;
- 24) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stocks, contracts, mortgages, charges, obligations, instruments, & securities of any company or of any authority, municipal, local or otherwise or of any persons whomsoever, whether incorporated & generally to guarantee or provide corporate guarantee or become securities for the performance of any contracts or obligations;
- 25) To establish, promote or assist in establishing or promoting and subscribe to or become a member of any other company, association or club whose



objects are similar or in part similar to the objects of this Company or the establishment or promotion of which may be beneficial to the Company, as permissible under the law.

- 26) To deal moneys of the Company not immediately required upon such securities and in such manner as may from time-to-time be determined;
- 27) To open accounts with any Bank(s) and to draw, make, accept, endorse, execute, issue, negotiate, discount cheques, promissory notes, bills of exchange, bills of lading, warrants, deposit notes, debentures, letter of credit and other negotiable instruments and securities.
- 28) To pay all costs, charges, and expenses preliminary or incidental incurred in the formation or for the promotion and establishment of the Company and to remunerate any person(s), firm(s) or company(ies) for the services rendered or to be rendered in or for the formation or promotion of the Company or the conducting of its business;
- 29) To provide for the welfare of the employees or ex-employees of the Company, and to wives, widows and families of the dependents of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pensions, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts, and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company may think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support aid by the Company, either by reasons of locality of operation or of public and general utility or otherwise;
- 30) To create any Depreciation Fund, Reserve Fund, Sinking Fund, Insurance Fund, or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property/assets of the Company or for any other purpose conducive to the interest of the Company;
- 31) To do and perform all other acts and things which are incidental or conducive to the attainment of the above objects or any thereof;
- 32) To distribute any of the property of the Company amongst the members in specie or kind;



- 33) To borrow or raise money by means of local and foreign currency loans or otherwise from scheduled banks, industrial banks and financial institutions and other specialized institutions for capital expenditure or working capital or for any other purpose to achieve the objects of the Company;
- 34) To arrange money by issue of debentures, debenture stock, perpetual or otherwise convertible into shares and to mortgage, or charge the whole or any part of the property or assets of the Company, present or future, by special assignment or to transfer or convey the same absolutely or in trust as may seem expedient and to, purchase, redeem or payoff any such securities;
- 35) To purchase/import raw materials, machinery, equipment, rolling stock, locomotives (either in Completely Built Unit, Completely Knocked Down or Semi Knocked Down) and allied items required in connection thereto in any manner the company may think fit;
8. Notwithstanding anything stated in any object clause, the Company shall obtain such other approvals or license from the competent authority, as may be required under any law for the time being in force, to undertake the particular business;
9. 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 security services, **payment systems, Electronic funds transfers in and outside Pakistan, deposit taking from general public, network marketing, referral marketing & direct selling banking** company leasing investment, managing agency, insurance business, any of the NBFC business, multi-level marketing (MLM), Pyramid and Ponzi Scheme, commodity, future contract or shares trading business locally or internationally, directly or indirectly as restricted under the law or any unlawful operation."
- IV. The liability of the members is limited.
- V. The Authorised Capital of the Company is Rs. [10000000]/- (Rupees ten million only) divided into [10,00,000] (one million) ordinary shares of Rs. 10/- (Rupees Ten only) each with powers to the company from time to time to increase and reduce its capital subject to any permission required under the law.

We, the several persons whose Name and address 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 share in the Capital of the Company as set opposite to our respective names.

Names, Address and Descriptions		Number of Share taken by each subscriber
1.	Mrs. Parveen Agha Secretary /Chairperson Ministry of Railways Islamabad	1
2.	Muhammad Javed Anwar General Manager/Operations	1
3.	Rana Ibrar Anwar Additional General Manager/Mechanical Pakistan Railways Headquarter office Lahore	1
4.	Muhammad Khalid Additional General Manager/Infrastructure Pakistan Railways Headquarter office Lahore	1
5.	Mr. Maqsood Un Nabi Additional General Manager/Traffic Pakistan Railways Headquarter office Lahore	1
6.	Mr. Zubair Shafi Ghori Chief Marketing Manager Pakistan Railways Headquarter office Lahore	1
7.	Mr. Zafar Zaman Ranjha Director General Operations Ministry of Railways Islamabad	1
8.	Sardar Wattoo Chief Executive Officer M/s Integrated Equities Lahore	1

# **ARTICLE OF ASSOCIATION**

**PAKISTAN RAILWAY FREIGHT**

**TRANSPORTATION COMPANY (PVT) LIMITED**



1. Subject as hereinafter provided, the Regulations contained in Table 'A' of the First Schedule to the Companies Ordinance, 1984, (hereinafter referred to as Table 'A') shall apply to the Company so far as those are applicable to Private Companies, with the exception of the Regulations which are modified, altered or added hereunder.

#### PRIVATE COMPANY

2. The Company is a Private Company within the meaning of Clause (28) of Section 2(1) of the Companies Ordinance, 1984 and accordingly:-
  - (a) No invitation shall be issued to the public to subscribe for any shares, debentures or debenture-stocks of the Company.
  - (b) The number of members of the Company (exclusive of persons in the employment of the Company) shall be limited to fifty provided that for the purpose of this provision when two or more persons hold one or more shares in the Company jointly they shall for the purposes of this clause be treated as a single member ; and
  - (c) The right to transfer shares in the Company is restricted in the manner and to the extent hereinafter appearing.

#### BUSINESS

3. The Company is entitled to commence business from the date of its incorporation.
4. The business of the Company shall include all or any of the objects enumerated in the Memorandum of Association.
5. The business of the Company shall be carried out at such place or places in the whole of Pakistan or elsewhere as the Directors may deem proper or advisable from time to time.

#### CAPITAL

6. The Authorized Capital of the Company is Rs. 10,00,0000/- (Rupees ten million only) divided into [10,00,000] (one million) ordinary shares of Rs. 10/- (Rupees Ten only) each with powers to increase, reduce, the share capital of the Company.
7. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose off the same to such persons, Pakistani or Foreigners, firms, Company or Companies, corporation or corporations, National or International Origin on such terms and conditions and at any such time as may be thought fit.
8. The shares in the capital of the Company may be allotted or issued in payment of cash or any property, land, machinery or goods supplied or any services rendered to the Company or promotion or formation of the Company or conduct of its business and any shares so allotted may be issued as fully paid shares.

**SHARES, TRANSFER AND TRANSMISSION**

9. Every person whose name is entered as a member in the Register of Members shall without payment, be entitled to a certificate under the Common Seal of the Company specifying the shares held by several persons. The Company shall not be bound to issue more than one certificate and delivery of a share certificate to any one of several joint holders shall be sufficient delivery to all.
10. The Directors may decline to register any transfer of share to transferee of whom they do not approve and shall not be bound to show any reasons for exercising their discretion subject to the provisions of Sections 77 and 78 of the Companies Ordinance, 1984.
11. No share can be mortgaged, pledged, sold, hypothecated, transferred or disposed off by any member to a non-member without the previous sanction of the Board of Directors.
12. The legal heirs, executors or administrators of a deceased holder shall be the only persons to be recognized by the Directors as having title to the shares. In case of shares registered in the name of two or more holders the survivors and the executors of the deceased shall be the only persons to be recognized by the Company as having any title to the shares.

**GENERAL MEETING**

13. The First Annual General Meeting shall be held within 18 months from the date of incorporation of the Company in accordance with the provisions of Section 158 and thereafter once at least in every year and within a period of four months following the close of its financial year and not more than fifteen months after the holding of its last preceding Annual General Meeting as may be determined by Directors. The Directors may, whenever they think fit, call an Extraordinary General Meeting of the shareholders in terms of Section 159 of the Companies Ordinance, 1984.

**PROCEEDINGS AT GENERAL MEETING**

14. Twenty one days' notice atleast specifying the place, day and hour of the General Meeting and in case of special business the general nature of such business, shall be given to the members in the manner provided in Table "A" but accidental omission to give such notice to or non-receipt of such notice by the member shall not invalidate the proceedings of the General Meeting.
15. The Chairman, with the consent of a meeting at which quorum is present and shall if so directed by the meeting may adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
16. A resolution in writing circulated to all the Directors signed by all of the Directors or affirmed by them through telex or telegram shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held.

**QUORUM**

17. No business shall be transacted at any General Meeting unless a Quorum of members is present at the time when the meeting proceeds to business. Two members, present in person, representing not less than 25% of the total voting power either on their own account or as proxies, shall form a Quorum for a General Meeting.

**VOTES OF MEMBERS**

18. At any General Meeting a resolution put to the vote of the General Meeting shall be decided on a show of hands, unless a poll is demanded in accordance with the provisions of Section 167 of the Companies Ordinance, 1984.
19. On a show of hands every member present shall have one vote and on a poll, every member present in person or by proxy shall have one vote in respect of each share held by him.
20. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or notarially certified copy of that power of attorney or authority shall be deposited at the Registered Office of the Company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy will not be treated as valid.
21. In case of an equality of votes, whether on a show of hand or on a poll, Chairman of the Meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

**CHIEF EXECUTIVE**

22. The first Chief Executive of the Company will be appointed by the Government within fifteen days from the date of incorporation of the Company from amongst BS-20 officers of Pakistan Railwayssubject to validation by the board of Directors. The CEO shall be appointed by the Government for a term of two years on such terms & conditions as may be determined by the Government.Nothing in this section shall preclude the Government from extending the term of office of the CEO for such period as the Government may determine. The CEO may, at any time, before the expiry of his term and upon three months prior notice, resign his office, or upon similar notice, or payment of three months, salary and allowances in lieu of the notice, be removed by Government without assigning any reason.

**DIRECTORS**

23. Unless otherwise determined, the number of Directors shall not be less than seven. The following are the First Directors of the Company.

1. Ms. Parveen Agha	CNIC No. 35201-1428421-8
2. Muhammad Javed Anwar	CNIC No. 35200-1544361-5
3. Rana Abrar Anwar	CNIC No. 35201-6687928-7
4. Muhammad Khalid	CNIC No. 35201-1536765-3
5. Maqsood-un-Nabi	CNIC No. 42201-0713558-1
6. ZubairShafiGhauri	CNIC No. 35202-9213322-9
7. ZafarZamanRanjha	CNIC No. 31303-8685335-5
8. SardarWattoo	CNIC No. 35201-3479778-3

24. The election of the Directors shall be held in accordance with the provisions of Section 178 of the Companies Ordinance, 1984. This, however, shall not apply to ex-officio Directors.



25. The first Directors including the Chief Executive shall hold office upto the First Annual General Meeting in accordance with the provisions of the Companies Ordinance, 1984, unless any one of them resigns earlier or becomes disqualified for being Director or otherwise ceases to hold office.
26. A resolution for removing a Director shall not be deemed to have been passed if the number of votes against him is equal to, or less than the number of votes that would have been necessary for the election of Directors at the immediately preceding annual election of Directors in the manner aforesaid but as provided under Section 181 of the Companies Ordinance, 1984.
27. The remuneration of Directors except regularly paid Chief Executive and full time working Directors shall, from time to time, be determined by the Board of Directors but initially it shall be kept as Rs. 5000/- per meeting at which the Directors are present.
28. The Directors may sanction the payment of such additional sums as they may think fit to any Director for any special service he may render to the Company or be thought capable of rendering either by fixed sum or in any other form as may be determined by the Directors subject to the provisions of the Companies Ordinance, 1984.
29. The Director who resides out of station shall also be entitled to be paid such travelling and other expenses for attending the meeting for the Company as may be fixed by the Directors from time to time according to the provisions of the Companies Ordinance, 1984.
30. Any casual vacancy occurring on the Board of Directors shall be filled in by a resolution of the Board of Directors and the person so appointed shall hold office for the remainder of the term of the Directors in whose place he is appointed.
31. No Director shall be disqualified from his office by contracting with the Company either as vendor, purchaser or otherwise nor shall any Director be liable to account for any profit realised from any such contract or arrangement or the fiduciary relation thereby established, but the nature of his interest must be disclosed by him at the first meeting of the Directors after acquisition of his interest.
32. No person shall be nominated or appointed, nor shall continue to be a Director, if he -
- (a) is or, at any time, has been convicted of an offence involving moral turpitude; or
  - (b) is or, at any time, has been declared insolvent; or
  - (c) is found to be a lunatic or of unsound mind; or
  - (d) is a minor; or

#### NOMINEE DIRECTOR

33. In addition to the elected Directors, the Financial Institutions shall be entitled, during the currency of their respective loan(s) to the Company to appoint one person on the Board of Directors of the Company to be called Nominee Director and to recall and/or replace such a person from time to time. Such Nominee Director on the Board of Directors of the Company may not be holders of share(s) in the Capital of the Company and regulations

and/or rules pertaining to the election, retirement, qualification and/or disqualification of Directors shall not apply to him.

#### NOTICES

34. Notices for every meeting of the Board of Directors will be given in writing and there must be given a reasonable time in advance. The nature of the business to be transacted at an intended Board meeting will be specified in the notice.

#### MANAGEMENT

35. The whole business and affairs of the Company shall, subject to the control and supervision of the Board of Directors, be managed and controlled by the Chief Executive.

36. Subject to the limit fixed by the Directors, the Chief Executive may from time to time raise or borrow any sums of money for and on behalf of the Company from other companies, banks or financial institutions on such terms as may be approved by the Board of Directors from time to time.

37. Without prejudice to the powers conferred by these Articles, the Board of Directors shall have the following powers:-

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

(b) To let, mortgage, sell, exchange or otherwise dispose off absolutely or conditionally all or any part of the assets, stocks, raw materials, properties, privileges and undertaking of the Company upon such terms and conditions and for such consideration as they think fit.

(c) To appoint any person or persons to be attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as they may, from time to time, think fit.

(d) To enter into, carry out, rescind or vary all financial arrangements with any bank, person, company, firm or corporation or in connection with such arrangements to deposit, pledge or hypothecate property of the Company or the documents representing or relating to the same.

(e) To make and give receipts, release and discharge all moneys payable to the Company and for the claims and demands of the Company.

(f) To compound or allow time to the payment or satisfaction of any debt due to or by the Company and any claim and demands by or against the Company and to refer claims or demands by or against the Company to arbitration and observe and perform the awards.

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

(h) To raise and borrow money from time to time for the purposes of the Company, on the mortgage of its property or any part thereof and/or on any bond or debenture payable to bearer or a sovereign guarantee by the Government of Pakistan otherwise on interest and repayable in such a manner and generally upon such terms as they think fit.

(i) To open, operate and maintain bank/bank account(s) individually or jointly as the Board may authorize or to any other person on its behalf.

(j) To pay a commission to any person in consideration of his subscribing/procuring or agreeing to subscribe/procure, whether absolutely or conditionally, for any shares in or debentures of the company.

(k) In order to manage the company affairs, a company Secretary shall be appointed by the Ministry of Railways from amongst BS-19 Railway officers, to be subsequently approved by the Board of Directors.

#### BORROWING POWERS

38. The Directors by way of resolution passed by majority, may from time to time raise, borrow or secure the payment of any sums for the purposes of the Company in such manner and upon such terms and conditions as they think fit and in particular by the issue of debentures, debenture-stock or other securities charged upon all or any part of the property of the Company present or future.
39. Debentures, debenture-stock, bonds or other securities may be issued with any special privileges as to redemption, surrender, allotment of shares, attending and appointment of Directors or other privileges subject to any permission required by law.

#### THE SEAL

40. The Company shall have a Common Seal and the Directors shall provide for the safe custody of the same. The Seal shall not be applied on any instrument except by the authority of the Board of Directors and in the presence of at least two Directors who shall sign every instrument to which the Seal shall be affixed in their presence. Such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

#### ACCOUNTS

41. The Directors shall cause to be kept proper books of account as required under Section 230 of the Companies Ordinance, 1984.
42. The books of account shall be kept at the registered office of the Company or at such other place as the Directors shall think fit subject to the provisions of Section 230 of the Companies Ordinance, 1984.



**AUDIT**

43. Once at least in every year the accounts of the Company shall be audited and correctness of the Balance Sheet shall be ascertained by one or more Auditors. The Auditors shall be appointed and their duties regulated in accordance with the provisions of Section 252 to 255 of the Companies Ordinance, 1984.

**INDEMNITY**

44. In connection with carrying on the business of the Company, the Chief Executive, every Director, or other officers of the Company shall be indemnified by the Company for all losses and expenses occasioned by error or judgment or oversight on his part, unless the same happens through his own dishonesty or willful act and defaults.

**SECRECY**

45. No member shall be entitled to visit and inspect the Books of the Company without the permission of the Chief Executive or one of the Directors or to require discovery of any information regarding any detail of the Company's business or any matter which is or may be in the nature of trade secret, or secret process which may relate to the conduct of the Company's business and which in the opinion of the Directors, will not be in the interest of the members of the Company to communicate to the public.

**ARBITRATION**

46. Whenever any difference arises between the Company on the one hand and the members, their executors, administrators or assignee on the other hand, touching the true intent or construction or the incident or consequence of these present or of the statutes or touching any thing thereafter done, executed, omitted or suffered in pursuance of these presents or otherwise relating to these presents or to any statutes affecting the Company, every such difference shall be referred for the decision of the arbitrator or umpire under the Arbitration Act, 1940 as amended from time to time.
47. The cost incidental to any such reference and award shall be at the discretion of the arbitrator or umpire respectively who may determine the amount thereof and direct the same to be shared between the attorney and client or otherwise and may award by whom and in what manner the same shall be borne and paid.

**WINDING UP**

48. If the Company is wound up whether voluntarily or otherwise the liquidator may, with the sanction of a special resolution, divide among the contributories in specie any part of the assets and liabilities of the Company, subject to Section 421 and other provisions of the Companies Ordinance, 1984 as may be applicable.

We, the several persons whose Name and address 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 share in the Capital of the Company as set opposite to our respective names.

Names, Address and Descriptions		Number of Share taken by each subscriber
1.	Mrs. Parveen Agha Secretary /Chairperson Ministry of Railways Islamabad	1
2.	Muhammad Javed Anwar General Manager/Operations	1
3.	Rana Ibrar Anwar Additional General Manager/Mechanical Pakistan Railways Headquarter office Lahore	1
4.	Muhammad Khalid Additional General Manager/Infrastructure Pakistan Railways Headquarter office Lahore	1
5.	Mr. Maqsood Un Nabi Additional General Manager/Traffic Pakistan Railways Headquarter office Lahore	1
6.	Mr. Zubair Shafi Ghori Chief Marketing Manager Pakistan Railways Headquarter office Lahore	1
7.	Mr. Zafar Zaman Ranjha Director General Operations Ministry of Railways Islamabad	1
8.	Sardar Wattoo Chief Executive Officer M/s Integrated Equities Lahore	1