

MULTAN ELECTRIC POWER COMPANY

No. 3024-42/Company Secy:

Dated 3-4-23

1. Sardar Muhammad Jamal Khan Leghari,
Ex President House Choti Zerin,
District D.G Khan.
2. Mr. Allahyar Khan,
Chief Executive Officer,
MEPCO Multan.
3. Mr. Zafar Abbas,
Additional Secretary-II,
Ministry of Energy (Power Division),
Block-A, Pak Secretariat, Islamabad.
4. Mr. Javed Iqbal Khan,
Joint Secretary, Finance Division
Room 326, Block D
Pak Secretariat, Islamabad
5. Muhammad Ajmal Bhatti,
Secretary, Energy Department,
8th Floor, EFU House,
Jail Road, Lahore.
6. Mr. Fazalullah Durrani,
House No. 16, Faisal Bagh,
Stadium Road, Bahawalpur.
7. Muhammad Nawazish Ali Pirzada,
Pirzada House, Airport Road,
Bahawalpur.
8. Mr. Khurram Mushtaq,
House No. 373, overseas B extension,
Bahria Town, Lahore.
9. Mr. Asghar Leghari
12-B-2, Off Zafar Ali Road, Gulberg V,
Lahore.
10. Mian Shahid Iqbal,
Rehman Villas, Bohar Gate Model Town B,
Multan Road, Camp Office, Governor
House, Bahawalpur.
11. Mr. Amad ud Din,
129 Model Town A, Khanpur, District
Rahimyar Khan.
12. Muhammad Jabir,
House No. 2, Street No. 2, Eden Palace
Villas, Raiwand Road, Opposite Etehad
Town, Lahore.
13. Rana Yasir Rauf,
House No. 315, F1 Block, Johar Town,
Lahore.

Sub:- MINUTES OF 198TH BOARD MEETING HELD ON 21-03-2023.

Enclosed please find herewith Minutes of 198th BOD Meeting held on **21-03-2023 (Tuesday) at 12:30 PM in Board's Meeting Room MEPCO H/Qs Khanewal Road Multan,** for kind information and necessary action please.

DA/as above

CC:-

1. Finance Director, MEPCO Ltd Multan.
2. All D.Gs under MEPCO Ltd Multan.
3. All G.Ms under MEPCO Ltd Multan.
4. All Chief Engineers under MEPCO Ltd Multan.
5. All Managers / Directors MEPCO HQs Multan.
6. The Staff Officer to CEO MEPCO H/Q Multan.

COMPANY SECRETARY MEPCO

For kind information and further necessary action please.

Meeting Date: 21-03-2023 (Tuesday)

Meeting Time: 12:30 PM

Location: Board's Room MEPCO H/Q Khanewal Road Multan

In attendance:

- | | | |
|-----|------------------------------------|-------------------------------|
| 1. | Sardar Muhammad Jamal Khan Leghari | Chairman (Through Video Link) |
| 2. | Mr. Allahyar Khan | CEO/Director |
| 3. | Mr. Zafar Abbas | Director (Through Video Link) |
| 4. | Mr. Javed Iqbal Khan | Director (Through Video Link) |
| 5. | Mr. Fazalullah Durrani | Director |
| 6. | Muhammad Nawazish Ali Pirzada | Director |
| 7. | Mr. Khurram Mushtaq | Director (Through Video Link) |
| 8. | Mian Shahid Iqbal | Director |
| 9. | Mr. Asghar Leghari | Director (Through Video Link) |
| 10. | Rana Yasir Rauf | Director (Through Video Link) |
| 11. | Muhammad Jabir | Director |
| 12. | Mr. Sajid Yaqoob | Company Secretary |

Following MEPCO officers attended the Meeting on call.

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|----|---------------------------------|-------------------------|
| 1. | Engr. Zafar Iqbal Gill | General Manager (Tech.) |
| 2. | Engr. Jam Gul Muhammad Zahid | General Manager (CS) |
| 3. | Mian Ansar Mahmood | Finance Director |
| 4. | Mr. Khalid Mehmood | D.G (HR & Admin) |
| 5. | Mr. Waqas Masood Amjad Chughtai | Director (HRM) |

Meeting started under the Chairmanship of Sardar Muhammad Jamal Khan Leghari. The Chair noted the quorum to be in order. Proceedings commenced with recitation of Verses from the **Holy Quran** by Mr. Sajid Yaqoob. The Members and key management personnel declared that they are not directly or indirectly, concerned / interested in any contract or arrangement being considered in this Board meeting.

Following agenda items were presented to the Board, the resultant discussions and decisions of the BOD are narrated as under:-

Agenda item-1 Leave of absence of Honorable Members.

The Company Secretary informed the Board that Mr. Amad ud Din has expressed his inability to attend the Board meeting.

After due consideration, it was resolved that leave of absence from 198th meeting of Board of Directors be and is hereby granted to Mr. Amad ud Din who had requested for the same.

Agenda item-2 To consider and confirm the minutes of the 197th BOD Meeting held on 12-03-2023.

Company Secretary apprised that the minutes of 197th BOD meeting held on 12-03-2023 duly endorsed by Chairman BOD were circulated among all Board Members. With consent of the Chair, Company Secretary presented the summary of minutes with salient features of the discussions, directions and resolutions of the Board. The Chairman invited the attention of all members for

offering any reservation(s)/comments(s) regarding approval of minutes. Since, there were no comments received from any of the directors, the proceedings were confirmed as correctly recorded.

Chief Executive Officer highlighted that the approval for grant of 04 advance increments on the basis of MBA Degree to the officers who have been initially appointed on the basis of MBA qualification was accorded vide Resolution No. 197-BOD-R2. The said case was presented in compliance of order dated 09.06.2022 passed by Honorable Lahore High Court Bench at Multan in Writ Petition No. 9389/2021 filed by Mr. Nauman Ali Revenue Officer, etc Vs MEPCO etc. He informed that similar Writ Petition No. 9490/2021 was filed by Muhammad Arshad & other Revenue Officers for which Honorable Court vide order dated 24.05.2022 has disposed of the Writ Petition and sent the matter to Secretary, Energy (Power Division) Islamabad for decision in accordance with law by way of a suitable & legally sustainable order within a period of sixty days. The petitioners were called for personal hearing before Sr. Joint Secretary (Admn), Power Division (Ministry of Energy) on 02.08.2022, but the decision/outcome is still awaited. The issue in both petitions is exactly the same. He proposed that implementation on Board's approval accorded vide Resolution No. 197-BOD-R2 should be deferred till outcome/decision from Ministry for Writ Petition No. 9490/2021 to avoid any legal complication. After due consideration, all members unanimously agreed with the proposal.

It was also brought to the notice of members that approval for grant of deputation in MEPCO to Mst. Asia Sumer, Jr. Engineer FESCO Faisalabad and Mr. Abdul Khaliq Khalid, Assistant Audit Officer (BPS-17) office of Director General (Audit) Power, Lahore for a period of 03 years subject to the condition that no deputation allowance will be allowed to them as NOCs have been issued at their own requests was accorded vide Resolution No. 196-BOD-R9. But, the date for effectiveness of the decision was missing in resolution. Mst. Asia Sumer and Mr. Abdul Khaliq Khalid reported arrival in MEPCO on 13.07.2022 and 15.06.2022 respectively. The members were requested to allow the grant of deputation with effect from their respective arrival dates in MEPCO. After due consideration the members acceded the request.

After due consideration, the Board unanimously resolved as follows.

Resolution

198-BOD-R1 There being no objection from the house, **RESOVLED** that the minutes of 197th BOD meeting held on 12-03-2023 be and is hereby confirmed as true record of the proceedings of the meetings.

Resolution

198-BOD-R2 **RESOLVED** that approval to amend Resolution No. 196-BOD-R9 is hereby accorded to the extent that deputation in MEPCO in respect of Mst. Asia Sumer, Jr. Engineer FESCO Faisalabad and Mr. Abdul Khaliq Khalid, Assistant Audit Officer will be with effect from 13.07.2022 and 15.06.2022 respectively.

Resolution

198-BOD-R3 Since similar case is pending with Ministry of Energy for decision, therefore; **RESOLVED** that implementation on Board's approval accorded vide Resolution No. 197-BOD-R2 is hereby deferred to the extent of grant of 4 advance increments to the officers involved in Writ Petition No. 9389/2021, till outcome/decision of Ministry for Writ Petition No. 9490/2021 to avoid any legal complication in future. However, the approval for not granting 4 advance increments to those officers who will be initially appointed on the basis of MBA qualification and approval for grant of 4 increments to officers on account of acquiring MBA qualification in interest of Company after obtaining NOC will be allowed as per policy in vogue will remain intact as recorded vide Resolution No. 197-BOD-R2.

Agenda item-3 Matters relating to HR & Nomination Committee.**a To consider the recommendations of the Special Committee on affected employees under the Chairman Ship of Mr. Qadir Khan Mandokhail, MNA.****Proceedings:**

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding recommendations of the Special Committee on affected employees under the Chairman Ship of Mr. Qadir Khan Mandokhail, MNA was presented in 8th HR & Nomination Committee meeting wherein, the Committee has referred the case to the Board for collective deliberation.

While briefing the members about facts of the case, D.G (HR & Admin) apprised that the matter was discussed in 4th HR & Nomination Committee wherein, it was directed to approach the Ministry of Energy (Power Division) for seeking its guidance on the appropriate course of action by elaborating all facts of the case before proceeding further in the matter. He informed the Members that directions of Special Committee received from time to time were duly communicated to Ministry of Energy (Power Division) for guidance on appropriate course of action on the subjected matter as per the directions of HR & Nomination Committee.

Continuing with his briefing, he informed that Special Committee on affected employees conveyed its recommendations through Director (Legislative Drafting / Secretary Committee) letter dated 25.12.2022 that “CEO MEPCO not to make any fresh appointment till the final decision and implementations of the directions of this committee”. Accordingly, Ministry of Energy (Power Division) was approached for seeking guidance / advice to issue offer of appointment letters in respect of 52 No. selected candidates for the post of Jr. Engineers / SDOs. Now, Section Officer (DISCOs-II) Ministry of Energy (Power Division), Islamabad vide letter dated 23.02.2023 has communicated that the role of Special Committee on Affected Employees of National Assembly is advisory and recommendatory in nature and its advice / recommendations are not mandatory / binding and the same should be reviewed in the light of prevailing rules / law / policy. It is mentioned in point 5 of the letter received from Ministry of Energy (Power Division), that “rule (5)(7)(q) of the Public Sector Companies (Corporate Governance) Rules, 2013 provides for formulation of HR Policies / service rules in respect of employees of the Public Sector Companies by the Board of Directors (BOD) of these Companies. In this regard, the Division is of the view that matter may be referred to BODs of the concerned Companies for their decision in light of rules/law/policy of the company”. Moreover, Ministry of Energy (Power Division) has also forwarded a copy of Law and Justice Division Govt. of Pakistan O.M dated 10.01.2023 to decide the matter administratively in view of relevant facts and directions of Special Committee of Affected Employees constituted by the Speaker of the National Assembly for the purpose.

Upon query of one of members, D.G (HR & Admin) informed that TOR of special committee on sacked employees states that the committee will examine the cases of employees who were sacked as a result of Sacked Employees (Reinstatement) Act 2010 and give its recommendations to the House in light of decision of the Supreme Court of Pakistan dated 17th December 2021. He stated that mandate of Special Committee of National Assembly is limited to sacked employees only and MEPCO has no such employee as defined in Sacked Employees (Reinstatement) Act 2010 rather only affected employees who did not qualify the written test and interview, hence; not included in the purview of special committee. He further informed that the matter regarding effected employees

is currently subjudice in Court and will be proceeded in the light of decision being made by Honorable Court. All Members agreed.

During the course of discussion, the members were of unanimous view that primary role and scope of committees of the Parliament, as provided in the relevant rules, are to, inter alia, provide recommendations to the Parliament within the scope of their TORs and not issue binding directions. The members were of considered opinion that it is evident that these recommendations are neither binding nor implementable. The recruitment of Junior Engineers is under Direct Quota for BPS-17; whereas; the issue of sacked/affected employees relates to the employees from BPS-1 to 16, hence; this recruitment will not infringe anyone's right.

After detailed discussion and deliberation, the Board unanimously resolved as follows.

Resolution

198-BOD-R4 Considering 3 issues apprised by the management, the Board unanimously decided as follows:-

Issue # i & ii

As per existing policy and judicial decisions / directions by Lahore High Court Bahawalpur Bench in W.P # 701, 703 and 705 of 2010 and August Supreme Court of Pakistan Order's dated 25.05.2015 in CP # 2415/2014, the MEPCO management had already acted in compliance. Therefore, the recommendations of National Assembly Committee on affected employees already stand disposed off.

Issue # iii

All codal formalities have been observed and due diligence been carried out while recruiting 52 Junior Engineers / SDOs. Therefore, BOD is of the decision that this appointment process has already been executed. Therefore, pending appointment letters be issued to 52 selected candidates for the post of Junior Engineer / SDO.

The resolution is based on the following confirmations by the management.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

b Approval for Healthcare facilities for MEPCO serving and retired employees

Proceedings:

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding healthcare facilities for MEPCO serving and retired employees was presented in 8th HR & Nomination Committee meeting wherein, the Committee has recommended to Board for approval of the case.

One of members recorded his observation with the remarks that presented working paper does not state the rationale for decision taken by previous Board for providing medical facilities through group insurance instead of WAPDA Hospitals. Moreover, the cost benefit analysis for abandoning

the decision along with pros and cons has not been mentioned in presented paper. The quality and availability of service under MEPCO jurisdiction being provided by WAPDA has not be disclosed as well. He was of the view that members would not be able to make any appropriate decision in absence of necessary information required to analyze the proposal. All members agreed with the observation and desired that management should give a detailed briefing to Board elaborating all facts, figures and implications involved for provision of healthcare facilities with WAPDA Hospitals.


The members were informed that medical expenditure is being made by MEPCO for provision of healthcare facilities to its employees through different ways. Firstly, quarterly payment is being made to WAPDA hospital and its allied dispensaries, secondly; cash medical allowance is being given to employees; thirdly; reimbursement of medical expenditure to the tune of one basic pay after fulfillment of all formalities is being paid to different employees. The previous Board with the understanding that huge Medical expenditure is being made by MEPCO, decided to carry out an exercise for provision of medical facilities through group insurance. Only those insurance companies were invited for bids that have their footprints in all over areas under MEPCO jurisdiction. The basic motive behind this idea was to provide healthcare facilities in all districts under MEPCO as WAPDA system is available at few cities only. Consequently after completing all formalities, tender procedure was finalized and case was presented before Board and certain directions were issued to management with the direction to submit compliance up to 30-09-2022 and it was decided that MEPCO should pay its share for first quarter to WAPDA as per agreement.

After detailed discussion and deliberation, the members were of the view that provisional approval should be given to management for continuing medical services to MEPCO employees and their dependents from 01.06.2022 to 31.05.2023 through WAPDA. However, scrutiny/reconciliation of bills should be made before payment. The management should also propose a mechanism for provision of health facilities to employees working in the districts where no WAPDA hospital/dispensary exists. In meantime, the management should give a detailed briefing to Board elaborating all facts, figures and implications involved for provision of healthcare facilities through WAPDA Hospitals or Insurance Companies.

After detailed discussion and deliberation, the Board unanimously resolved / directed as follows.

Resolution

198-BOD-R5 **RESOLVED that** considering the request of D.G (HR & Admin) and the recommendations of HR & Nomination Committee, approval for the followings is hereby accorded.

- a. To quash the tender process for providing healthcare facilities to MEPCO employees through Health Insurance Company.
- b. Ratification for the approvals already accorded by CEO MEPCO regarding contract agreement with D.G MS WAPDA for providing medical services to MEPCO employees and their dependents from 01.06.2022 to 31.05.2023.
- c. To accord provisional approval regarding contract agreement with D.G MS WAPDA for providing medical services to MEPCO employees and their dependents up to 31.05.2023. However, scrutiny/reconciliation of bills should be made before payment.
- d. A committee comprising of following officers is hereby constituted for evaluation of healthcare facility for MEPCO employees:- 

i.	General Manager (OP) MEPCO	Convener
ii.	D.G (HR & Admn) MEPCO	Member
iii.	Finance Director, MEPCO	Member
iv.	Medical Superintendent, WHM	Member
v.	Manager Finance / Admn O/o DG (MS) WAPDA	Member

The committee will submit its recommendations on following TORs:-

Term of Reference (TORs):

- Evaluate the necessary measures required to be taken for improvement of healthcare facilities at WAPDA Health Units.
- Finalize the new draft agreement between CEO MEPCO and D.G (MS) WAPDA with the defined KPIs for providing healthcare facilities to MEPCO employees and their dependents. However, the draft agreement will be vetted by the HR & Nomination Committee before signing.

The resolution is based on the following confirmations by the management.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

Direction

198-BOD-D1 Directed to:-

1. Carry out verification of Medical Books with WAPDA.
2. Make some arrangement with hospitals, and labs for tests, etc., public or private sector, on competitive basis, for districts e.g., D.G Khan, where WAPDA hospital is not available.
3. Give a detailed briefing to Board elaborating all facts, figures and implications involved for provision of healthcare facilities through WAPDA Hospitals or Insurance Companies.

(Responsibility: D.G (HR & Admin) | Timeline: Next Meeting)

c Approval for creation of new (Operation) Division Khan Garh & (Operation) Sub Divisions Wasenday Wali & Khan Pur Bagga Sher (Op) Circle M/Garh.

Proceedings:

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding creation of new (Operation) Division Khan Garh & (Operation) Sub Divisions Wasenday Wali & Khan Pur Bagga Sher under (Operation) Circle M/Garh was presented in 8th HR & Nomination Committee meeting wherein, the Committee has recommended to Board for approval of the case.

Responding to an inquiry of the Member, D.G (HR & Admin) confirmed that prior approval of Ministry of Energy (Power Division) is required for creation of posts in DISCOs. He apprised that proposed creation of posts is subject to approval of Ministry of Energy. While elaborating the benefits of presented bifurcation, D.G (HR & Admin) presented the technical quantified benefits of

creation of the proposed Division & Sub Divisions. He stated that proposed creation of offices will result in improvement with 0.52% reduction in admin losses i.e. -0.52%, 1.43% improvement in recovery, improvement in SAIFI from 1530 to 857 & SAIDI from 72844 to 40793, decrease in tripping from 2577 to 1443, and decrease damaged transformer ratio from 117 to 66.

After detailed discussion and deliberation, the Board unanimously resolved to endorse the recommendations of HR & Nomination Committee as follows.

Resolution

198-BOD-R6 **RESOLVED that** considering the request of DG (HR & Admin) and the recommendations of HR & Nomination Committee, approval for creation of new (Op) Division Khan Garh along with Revenue Office, (Op) Sub-Divisions Khan Pur Bagga Sher & Wasenday Wali by shifting of existing technical staff working with concerned feeders accordingly as well as balancing between the existing and newly proposed offices initially required for their functioning and non-technical staff through internal arrangement / adjustment from existing MEPCO working strength with creation of above mentioned 162 Nos. of posts, procurement of vehicles & furniture etc as well as recruitment against posts falling under direct quota for its operationalization subject to concurrence of Ministry of Energy (Power Division), Islamabad is hereby accorded. The above newly created (Op) Division & Sub-Divisions shall be activated w.e.f 01-07-2023.

The resolution is based on the following confirmations by the management.


- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

d

To consider the request for deputation from FESCO to MEPCO in respect of Mr. Haroon Yaseen, SDO / Jr. Engineer FESCO.

Proceedings:

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding request for deputation from FESCO to MEPCO in respect of Mr. Haroon Yaseen, SDO / Jr. Engineer FESCO was presented in 7th HR & Nomination Committee meeting wherein, the Committee has recommended to Board to regret the proposal.

While intimating the members about reason to regret the request, D.G (HR & Admin) informed that HR & Nomination Committee has gone through the gravity of charges and penalties imposed to subjected officer and it was observed that the officer has been involved in serious irregularities and has got allegation of corruption as well. The Competent Authority has penalized the officer for his misconduct. The HR & Nomination Committee has unanimously recommended to regret the case with the remarks that MEPCO welcomes the resourceful pool of officers who are beneficial for the Company but discourages the practice of taking officers involved in maligned activities. 

After detailed discussion and deliberation, the Board unanimously resolved to endorse the recommendations of HR & Nomination Committee as follows.

Resolution

198-BOD-R7 Considering the request of D.G (HR & Admin) and the recommendations of HR & Nomination Committee, **RESOLVED** that request for deputation from FESCO to MEPCO in respect of Mr. Haroon Yaseen, SDO/Jr. Engineer FESCO is hereby regretted, being devoid of merit.

The resolution is based on the following confirmations by the management.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

e Approval for amendment in MEPCO Reward & Reprimand Policy.

f To consider the representation of Mr. Sohail Ahmed Bhatti, Manager (Forecasting).

Agenda item-4 Approval for grant of Honorarium / Bonus to staff working in the then Ministry of Water and Power, Government of Pakistan, Islamabad.

Agenda item-5 To review the compliance status on the directions issued by BOD during its 188th, 189th, 190th, 191st, 192nd, 193rd, 194th, 195th, 196th & 197th Meeting held on 05-08-2022, 17-08-2022, 14-09-2022, 06-10-2022, 14-10-2022, 25-11-2022 & 31-12-2022, 12-01-2023, 02-02-2023 & 12-03-2023.

Resolution

198-BOD-R8 **RESOVLED** that the subjected agendas are hereby deferred to next meeting due to time constraints.

Agenda item-6 Any Other Points with permission of the Chair.

a Approval for placement of funds.

Proceedings:

With permission of the Chair, the agenda was presented by Finance Director. He informed the Board that MEPCO is maintaining fund portfolio of around Rs. 34.050 Billion relating to Consumer Security Deposits, Capital Contribution, Deposit Works, PM SDGs, Grid Sharing and Sale of Scrap etc. The comparative statement of the profit rates offered by different banks was presented to members for consideration.

Continuing with his briefing, Finance Director stated that MEPCO has already invested funds of Rs. 13,500 Million for 01 year tenure with premature encashment facility. The funds of Rs. 14,069 Million are invested for 03 months and Rs. 4,350/- Million are invested for 01 month period. The investment for 03 months & 01 month period is going to mature at the end of March 2023, so re-investment of these funds is required. Further, the funds under 01 year period have been invested @ 16.85% to 17%, Now SBP has enhanced discount rate to the tune of 20%, Therefore, it is

proposed that the investment under 01 year period may be got pre-matured & re-invested at higher available profit rates. The bank position as on 13.03.2023 shows that the funds of Rs. 32,000 Million are available for investment in March 2023.

Finance Director also informed that UBL & BOP have not offered the premature encashment facility. Therefore, UBL & BOP do not qualify for this investment. Moreover, funds placement is proposed in top profit rate offering banks to encourage healthy competition as well as to avail optimum profit rates.

After detailed discussion and deliberation, the Board unanimously resolved as follows.

Resolution

198-BOD-R9 Considering the request of Finance Director, **RESOLVED** that approval for placement of funds in banks as given below is hereby accorded.

Name of Bank	Rating	03 Months Profit Rate	Placement 03 Months	01 Year Profit Rate	Placement 01 Year	Total	Share %
Soneri Bank	AA-	20.51%	6.000			6.000	18.75%
Bank Al-Habib	AAA	19.95%	6.000			6.000	18.75%
Bank Alfalah	AA+	19.46%	3.000			3.000	9.37%
HBL	AAA	19.34%	3.000	20.30%	14.000	17.000	53.13%
Total			18.000		14.000	32.000	100%

The resolution is based on the following confirmations by the management.

- No material information has been withheld and the working paper represents all facts of the case.
- All legal and codal formalities have been complied with.
- That there is no conflict of interest of any member/Officer of MEPCO.
- Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

b Approval of PC-1s for Electrification of Villages / Abadies of NA-153 and NA-173.

Proceedings:

With permission of the Chair, the agenda was presented by General Manager (Tech). He informed the Board that matter regarding PC-1s for Electrification of Villages / Abadies of NA-153 and NA-173 was presented in 5th Policy, Strategy, Market Reforms & Risk Management Committee meeting wherein, the Committee has recommended to Board for approval of the case.

After detailed discussion and deliberation, the Board unanimously resolved to endorse the recommendations of Policy, Strategy, Market Reforms & Risk Management Committee as follows.

Resolution

198-BOD-R10 Considering the request of General Manager (Tech) and the recommendations of Policy, Strategy, Market Reforms & Risk Management Committee, **RESOLVED**

that approval for PC-Is of 465 No. Schemes of constituencies NA-153 Khanewal and NA-173 Bahawal Pur, amounting to Rs: 473.518 Million for electrification of Villages / Abadies under SAP-V is hereby accorded for further submission to Ministry of Energy (Power Division) Islamabad.

The resolution is based on the following confirmations by the management.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

Approval for adoption of model SOPs at level of MEPCO regarding Testing / Acceptance of repaired Distn: Transformer & prequalification criteria of Distn: Transformer repairing workshop in the light of section officer (DISCO-I) Ministry of Energy (Power) Division Islamabad No. 12(04)/2018-DISCO-I dated November 14, 2022.

Proceedings:

With permission of the Chair, agenda was presented by General Manager (OP). He informed the Board that matter regarding adoption of model SOPs at level of MEPCO regarding Testing / Acceptance of repaired Distn: Transformer & prequalification criteria of Distn: Transformer repairing workshop in the light of Section Officer (DISCO-I) Ministry of Energy (Power) Division Islamabad No. 12(04)/2018-DISCO-I dated November 14, 2022 was presented in 5th Policy, Strategy, Market Reforms & Risk Management Committee meeting wherein, the Committee has recommended to Board for approval of the case with the following directions:-

1. To include clause regarding calibration of all type equipment of the firm on annual basis from approved Lab accredited from PNAC.
2. To reconstitute the committee by excluding 02 members.
3. To include clause regarding financial status of the firm in prequalification criteria.

While submitting the compliance of above mentioned directions, GM (OP) informed that compliance has been made and necessary amendments have been incorporated in SOP for testing / acceptance of repaired distribution transformers and criteria for prequalification of distribution transformer repairing workshops. The members deliberated the matter at length and after due discussion, the members were of the view that Bank Certificate regarding financial capacity/stability shall be 1.5 times of 3 months repairing capacity of the workshop and requirement of Annual Turn Over shall be as per the formula mentioned in standard tender documents. Moreover, clause 3(iii) regarding registration shall be amended as "Letter of Registration".

With above mentioned observations, the Board unanimously resolved as follows.

Resolution

198-BOD-R11 With the directions to incorporate the observations that Bank Certificate regarding financial capacity/stability shall be 1.5 times of 3 months repairing capacity of the workshop and requirement of Annual Turn Over shall be as per the formula mentioned in standard tender documents. Moreover, clause 3(iii) regarding registration shall be amended as "Letter of Registration", **RESOLVED** that

approval for proposed SOPs regarding testing/acceptance of repaired Distn: Transformer and prequalification criteria of Distn: Transformer repairing workshop is hereby accorded.

The resolution is based on the following confirmations by the management.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

d

Approval for procurement of Safety Helmet with embedded Beeper Voltage Detector (LV-HV 35KV) against T/ No. 24/23 opened on 22.09.2022, BID VALID UPTO 24.03.2023.

Proceedings:

Before start of formal presentation upon subjected agenda, one of members pointed that the matter has not been discussed in Procurement and Disposal Committee meeting. General Manager (Technical) responded that bid validity is going to expire on 24.03.2023, therefore; the matter is being presented directly to Board. He requested the Board to condone the requirement of presenting the case along with recommendations of relevant Board's Committee. The members showed their displeasure with the observation that subjected tender was opened on 22.09.2022 and management has failed to present the case to competent authority despite lapse of 6 months. After due consideration, the members desired that CEO shall inquire unnecessary delay for finalization of tender and stern disciplinary action be taken against the delinquents. With this direction, Board accorded approval to condone the requirement of presenting the case firstly to Procurement and Disposal Committee.

With permission of the Chair, the agenda was presented by G.M (Tech). He informed the Board that tender inquiry regarding procurement of Safety Helmet with embedded Beeper Voltage, safety harness belt and safety shoes for fiscal year 2022-23 was floated in widely circulated news papers after obtaining approval from Competent Authority under Single-Stage Single Envelope bidding procedure. Tender opening committee opened the tender on specified date i.e on 22.09.22. Five (05) firms purchased the tender documents where as only one firm participated in the tender and quoted its per unit rate on FCS basis without GST. The Bid Evaluation Committee recommended the Safety Helmet with embedded beeper voltage detector (lv-hv35kv) against tender quantity 2360 @ Rs. 3740/- per unit. Later on, M/s Naseem Associates voluntarily reduced the rates as per good gesture of company from 3740/- to 2750/- per unit rate of safety helmet with embedded Beeper voltage detector (lv-hv35kv) vide letter No.NA/1126/2023 dated 16.01.2023.

Continuing with his briefing, GM (Technical) informed that the total cost for procurement of 2360 No. Safety Helmet with embedded Beeper Voltage Detector (LV-HV35KV) @ Rs. 2750- each (excluding 17% GST) will be amounting to Rs. 6.49 million which is within the competency of CEO MEPCO vide Section-V, Clause 5.2 of MEPCO DFP-2003 but being the single bidder, the same is being presented to Board being next higher authority.

Upon query of one of members, GM (Technical) clarified that Beeper is being provided to Line staff separately, but due to some issues with separate beeper; it has been decided to provide the beeper with

Helmet of lineman which will make the beeper more effective. Safety Helmet with embedded Beeper Voltage Detector is being procured for first time by MEPCO, therefore; DISCO wise comparison is not available. However, Bid Evaluation Committee had checked the online rate of Safety Helmet with embedded Beeper Voltage Detector on 16.01.2023 which was approximately Rs. 1600/- per unit. The members observed that voluntarily reduced rate is still on higher side.

One of members was of the view that management should have purchased small quantity to ascertain the quality and effectiveness of proposed item under procurement. The proposed item is a new initiative, therefore; it is understood that there is no urgency of the issue as line staff is already using safety helmets. Moreover, price assessment of the item is not available with procurement department as well. He proposed that management should seek extension in bid validity and meanwhile, price assessment be made before proceeding in this matter.

The members deliberated upon the matter at length and after due diligence resolved and directed as follows.

Resolution

198-BOD-R12 RESOLVED that the case is hereby referred back to management to present the case to Procurement & Disposal Committee after complying with following instructions.

1. To seek extension in bid validity from the bidder.
2. To carry out price analysis of proposed procurement.

Direction

198-BOD-D2 DIRECTED that Chief Executive Officer shall inquire the unnecessary delay for finalization of tender and take stern disciplinary action against the delinquents under intimation to the Board.

(Responsibility: D.G (HR & Admin) | Timeline: Next Meeting)

e To deliberate upon recommendations of HR & Nomination Committee regarding Employees Grievances Committee.

Resolution

198-BOD-R13 RESOVLED that the subjected agenda is hereby deferred to next meeting due to time constraints.

f Approval for imposition of fine on illegal occupants for MEPCO residences.

Proceedings:

With permission of the Chair, the agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding revision of market rent for MEPCO residential accommodations was presented in 8th HR & Nomination Committee meeting wherein, the Committee has recommended to Board with the directions to present a revised policy for allotment of residential accommodation in MEPCO Colonies, covering all aspects of illegal possession of official accommodations i.e. transfer, retirement, deputation & other and to present a report for vacation of houses from all illegal occupants within 15 days.

While submitting the compliance of the directions, DG (HR & Admin) informed that at present, 5 retired employees are residing in MEPCO Colonies illegally. The members noted the explanation with direction to exert all efforts to get the official accommodations vacated at earliest. Moreover, he informed that HR & Nomination Committee had directed to impose fine on daily basis instead of market rent to the illegal occupants i.e. retired employees/deputatonist residing in official residential accommodations at MEPCO Colonies.

Upon query of one of members, D.G (HR & Admin) informed that a fine to illegal occupants i.e. retired employees/deputationist residing in official residences at MEPCO Colonies will be calculated / charged as given below and fine will be charged automatically and DDO concerned will deduct / recover the same from pension / pay of the employee without any approval.

Sr. No.	Category	Fine
1.	A-Type	Rs. 3000/- per day
2.	B-Type	Rs. 2500/- per day
3.	C-Type	Rs. 2000/- per day
4.	D-Type	Rs.1500/- per day
5.	E-Type	Rs.1000/- per day
6.	F-Type	Rs.750/- per day

At the very outset of discussion, the Chair desired that management must note that imposition of fine never means that an employee is entitled to occupy the official accommodation even after expiry of permissible period. The management will have to ensure that official accommodation is vacated after expiry of permissible period. The fine will be imposed for any untoward situation which cripples the management to get the house vacated from illegal occupant. The management noted the same for implementation in true letter and spirit.

One of members did not agree with the proposal with the remarks that fine should be exorbitant one ensuring that illegal occupant is strongly discouraged. He requested the members to reconsider the proposed fine. After detailed deliberation, the Board agreed to revise the proposed fine and unanimously resolved as follows.

Resolution

198-BOD-R14 Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED** that approval for the following is hereby accorded.

- a. A fine to illegal occupants i.e. retired employees / deputationists residing in official residences after permissible limit at MEPCO Colonies will be calculated / charged as given below:-

Sr. No.	Category	Fine (1-15 days)	Fine (15-30 days)
1.	A-Type	Rs. 5000/- per day	Rs. 8000/- per day
2.	B-Type	Rs. 4500/- per day	Rs. 6000/- per day
3.	C-Type	Rs. 3500/- per day	Rs. 5500/- per day
4.	D-Type	Rs.1500/- per day	Rs.1500/- per day
5.	E-Type	Rs.1000/- per day	Rs.1000/- per day
6.	F-Type	Rs.750/- per day	Rs.750/- per day

- b. On expiry of 30 days, all facilities provided by the MEPCO i.e. electricity, gas, water etc. will be disconnected.
- c. Fine will be charged automatically and DDO concerned will deduct / recover the same from pension / pay of the employee without any approval.

The resolution is based on the following confirmations by the management.

- a) No material information has been withheld and the working paper represents all facts of the case.
- b) All legal and codal formalities have been complied with.
- c) That there is no conflict of interest of any member/Officer of MEPCO.

- d) The procurement will be in accordance with the approved financial budget and procurement plan.
- e) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- f) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

The meeting ended with thanks to and from the chair.


(Engr. Sajid Yaqoob)
Company Secretary MEPCO