

*(A company set up under Section 42 of the Companies Ordinance, 1984)*

**MEMORANDUM OF ASSOCIATION  
OF  
TRANSPESHAWAR (THE URBAN MOBILITY COMPANY)**

- I. The name of the Company is "TRANSPESHAWAR (THE URBAN MOBILITY COMPANY)".
- II. The registered office of the company will be situated in the Province of Khyber Pakhtunkhwa.
- III. The objects for which the Company is established are-
- (1) To carry out the project implementation, management and maintenance of urban rapid transit projects in Peshawar, assigned by the Khyber Pakhtunkhwa Urban Mobility Authority ("KPUMA") for the benefits of public at large, Organize training programs for selected bus operators and bus drivers.
  - (2) To undertake the following activities during the implementation, construction, operation, maintenance and management of urban rapid transit projects and related services assigned to the Company in the province of Khyber Pakhtunkhwa by KPUMA for benefits of general public:
    - (i) Plan and design operations, build, operate and maintain infrastructure including the mass transit system or vehicles of any sort, type or description, and prepare specific business plans/models, for the implementation of the urban rapid transit projects and related services, Procure the necessary services in accordance with the conditions attached to the project assigned to the Company by KPUMA;
    - (ii) Assist KPUMA, for the consolidation of the existing bus industry to operate buses on the mass transit area, including setting up a fleet scrapping program and a compensation mechanism for operators not participating in the operations of an assigned project, Negotiate and execute contracts for procurement of services required for the effective execution, construction, operation, management and maintenance of the work assigned to the Company by KPUMA;
    - (iii) Oversee and monitor the construction, operation, management and maintenance of the mass transit area and the mass transit system, including the testing of the rapid transit system prior to commissioning of the service;
    - (iv) Conduct media and community awareness campaigns to meet the conditions of the KPUMA declared project assignment;
    - (v) To collect and use fees, fines and all other revenues generated from any urban rapid transport project assigned to the Company for ongoing maintenance and management of urban rapid transit projects in Peshawar.
    - (vi) To undertake such other management and maintenance of urban rapid transit activities as assigned to it by KPUMA.



- (3) To provide advice and consultancy in relation to the business of the Company and carry out other contractual obligations in relation to all of the activities of the Company, to employ and remunerate staff and to provide such benefits on retirement or on death in service and to provide for their training.
- (4) To engage contractors and entities *inter alia* for the purpose of detailed design, construction, public transport operations, fare collection and payment of contracts, depot management, system infrastructure maintenance and cleaning, customer service contractors and other services as may be required from time to time to meet the conditions for an assigned project.
- (5) To enter into contracts for outsourcing, collaboration, technical know-how or otherwise with any person, firm, company, government or corporate body, for the purposes of the Company, to obtain by grant, license or on other terms technical information, know-how and expertise.
- (6) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licenses, secret processes, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof and to erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, buildings, works, plant and machinery necessary or convenient for the Company's business, and to contribute to or subsidize the erection, construction and maintenance of any of the above.
- (7) To enter into any arrangements with the Government or authorities, supreme, municipal, local or else, 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 and to invest and deal with the money of the Company not immediately required for the purposes of its business in or upon such investments or securities and in any such manner as may from time to time be determined.

IV. In order to achieve its object, the Company shall exercise the following powers:

- (1) To appeal, solicit or accept contributions, donations, grants and gifts, in cash or in kind, from lawful sources and to apply the same or income thereof for the objects of the Company.
- (2) To open and operate bank accounts in the name of the Company and to draw, make, accept, endorse, execute and issue promissory notes, bills, cheques and other instruments.
- (3) To acquire, alter, improve, charge, take on lease, exchange, hire, sell, let or otherwise dispose of any movable or immovable property and any rights and privileges whatsoever for any of the objects or purposes specified herein.



above. Provided that the Company shall not undertake the business of real estate or housing schemes.

- (4) To borrow or raise money, with or without security, required for the purposes of the company upon such terms and in such manner as may be determined by the company for the promotion of its objects.
- (5) To mortgage the assets of the company and / or render guarantee for the performance of any contract made, discharge of any obligation incurred or repayment of any moneys borrowed by the Company.
- (6) To purchase, sell, exchange, take on lease, hire or otherwise acquire lands, construct, maintain or alter any building and any other moveable or immovable properties or any right or privileges necessary or convenient for the use and purposes of the company.
- (7) To nominate delegates and advisors to represent the Company at conferences, government bodies and other gatherings.
- (8) To co-operate with other charitable trusts, societies, associations, institutions or companies formed for all or any of these objects and statutory authorities operating for similar purposes and to exchange information and advice with them.
- (9) To pay out of the funds of the company the costs, charges and expenses of and incidental to the formation and registration of the Company.
- (10) To invest the surplus moneys of the company not immediately required in such a manner as may from time to time be determined by the company.
- (11) To create, establish, administer and manage funds including endowment fund conducive for the promotion of the objects of the company.
- (12) To enter into agreements, contracts and arrangements with organizations, institutions, bodies and individuals for the purpose of carrying out the functions and activities of the Company.
- (13) To take such actions as are considered necessary to raise the status or to promote the efficiency of the company.
- (14) To conduct, hold and arrange symposia, seminars, conferences, lectures, workshops and dialogue and to print, publish and prepare journals, magazines, books, circulars, reports, catalogues and other works relating to any of the objects of or to the work done by the Company, subject to the permission, if required of the relevant authorities.
- (15) To do all other such lawful acts and things as are incidental or conducive to the attainment of the above objects or any one of them.

V. The Company shall achieve the above said objects subject to the following conditions:-



- (1) The company is formed as a public company limited by guarantee and not having a share capital.
- (2) Payment of remuneration by the company or its subsidiary entity for services or otherwise to members of the company or to their family members whether holding an office in the company or its subsidiary or not, shall be prohibited provided that the prohibition shall continue to apply for a period of five years after a member quits from his membership of the company.
- (3) No change in the Memorandum and Articles of Association shall be made except with the prior approval of the Securities and Exchange Commission of Pakistan.
- (4) Patronage of any government or authority, express or implied, shall not be claimed unless such government or authority has signified its consent thereto in writing.
- (5) The company shall not itself set up or otherwise engage in industrial and commercial activities or in any manner function as a trade organization.
- (6) The company shall not exploit or offend the religious susceptibilities of the people.
- (7) The subscribers to the Memorandum and Articles of Association of the Company shall continue to be the members of the Company unless allowed by the Commission on application to quit as members provided that a proposed new director in lieu thereof shall not be appointed or opted unless allowed by the Commission on application to appoint or opt him/her as director.
- (8) The company in all its letterheads, documents, sign boards, and other modes of communication, shall with its name, state the phrase "A company set up under section 42 of the Companies Ordinance, 1984."
- (9) The company shall comply with such conditions as may be imposed by the Securities and Exchange Commission of Pakistan from time to time.
- (10) The income and any profits of the company, shall be applied solely towards the promotion of objects of the company and no portion thereof shall be distributed, paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the members of the company or their family members.
- (11) The Company shall not appeal, solicit, receive or accept funds, grants, contributions, donations or gifts, in cash or in kind, from foreign sources except with the prior permission, clearance or approval from the relevant public authorities as may be required under any relevant statutory regulations and laws. No funds shall be received otherwise than through proper banking channels through i.e., crossed cheque, pay-order, bank draft etc.
- (12) The Company shall close its accounts on 30<sup>th</sup> of June each year.



- (13) The Company shall make no investment, whatsoever, in its associated companies except with the prior approval of the Commission and subject to such conditions as it may deem fit to impose.
  - (14) Notwithstanding anything stated in any object clause, the company shall obtain such other licenses, permissions, or approvals of the relevant public authorities as may be required under any relevant statutory regulations and laws for the time being in force, to carry out its specific object.
  - (15) The company shall not undertake any trading activities and shall conform to relevant statutory regulations and laws.
  - (16) The company shall not, directly or indirectly, participate in any political campaign for elective public office or other political activities akin to those of a political party or contribute any funds or resources to any political party or any individual or body for any political purpose.
- VI. The territories to which the object of the company shall extend are declared to include whole of Pakistan.
- VII. The liability of the members is limited.
- VIII. Every member of the company undertakes that he shall contribute to the assets of the Company in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts or liabilities of the Company contracted before he ceases to be a member and the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves such amount as may be required but not exceeding Rs.100,000/- (Rupees One Hundred Thousand Only).
- IX. In the case of winding up or dissolution of the Company, any surplus assets or property, after the satisfaction of all debts and liabilities, shall not be paid or disbursed among the members, but shall be given or transferred to some other company established under section 42 of the Companies Ordinance, 1984, having similar or identical objects to those of the Company to be decided by the members of the Company in their general meeting by a special resolution, and with the approval of Commissioner of Income Tax under section 61 read with section 2(36) of the Income Tax Ordinance, 2001, under intimation to the Securities and Exchange Commission of Pakistan, within three months.



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:-

Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's / Husband's Name	Nationality(ies) with any former Nationality	Occupation	Residential Address in full	Signature
MR. JAVED IQBAL	17301- 9587656-3	Muhammad Ajab Khan	Pakistani	Chief of Party, Assessment and Strengthening Program (ASP)	House # 117, Street # 66, F- 11/4, Islamabad.	
MR. DILROZE KHAN	17201- 4994161-7	Nek Amal Khan	Pakistani	Chartered Accountant	House 105, Street 10, Sector G-3, Phase II, Hayatabad, Peshawar	
MR. MUHAMMAD ASIM KHAN	17301- 1494613-9	Muhammad Hamayun Khan	Pakistani	District Nazim, Peshawar	Mohallah Ibrahim Khel, Bahadar Kalli Kohat road, Peshawar	
MR. MUHAMMAD ASIM KHATTAK  (Ex-officio nominee)	17201- 9640758-1	Muhammad Naeem	Pakistani	Additional Finance Secretary Budge, Government of the Khyber Pakhtunkhwa	H.No.249/ A, Phase II, Armour Housing Society, Manki Road, Nowshera	
MR. MUHAMMAD ALAM SHINWARI  (Ex-officio nominee)	21203- 3504569-7	Shah Alam Shinwari	Pakistani	DIG Traffic, Government of the Khyber Pakhtunkhwa	University Town, Peshawar	
MIAN MUHAMMAD SALEEM HASSAN  (Ex-officio nominee)	35301- 1899651-5	Mian Mueen Ahmad Wattoo	Pakistani	DG Peshawar Development Authority	Kot Mian Ghulam Dastagir, Haveli Lakha, Dipalpur, Okara	

MR. MUHAMMAD AYAZ (Ex-officio nominee)	15402-6130598-9	Amir Muhammad	Pakistani	Chief Economist, P&D Department Government of the Khyber Pakhtunkhwa	District Mardan, Tehsil Takht Bhai, PO Hathian, Village Dad Mohd Killay	.
MR. TASEER JAMAL ALIZAI (Ex-officio nominee)	17301-5402262-9	Faiz Muhammad Khan	Pakistani	Executive Director Urban Policy Unit, P&D Government of the Khyber Pakhtunkhwa	House 30, Sector G-3, Phase-II, Hayatabad, Peshawar, Pakistan	
MR. MANZOOR AHMAD (Ex-officio nominee)	17301-5928224-1	Maqsood-ur-Rehman Khan	Pakistani	Director Transport, Transport and Mass Transit Department Government of the Khyber Pakhtunkhwa	House 47, Street 08, Sector C-1 Phase – V, Hayatabad, Peshawar	
MR. RIAZ KHAN MAHSUD (Ex-officio nominee)	61101-8514873-6	Dost Muhammad Khan	Pakistani	Deputy Commissioner Peshawar	1/B, Fort Road, DC House, Peshawar Cantt.	

Dated the       day of       , 2016

Witness to above signatures	
Signature	
Full Name (in Block Letters)	
Father's/ Husband's name	
Nationality	
Occupation	
CNIC NO	
Full Address	



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**ARTICLES OF ASSOCIATION  
OF  
TRANSPESHAWAR (THE URBAN MOBILITY COMPANY)**

**PRELIMINARY**

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

- (a) "the company" means 'TRANSPESHAWAR (THE URBAN MOBILITY COMPANY)'.
- (b) "the office" means the registered office for the time being of the company.
- (c) "the directors" mean the directors for the time being of the Company.
- (d) "the seal" means the common seal or official seal of the company as the case may be.
- (e) "the ordinance" means the Companies Ordinance, 1984.
- (f) "the commission" means the Securities and Exchange Commission of Pakistan.
- (g) "the registrar" means the registrar of Companies as defined in the Companies Ordinance, 1984.
- (h) "the register" means the register of the members to be kept in pursuant to Section 147 of the Ordinance.
- (i) "chief executive" means the chief executive of the company.
- (j) "secretary" means the company secretary of the company.
- (k) "memorandum" means memorandum of association of the company.
- (l) "person" includes an individual, company, corporation and body corporate.
- (m) "articles" means the articles of association of the company.
- (n) "board" means the board of directors of the company.
- (o) "year" used in the context of the financial matters shall mean financial year of the company.
- (p) "bye-laws" means the bye-laws of the company made for the time being in force.
- (q) "government" means the Government of the Khyber Pakhtunkhwa.
- (r) "members" mean a person who has, subject to the terms of these Articles, agreed to become a member of the company and whose name appears and/or borne on the Register.
- (s) "Private Sector Director" means a Director nominated by the Government and who is not an employee of the Government/semi-government entity.
- (t) "Section" means the section of the Companies Ordinance, 1984.
- (u) Expressions referring to writing shall be construed as including reference to typewriting, printing, lithography, photography and other modes of representing or reproducing words in visible form.



- (v) Words importing the singular number include the plural number and vice versa and words importing the masculine gender include the feminine gender.
- (w) Unless the context otherwise requires words or expression contained in these Articles shall be of the same meaning as in the Ordinance or any statutory modification thereof in force at the date at which these Articles become binding on the company.

### **MEMBERSHIP**

- 2. The number of members with which the Company proposes to be registered is Eleven (11), minimum number of members shall not be, at any time, less than three (3). However, the directors may, from time to time, whenever the company or the business of the company requires, increase the number of members.
- 3. The company in General Meeting may from time to time lay down the qualifications and conditions subject to which any person or class of persons shall be admitted to membership of the company.
- 4. The rights and privileges of a member shall not be transferable and shall cease on his death or otherwise ceasing to be a member.
- 5. The subscribers to the memorandum and such other persons as the directors shall admit to membership shall be members of the company.
- 6. One person shall have the right to hold one membership.

### **ADMISSION TO MEMBERSHIP**

- 7. The application for seeking membership of the company shall be required to be seconded by an existing member whereupon the board of directors shall decide the matter of his admission as member or otherwise within three months of making of such application. No minor or lunatic shall be admitted as a member of the company.
- 8. Every person, upon applying for admission to membership, shall sign an undertaking that he will, if admitted, so long as he is a member, duly observe the Articles of the company for the time being in force.
- 9. The Board shall subject to the Articles, accept or reject any application for admission to membership. The Board's decision shall be final and it shall not be liable to give any reasons thereof.

### **CESSATION / EXPULSION FROM MEMBERSHIP**

- 10. A member renders himself liable to expulsion or suspension by the Board if:
  - (a) he refuses or neglects to give effect to any decision of the Board; or
  - (b) he infringes any of the regulations of the Articles; or
  - (c) he is declared by a court of competent jurisdiction to have committed a fraud, or to be bankrupt, or to be insane or otherwise incompetent; or



- (d) he is held by the Committee of the company to have been guilty of any act discreditable to a member of the company; or
  - (e) he is acting or is threatening to act in a manner prejudicial to the interest or functioning of the company or any other institute, body corporate, society, association or institution in which the company has an interest.
11. The company in general meeting may, on an appeal of the aggrieved member and after giving an opportunity of hearing, annul or modify the decision of the board with regard to expulsion of the member by resolution supported by two-thirds majority. The person expelled shall be reinstated as a member from the date of the resolution of the general meeting annulling the decision of the Board.
12. Termination of membership shall occur automatically:
- (a) in the event of the death of a member; and
  - (b) in the event a member fails to pay any amount due by him to the company within three (3) months after such obligation has become due.

#### **GENERAL MEETINGS AND PROCEEDINGS**

**13. ANNUAL GENERAL MEETING:**

A general meeting to be called annual general meeting, shall be held, in accordance with the provisions of Section 158, within eighteen (18) months from the date of incorporation of the company and thereafter once at least in every calendar year within a period of four (4) months following the close of its financial year and not more than fifteen (15) months after the holding of its preceding annual general meeting as may be determined by the directors.

**14. OTHER GENERAL MEETINGS:**

All other meetings of the members of the company other than an annual general meeting shall be called "Extraordinary General Meetings".

**15. EXTRAORDINARY GENERAL MEETINGS:**

The directors may, whenever they think fit, call an Extraordinary General Meeting, and Extraordinary General Meetings shall also be called on such requisition(s), as is provided by Section 159 of the Ordinance.

**16. NOTICE OF GENERAL MEETINGS:**

Twenty-one (21) days notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business, shall be given in the manner provided by the Ordinance for the general meeting, to such persons as are, under the Ordinance or the Articles of the company, entitled to receive such notices from the company but the accidental omission to give notice to or the non-receipt of notice by any member shall not invalidate the proceedings at any general meeting.

**17. SPECIAL BUSINESS:**

All business that is transacted at an extra ordinary general meeting and that is transacted at an annual general meeting with the exception of the consideration of the accounts, balance sheet and the reports of the director and auditors, the election of directors, the appointment of and the fixing of remuneration of the auditors shall be deemed special business.

**18. QUORUM:**

No business shall be transacted at any general meeting unless a quorum of members representing not less than four (4) or one third ( $1/3^{\text{rd}}$ ) of the total number of members of the company, whichever is greater, is present at the time when the meeting proceeds to business.

**19. EFFECT OF QUORUM NOT BEING PRESENT:**

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved and in any other case, it 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, shall be a quorum.

**20. CHAIRMAN OF MEETING:**

The chairman of the Board of directors, shall preside as chairman at every general meeting of the company, but if he is not present within fifteen minutes after the time appointed for the meeting, or is unwilling to act as chairman, any of the directors present may be elected to be the chairman and if none of the directors present is willing to act as chairman, the members present shall choose one of their number to be the chairman.

**21. ADJOURNMENT:**

The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**22. VOTING:**

At any general meeting a resolution put to the vote to 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. Unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.



**23. DEMAND FOR POLL:**

A poll may be demanded in accordance with the provisions of Section 167 of the Ordinance.

**24. MANNER OF TAKING POLL:**

If a poll is duly demanded, it shall be taken in accordance with the manner laid down in Section 168 of the Ordinance and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**25. TIME OF TAKING POLL:**

A poll demanded on the election of chairman or on a question of adjournment shall be taken at once.

**26. CASTING VOTE:**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll takes place, shall have and exercise a second or casting vote.

**27. VOTES OF MEMBERS:**

On a show of hands every member present in person shall have one vote and upon a poll every member present in person shall have one vote.

**28. OBJECTION TO VOTE:**

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given and tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

**MANAGEMENT AND ADMINISTRATION**

29. There shall be, for the overall management of the company's affairs, a Board of directors, which will be nominated by the Government of the Khyber Pakhtunkhwa.

30. The directors shall be nominated by the Government of the Khyber Pakhtunkhwa in terms of section 183 of the Ordinance and hence the provisions relating to term of office of directors as contained in section 180 of the Ordinance shall not apply.

31. No person shall be appointed as a director if he is ineligible to hold office of director of a company under section 187 of the Ordinance.

**33. FIRST DIRECTORS**

The following subscribers of the memorandum of association shall be the first directors of the company, so, however, that the number of directors shall not in any case be less



than that specified in section 183 and they shall hold office until the election of directors in the annual general meeting:

1. Mr. Javed Iqbal
2. Mr. Dilroze Khan
3. Mr. Muhammad Asim Khan, District Nazim, Peshawar;

(a) The subscribers to the Memorandum of Association shall be the first directors of the company in ex-officio and nominee capacity, whose names are given below:

- (1) Mr. Muhammad Asim Khattak, Additional Finance Secretary Budget, Government of the Khyber Pakhtunkhwa (Ex-officio nominee);
  - (2) Mr. Muhammad Alam Shinwari, DIG Traffic, Government of the Khyber Pakhtunkhwa (Ex-officio nominee);
  - (3) Mian Muhammad Saleem Hassan, DG Peshawar Development Authority (Ex-officio nominee);
  - (4) Mr. Muhammad Ayaz, Chief Economist, P&D Department, Government of the Khyber Pakhtunkhwa (Ex-officio nominee);
  - (5) Mr. Taseer Alizai, Executive Director, Urban Policy Unit, P&D Department, Government of the Khyber Pakhtunkhwa (Ex-officio nominee)
  - (6) Mr. Manzoor Ahmad, Director Transport, Transport and Mass Transit Department, Government of the Khyber Pakhtunkhwa (Ex-officio nominee); and
  - (7) Mr. Riaz Khan Mahsud, Deputy Commissioner Peshawar, (Ex-officio nominee)
- (b) The above subscribers are nominee directors in terms of section 183 of the Ordinance and shall hold office during the pleasure of the Government of the Khyber Pakhtunkhwa.
- (a) After incorporation of the company, the Government of the Khyber Pakhtunkhwa may nominate and appoint further nominee directors from public as well as private sector as it may deem fit.
- (b) Whenever, an ex-officio director ceases to hold any of the above offices or is transferred to another official position, the new person assuming any of the above offices or a successor, as the case may be, shall be deemed to be the ex-officio director of the Company. However, the nominees from Private Sector Member shall be invited and appointed by the Government of the Khyber Pakhtunkhwa. The Company shall duly notify to the Registrar of Companies such appointment(s) of director(s) or ceasing thereof or any change in their particulars in accordance with the provisions of the Ordinance.

#### **34. NUMBER OF DIRECTORS:**

The number of directors shall not be, at any time, less than three (3). The company may, however, determine through Special Resolution, such other number not being less than three (3), before the election of the directors. A retiring director shall be eligible for re-election.

#### **35. PROCEDURE FOR ELECTION OF DIRECTORS:**

- (i) The directors of the company shall be elected in accordance with provisions of sub sections (1) to (4) of section 178 of the Ordinance, in the following manner:



- (a) The directors of the company shall be elected by the members of the company in general meeting;
- (b) The directors of the company shall be elected on the basis of one member one vote;
- (c) The candidate who gets the highest number of votes shall be declared elected as director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of directors to be elected has been so elected.
- (ii) If the number of persons who offer themselves to be elected is not more than the number of directors fixed by the directors under sub-section (1) of section 178, all persons who offered themselves shall be deemed to have been elected as directors.

**36. CASUAL VACANCY AND ALTERNATE OR SUBSTITUTE DIRECTORS:**

- (a) Any casual vacancy occurring among the directors may be filled up by the directors within thirty days of the vacancy and the person so appointed shall hold office for the remainder of the term of director in whose place he is appointed.
- (b) An existing director may, with the approval of the board of directors, appoint an alternate director to act for him during his absence from Pakistan of not less than three months. The alternate director so appointed shall *ipso facto* vacate office if and when the director appointing him returns to Pakistan.

**37. REMOVAL OF DIRECTOR:**

The company may remove a director through a resolution passed in a general meeting of members in accordance with section 181 of the Ordinance.

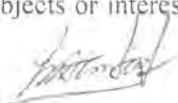
**38. CHAIRMAN OF THE BOARD:**

The directors may elect one of their members as the Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board but, if at any meeting the chairman is not present within ten minutes after the time appointed for holding the same or is unwilling to act as chairman, the directors present may choose one of their member to be chairman of the meeting.

**DUTIES AND POWERS OF THE BOARD**

39. The Board shall conduct and manage all the business affairs of the company, exercise all the powers, authorities and discretion of the company, obtain or oppose the application by others for all concessions, grants, charters and legislative acts and authorization from any government or authority, enter into such contracts and do all such other things as may be necessary for carrying on the business of the company, except only such of them as under the statutes and Articles are expressly directed to be exercised by general meetings and (without in any way prejudicing or limiting the extent of such general powers) shall have the following special powers and duties:

- (a) To present to the general meeting of the company any matters which the directors feel are material to the company, its objects or interests or affecting





the interests of members and make suitable recommendations regarding such matters.

- (b) To regulate, through articles, the admission of members.
- (c) To appoint, remove or suspend the legal advisors, bankers, or other officers on such terms and conditions as they shall think fit and as may be agreed upon.
- (d) To appoint any qualified person as a first auditor(s) subject to provisions of the Ordinance;
- (e) To determine the remuneration, terms and conditions and powers of such appointees and from time to time, revoke such appointments and name another person of similar status to such office except for the auditor in which case the relevant provisions of the Ordinance shall be followed.
- (f) To delegate, from time to time, to any such appointee all or any of the powers and authority of the Board and to reconstitute, restrict or vary such delegations.
- (g) To agree upon and pay any expenses in connection with the company's objects and undertakings and pay all the expenses incidental to the formation and regulation of the company.
- (h) To constitute from time to time committee(s) from among themselves or co-opt other persons for the purpose and delegate to them such functions and powers as the Board may see fit to carry out the objects of the company.
- (i) Subject to the provisions of Section 196 of the Ordinance, the directors may exercise all the powers of the company to borrow and mortgage or charge its undertaking, property and assets (both present and future) or issue securities, whether outright security for any debt, liability or obligation of the company.

#### **PROCEEDINGS OF THE BOARD**

- 40. The Board shall meet at least once in each quarter of every year, subject thereto meetings of the Board shall be held at such time as the directors shall think fit. All meetings of the Board shall be held at the registered office of the Company or at such other place as the Board shall from time to time determine. The meetings of the Board shall be called by the chairman on his own accord or at the request of the Chief Executive (or any three directors) by giving at least seven (7) days notice to the members of the Board.
- 41. At least twenty five percent of the total number of directors or Four (4) directors whichever is higher, for the time being of the company, shall constitute a quorum.
- 42. Except as otherwise provided by these Articles, every question at meetings of the Board shall be determined by a majority of votes of the directors present, each director having one vote. In case of an equality of votes or tie, the chairman shall have a casting vote in addition to his original vote as a director.





43. Minutes of the proceedings of every meeting of the Board and a record of attendance of the directors thereat shall be recorded by the Secretary in a book kept for that purpose. These shall be signed by the chairman of the meeting at which they are read.

44. **RESOLUTION THROUGH CIRCULATION**

A resolution in writing signed by all directors for the time being entitled to receive notice of the meeting of directors or affirmed by them in writing shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

45. **CHIEF EXECUTIVE:**

The directors may appoint a person to be the Chief Executive of the company and vest in him such powers and functions as they deem fit in relation to the management and administration of the affairs of the company subject to their general supervision and control. The Chief Executive, if not already a director, shall be deemed to be a director of the company and be entitled to all the rights and privileges and subject to all the liabilities of that office.

46. **QUALIFICATION OF THE CHIEF EXECUTIVE:**

No person who is not eligible to become a director of the company under section 187 of the Ordinance, shall be appointed or continue as the Chief Executive of the company.

47. **REMOVAL OF CHIEF EXECUTIVE:**

The directors by passing resolution by not less than three-fourths of the total number of directors for the time being or the company may by a Special Resolution passed in a general meeting remove a Chief Executive before the expiry of his term in office.

48. **MINUTE BOOKS:**

The directors shall cause minutes to be duly entered in a book or books provided for the purpose of:

- (a) all resolutions and proceedings of General Meeting(s) and the meeting(s) of directors and Committee(s) of directors, and every member present at any General Meeting and every director present at any meeting of directors or Committee of directors shall put his signature in a book to be kept for that purpose;
- (b) recording the names of the persons present at each meeting of the directors and of any committee of the directors, and the general meeting; and
- (c) all orders made by the directors and Committee(s) of directors.

**SECRETARY**

49. The Secretary shall be appointed (or removed) by the Chairman of the company with the approval of the Board.

50. The Secretary shall be responsible for all secretarial functions and shall ensure compliance with respect to requirements of the Ordinance concerning the meetings



and record of proceedings of the Board, committees and the general meeting of members, review the applications for admission to membership and the recommendations accompanying the same to ensure that they are in the form prescribed, ensure that all notices required by these Articles or under the Ordinance are duly sent and that all returns required under the Ordinance are duly filed with concerned Company Registration Office.

**51. COMMITTEES:**

The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit and they may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the directors.

**52. CHAIRMAN OF COMMITTEE MEETINGS:**

A committee may elect a chairman of its meetings, but, if no such chairman is elected, or if at any meeting the chairman is not present within ten (10) minutes after the time appointed for holding the same or is unwilling to act as chairman, the members present may choose one of them to be the chairman of the meeting.

**53. PROCEEDINGS OF COMMITTEE MEMBERS:**

A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present. In case of an equality of votes, the chairman shall have and exercise a second or casting vote.

**54. VALIDITY OF DIRECTORS' ACTS:**

All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

**55. THE SEAL:**

The directors shall provide for the safe custody of the seal, which shall not be affixed to any instrument except by the authority of a resolution of the Board or by a committee of directors authorized in that behalf by the directors, and two directors or one director and the Secretary of the company shall sign every instrument to which the seal shall be affixed.

**FINANCES**

- 56.** The funds of the Company shall be applied in defraying the expenses and shall be applicable in or towards the acquisition by purchase, lease or otherwise and furnishing and maintenance of suitable premises and assets for the use of the Company and shall be subject to the general control and direction of the Board.

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57. No person, except persons duly authorized by the Board and acting within the limits of the authority as conferred, shall have authority to sign any cheque or to enter into any contract so as thereby to impose any liability on the Company or to pledge the assets of the Company.

## **ACCOUNTS**

58. **BOOKS OF ACCOUNT:**

The directors shall cause to be kept proper books of account as required under Section 230 of the Ordinance so that such books of account shall be kept at the registered office or at such other place as the directors think fit as provided in the said section 230 and shall be open to inspection by the directors during business hours.

59. **INSPECTION BY MEMBERS:**

The directors shall from time to time determine the time and places for inspection of the accounts and books of the company by the members not being directors, and no member (not being a director) shall have any right to inspect any account and book or papers of the company except as conferred by law or authorized by the directors or by the company in general meeting.

60. **ANNUAL ACCOUNTS:**

The directors shall as required by section 233 of the Ordinance cause to be prepared and to be laid before the company in Annual General Meeting such Balance Sheet and Income and Expenditure Account and Cash Flow Statement duly audited and reports as are required in the Ordinance.

61. **COPY OF ACCOUNTS TO BE SENT TO MEMBERS:**

A copy of balance sheet and profit and loss account and the Cash flow statement alongwith the reports of directors and Auditors of the company shall, at least twenty-one (21) clear days before the holding of the General Meeting, be sent to all the members and the persons entitled to receive notices of general meetings, in the manners in which notices are to be given as provided in section 50 of the Ordinance.

62. **AUDIT:**

Auditors shall be appointed and their duties regulated in accordance with Sections 252-254 or 256-258 of the Ordinance.

63. **NOTICE TO MEMBERS:**

Notice shall be given by the company to members and auditors of the company and other persons entitled to receive notice in accordance with section 50 of the Ordinance.

64. **INDEMNITY:**

Every officer or agent for the time being of the company may be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, arising out of his dealings in relation to the



affairs of the company, except those brought by the company against him in which judgment is given in his favour or in which he is acquitted, or in connection with any application under section 488 in which relief is granted to him by the Court.

**65. SECRECY**

Every director, secretary, auditor, trustee, member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall observe strict secrecy representing all transactions of the Company, and the state of account with individuals and in matters relating thereto and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the directors or the Company in general meeting or by a court of law, and except so far as may be necessary in order to comply with any of the provisions herein contained.

**WINDING UP**

66. In the case of winding up or dissolution of the Company, any surplus assets or property, after the satisfaction of all debts and liabilities, shall not be paid or disbursed among the members, but shall be given or transferred to some other company established under section 42 of the Companies Ordinance, 1984, having similar or identical objects to those of the Company to be decided by the members of the Company in their general meeting by a special resolution, and with the approval of Commissioner of Income Tax under section 61 read with section 2(36) of the Income Tax Ordinance, 2001, under intimation to the Securities and Exchange Commission of Pakistan, within three months.

**67. SUPPLEMENTARY PROVISIONS RELATING TO TAX:**

The company shall abide by and adhere to the following rules:

- (i) The company shall get its annual accounts audited from a firm of Chartered Accountants.
- (ii) The company shall, in the event of its dissolution, after meeting all liabilities, transfer all its assets to an Institution, fund, trust, society or organization, which is an approved non-profit organization, and intimation of such transfer will be given to Commissioner, Federal Board of Revenue, within three months of the dissolution.
- (iii) The company shall utilize its money, property or income or any part thereof, solely for promoting its objects.
- (iv) The company shall not pay or transfer any portion of its money, property or income, directly by way of dividend, bonus or profit, to any of its members(s) or the relative or relatives of member or members.
- (v) The company shall maintain its banks accounts with a scheduled bank or in a post office or national saving organization, National Bank of Pakistan or national commercialized banks.



- (vi) The company shall regularly maintain its books of accounts in accordance with generally accepted accounting principles and permit their inspection to the interested members of the public, without any hindrance, at all reasonable times.
- (vii) Without prejudice to the powers conferred on the Commission under section 42 of the Companies Ordinance, 1984, the association shall not change its memorandum and articles of association without approval of Commissioner, Income Tax, if it has been approved by him as a non-profit organization.
- (viii) The company shall restrict the surpluses or monies validly set apart, excluding restricted funds, upto twenty five percent (25%) of the total income of the year. Provided that such surpluses or monies set apart are invested in Government Securities, a collective investment scheme authorized or registered under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, mutual funds, a real estate investment trust approved and authorized under Real Estate Investment Trust Regulations, 2008 or scheduled banks.



We, the several, persons whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance of this Articles of Association:-

Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's / Husband's Name	Nationality (ies) with any former Nationality	Occupation	Residential Address in full	Signature
MR. JAVED IQBAL	17301-9587656-3	Muhammad Ajab Khan	Pakistani	Chief of Party, Assessment and Strengthening Program (ASP)	House # 117, Street # 66, F-11/4, Islamabad.	
MR. DILROZE KHAN	17201-4994161-7	Nek Amal Khan	Pakistani	Chartered Accountant	House 105, Street 10, Sector G-3, Phase II, Hayatabad, Peshawar	
MR. MUHAMMAD ASIM KHAN	17301-1494613-9	Muhammad Hamayun Khan	Pakistani	District Nazim, Peshawar	Mohallah Ibrahim Khel, Bahadar Kalli Kohat road, Peshawar	
MR. MUHAMMAD ASIM KHATTAK (Ex-officio nominee)	17201-9640758-1	Muhammad Naeem	Pakistani	Additional Finance Secretary Budge, Government of the Khyber Pakhtunkhwa	H.No.249/A, Phase II, Armour Housing Society, Manki Road, Nowshera	
MR. MUHAMMAD ALAM SHINWARI (Ex-officio nominee)	21203-3504569-7	Shah Alam Shinwari	Pakistani	DIG Traffic, Government of the Khyber Pakhtunkhwa	University Town, Peshawar	
MIAN MUHAMMAD SALEEM HASSAN (Ex-officio nominee)	35301-1899651-5	Mian Mueen Ahmad Wattoo	Pakistani	DG Peshawar Development Authority	Kot Mian Ghulam Dastagir, Haveli Lakha, Dipalpur, Okara	
MR. MUHAMMAD AYAZ (Ex-officio nominee)	15402-6130598-9	Amir Muhammad	Pakistani	Chief Economist, P&D Department Government of the Khyber	District Mardan, Tehsil Takht Bhai, PO Hathian, Village Dad	

				Pakhtunkhwa	Mohd Killay	
MR. TASEER JAMAL ALIZAI  (Ex-officio nominee)	17301- 5402262-9	Faiz Muhammad Khan	Pakistani	Executive Director Urban Policy Unit, P&D Government of the Khyber Pakhtunkhwa	House 30, Sector G-3, Phase-II, Hayatabad, Peshawar, Pakistan	
MR. MANZOOR AHMAD  (Ex-officio nominee)	17301- 5928224-1	Maqsood- ur-Rehman Khan	Pakistani	Director Transport , Transport and Mass Transit Department Government of the Khyber Pakhtunkhwa	House 47, Street 08, Sector C-1 Phase – V, Hayatabad, Peshawar	
MR. RIAZ KHAN MAHSUD  (Ex-officio nominee)	61101- 8514873-6	Dost Muhammad Khan	Pakistani	Deputy Commissioner Peshawar	1/B, Fort Road, DC House, Peshawar Cantt.	

Dated the       day of       , 2016

Witness to above signatures	
Signature	
Full Name (in Block Letters)	
Father's/ Husband's name	
Nationality	
Occupation	
CNIC NO	
Full Address	