

## MULTAN ELECTRIC POWER COMPANY

No. 8172-93/Company Secy:

Dated 01-8-23

1. Sardar Muhammad Jamal Khan Leghari,  
Ex President House Choti Zerim,  
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. Dr. Naeem Rauf,  
Secretary, Energy Department,  
8<sup>th</sup> 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. Mian Muhammad Ali  
1/B Ali House Altaf Town Multan City
9. Mr. Khurram Mushtaq,  
House No. 373, overseas B extension,  
Bahria Town, Lahore.
10. Mr. Asghar Leghari  
12-B-2, Off Zafar Ali Road,  
Gulberg V, Lahore.
11. Mian Shahid Iqbal,  
Rehman Villas, Bohar Gate Model Town B,  
Multan Road, Camp Office, Governor House,  
Bahawalpur.
12. Mr. Amad ud Din,  
129 Model Town A,  
Khanpur,  
District Rahimyar Khan.
13. Muhammad Jabir,  
House No. 2, Street No. 2, Eden Palace Villas,  
Raiwand Road, Opposite Etehad Town,  
Lahore.
14. Rana Yasir Rauf,  
House No. 315, F1 Block,  
Johar Town, Lahore.
15. Mr. Athar Ali Mazari  
Mohallah Chief Family Rojhan Tehsil Rojhan,  
District Rajanpur
16. Mr. Hussain Ahmad Fazal  
Hussain Mills, Vehari Road, Fazalabad, Multan.

**Sub:- MINUTES OF 202<sup>ND</sup> BOD MEETING AND ADJOURNED 202<sup>ND</sup> BOD MEETING HELD ON 16-07-2023 AND 19-07-2023 RESPECTIVELY.**

Enclosed find herewith Minutes of 202<sup>nd</sup> BOD Meeting and Adjourned 202<sup>nd</sup> BOD Meeting held on 16-07-2023 (Sunday) at 10:00 AM and 19-07-2023 (Wednesday) at 10:00 AM respectively 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:** 16-07-2023 (Sunday)

**Meeting Time:** 10:00 AM

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

**In attendance:**

- |     |                                    |                               |
|-----|------------------------------------|-------------------------------|
| 1.  | Sardar Muhammad Jamal Khan Leghari | Chairman                      |
| 2.  | Mr. Allahyar Khan                  | CEO/Director                  |
| 3.  | Mr. Zafar Abbas                    | Director (Through Video Link) |
| 4.  | Mr. Javed Iqbal Khan               | Director (Through Video Link) |
| 5.  | Dr. Naeem Rauf                     | Director (Through Video Link) |
| 6.  | Mr. Fazalullah Durrani             | Director                      |
| 7.  | Mian Muhammad Ali                  | Director                      |
| 8.  | Muhammad Nawazish Ali Pirzada      | Director(Through Video Link)  |
| 9.  | Mr. Khurram Mushtaq                | Director                      |
| 10. | Mian Shahid Iqbal                  | Director                      |
| 11. | Mr. Amad ud Din                    | Director (Through Video Link) |
| 12. | Mr. Asghar Leghari                 | Director                      |
| 13. | Rana Yasir Rauf                    | Director                      |
| 14. | Mr. Athar Ali Mazari               | Director                      |
| 15. | Mr. Hussain Ahmad Fazal            | Director                      |
| 16. | Muhammad Jabir                     | Director                      |
| 17. | Mr. Sajid Yaqoob                   | Company Secretary             |

**Following MEPCO officers attended the Meeting on call.**

- |    |                          |                          |
|----|--------------------------|--------------------------|
| 1. | Mian Ansar Mahmood       | Finance Director         |
| 2. | Engr. Rana Muhammad Ayub | General Manager (Tech)   |
| 3. | Engr. Muhammad Arshad    | Chief Engineer (Dev) PMU |
| 4. | Engr. Muhammad Siddique  | Director (Proc) Dist.    |
| 5. | Engr. Muhammad Akram     | Director (Proc) PMU      |
| 6. | Mr. Khalid Mahmood       | D.G (HR & Admin)         |

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 Chairman of Board of Directors noted that all the members are available.

**Agenda item-2 To consider and confirm the minutes of the 201<sup>st</sup> BOD Meeting held on 14-06-2023.**

Company Secretary apprised that the minutes of 201<sup>st</sup> BOD meeting held on 14-06-2023 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.

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R1** With aforementioned amendments, **RESOVLED that** the minutes of 201<sup>st</sup> BOD meeting held on 14-06-2023 be and is hereby confirmed as true record of the proceedings of the meetings.

### **Agenda item-3**

**Ratification of Nomination of Mr. Athar Ali Mazari, Mian Muhammad Ali & Mr. Hussain Ahmad Fazal as Independent Directors on MEPCO BOD.**

### **Proceedings:**

With permission of the Chair, Company Secretary apprised the members that Government of Pakistan, Ministry of Energy (Power Division), Islamabad vide Notification dated 27<sup>th</sup> June, 2023 has notified that the 3 additional Independent Directors namely Mr. Athar Ali Mazari, Mian Muhammad Ali and Mr. Hussain Ahmad Fazal are appointed on the Board of Multan Electric Power Company (MEPCO) for remaining term of the Board. All new appointees have given their consent to act as Independent Directors on the MEPCO Board. The members were requested to ratify the nomination of above Members as Independent Directors on BOD of MEPCO for the remainder of the term.

The Chair warmly welcomed the new addition in the composition of MEPCO Board of Directors with the hope that the new brains with brilliant expertise in various domains will add value to Board. All other members expressed that their inclusion will contribute towards achieving Company's milestones and to lead among the DISCOs. All the new members expressed their gratitude to the Board and introduced themselves with the determination to drive MEPCO towards greater heights.

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R2** **RESOLVED that** nomination of Mr. Athar Ali Mazari, Mian Muhammad Ali, and Mr. Hussain Ahmad Fazal as Independent Directors on BOD of MEPCO be and is hereby ratified for the remainder of the term.

### **Agenda item-4**

**To consider and confirm Circular Resolution No. 11/2023 dated 21.06.2023 regarding approval for placement of funds.**

### **Proceedings:**

With permission of the Chair, Company Secretary apprised the members that the matter regarding approval for placement of funds was circulated amongst the Members through Circular Resolution No. 11/2023 dated 21.06.2023 for consideration on urgent basis. After considering the matter, the Board passed the below detailed Circular Resolution.

Considering the request of Finance Director & the recommendations of Audit & Finance Committee, **RESOLVED that** approval for placement of funds with banks which have offered most competitive rates along with pre-mature encashment of already invested fund as tabulated below is hereby accorded:-

*h*

(Rs. Billion)

Name Of Bank	Short Term Rating	Long Term Rating	03 Months Profit	Placement 03 Months	01 Year Profit	Placement 01 Year	Total	Share
M/S HBL	A-1+	AAA	20.55%		21.50%	13.000	13.000	38.81%
M/S Faysal	A-1+	AA	21.25%	5.000			5.000	14.93%
M/S Soneri Bank	A-1+	AA-	20.66%	1.000			1.000	2.98%
Bank Al Habib	A-1+	AAA	20.55%	6.000			6.000	17.91%
Bank Al Falah	A-1+	AA+	20.50%	5.000			5.000	14.93%
BOP	A-1+	AA+	20.50%	3.500			3.500	10.45%
Total				20.500		13.000	33.500	100%

During the course of discussion, one of members pointed out that the existing procedure adopted to obtain competitive rates from the banks having AAA and AA+ rating does not take into consideration those banks, which are not involved in business with MEPCO. Finance Director responded that as per the SOP approved by Board, banks already engaged with banking business with MEPCO can apply for placement of funds. Another member proposed that proper bidding process should be followed in this regard by inviting all the banks for fair participation in the process so that the management will be able to obtain better interest rates. After due consideration, the members did not agree with the proposal considering that bidding process takes considerable time and management has to invest in banks on quarterly basis. However, it was unanimously agreed that all Banks having rating in accordance with approved policy of MEPCO should be invited to offer their rates for placement of funds and PACRA Ratings of all banks available on State Bank of Pakistan's website will be taken as guideline. The management noted the same for future compliance.

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R3** RESOLVED that the Circular Resolution No. 11/2023 be and is hereby confirmed.


### **Agenda item-5**

**To consider and confirm Circular Resolution No. 12/2023 dated 26.06.2023 regarding approval for payment of one month pay as performance allowance to employees of MEPCO.**

### **Proceedings:**

With permission of the Chair, Company Secretary apprised that the matter regarding approval for payment of one month pay as performance allowance to employees of MEPCO was circulated amongst the Members through following Circular Resolution No. 12/2023 dated 26.06.2023 for consideration on urgent basis. After considering the matter, the Board passed the below detailed Circular Resolution:-

Considering the request of D.G (HR & Admin), **RESOLVED that** approval for payment of one month's running basic pay as performance allowance to MEPCO employees working in BPS-1 to BPS-15 on the Eve of Eid ul Azha 2023 in the light of Section Officer (Admn), Ministry of Energy (Power Division) Govt. of Pakistan Islamabad letter No. 8(1)/2019-Admn dated 20.06.2023 subject to fulfillment of the following:-

- It will be admissible to all employees (Regular / Contract / Deputation) working on the payroll of MEPCO for six months or more on the date of issue of notification. 



- ii. It will be admissible to all Daily Wagers working on 89 x days & 75 x days spell basis respectively. They would be allowed performance allowance equivalent to minimum of pay scale of their posts.
- iii. Honorarium equal to 50% of basic pay may be awarded to officials whom letter of explanation was issued during current financial year.
- iv. Honorarium equal to 40% of basic pay may be awarded to officials whom warning was issued during current financial year and
- v. No Honorarium may be granted to officials who have been awarded punishment or in respect of whom E&D proceedings are underway during current FY.
- vi. The employees on extra ordinary leave or on deputation local / abroad will not be entitled.
- vii. Performance allowance be allowed to employees transferred to MEPCO and having less than six month stay subject to provision of certificate of previous company from where these employees have been transferred to the affect that these employees have not taken performance allowance from their previous company.

The members were requested to consider the matter and resolve accordingly. After due consideration, the Board unanimously resolved as follows.

#### **Resolution**

**202-BOD-R4** RESOLVED that the Circular Resolution No. 12/2023 be and is hereby confirmed.

#### **Agenda item-6**

**To consider the letter received from Ministry of Energy, Power Division regarding standard Board Committees for Power Sector PSCs/State-Owned Enterprises (SOES) under Ministry of Energy, Power Division.**

#### **Resolution**

**202-BOD-R5** RESOLVED that the deliberation upon subjected agenda is hereby deferred to next meeting.

#### **Matters relating to HR & Nomination Committee**

#### **Agenda item-8**

**Approval for extension in contract period of contractual employees and in engagement period of skilled / semi-skilled / unskilled daily wagers working in MEPCO for further period of one year (01.07.2023 to 30.06.2024).**

#### **Proceedings:**

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding approval for extension in contract period of contractual employees and in engagement period of skilled / semi-skilled / unskilled daily wagers working in MEPCO for further period of one year (01.07.2023 to 30.06.2024) was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

Upon query of one of members, D.G (HR & Admin) apprised that daily wagers are being engaged to overcome the shortage of staff, since the Ministry of Energy (Power Division) has banned the recruitment against vacant posts in all DISCOs. The cost of engagement of daily wagers is lower than the cost of outsourced labor, therefore, the management has requested to engage & retain the skilled / semi skilled / unskilled daily wager for one year (on 75 & 89 days spell basis). During the course of discussion, one of the members was of the view that engagement period for 1 year as proposed in respect of daily wagers will lead to legal complications for Company in future. He proposed that engagement of daily wagers should only be for 75 or 89 days as the case maybe. After detailed discussion, all members unanimously agreed with the proposal. However, it was desired that the

management should work out its rationalized requirement for engagement of daily wagers along with concrete justification and present the same in next HR & Nomination Committee.

The Board unanimously resolved and directed as follows.


### **Resolution**

**202-BOD-R6** Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED** that approval for the following is hereby accorded:-

- Extension in contract period w.e.f. 01.07.2023 to 30.06.2024 of 1485 No. Contractual Employees.
- Engagement of 1195 No. Skilled / Semi-skilled / Unskilled Daily Wagers working in MEPCO as tabulated below:-

Office Name	Daily Wagers (Semi-skilled) (75 days Basis) M/Readers w.e.f. 01.07.2023 to 13.09.2023	Daily Wagers (unskilled) (75 days Basis) ALM w.e.f. 01.07.2023 to 13.09.2023	Daily Wagers (89 days Basis) w.e.f. 01.07.2023 to 28.09.2023
ERP	-	-	16
(Op) Circle Multan	24	56	2
(Op) Circle DG Khan	43	12	5
(Op) Circle Vehari	21	29	-
(Op) Circle B/Pur	42	37	5
(Op) Circle Sahiwal	31	120	6
(Op) Circle R.Y. Khan	59	22	2
(Op) Circle M/Garh	95	19	16
(Op) Circle B/Nagar	34	65	-
(Op) Circle Khanewal	44	15	-
XEN (TRWs)	-	13	69
Project Director (Const)	-	241	25
Project Director (GSC)	-	-	04
Dy: Manager (RCC)	-	9	1
Manager (M&T-I)	2	-	-
Manager (M&T-II)	-	7	-
Manager (MM)	-	4	-
<b>Sub Total</b>	<b>395</b>	<b>649</b>	<b>151</b>
<b>Grand Total</b>			<b>1195</b>

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

- No material information has been withheld and the working papers represent all facts of the case.
- 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

**202-BOD-D1** **DIRECTED** to work out the rationalized requirement for engagement of daily wagers along with concrete justification and present the same in next HR & Nomination Committee.

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

### Agenda item-9 Approval for recruitment under 2% disable quota.

#### **Proceedings:**


With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding approval for recruitment under 2% disable quota was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

Upon query of one of the members regarding calculation of disable quota against sanctioned strength or otherwise, D.G (HR & Admin) elaborated that quota has been calculated on the basis of direct quota. The members observed that number of posts under disable quote if calculated on sanctioned strength would be much higher than presented figure. After due consideration, the members were of unanimous view that exact number should be calculated (against the posts where PWDs can perform duty effectively) and recruitment should be made in phases. However, the instant approval sought from management should be accorded. The management noted the same for compliance.

Responding to a query, D.G (HR & Admin) briefed that disable quota cannot be observed in all categories as there are some posts where a disable person cannot work with his/her disability. So, 2% disable quota has been calculated against those identified job categories against which a disable person can perform his duty effectively. Similarly, the posts of officers having BPS-18 and above are also promotion posts; therefore, 2% disable quota is not applicable on such categories of posts. While responding to query of another member, D.G (HR & Admin) confirmed that PWDs will be recruited against the posts / cadres in harmony with their nature of disability duly certified by the Medical Board of WAPDA Hospital. The members noted the explanation.

After due consideration, the Board unanimously resolved as follows.

### Resolution

**202-BOD-R7** Based on the understanding that PWDs will be recruited against the posts / cadres in harmony with their nature of disability duly certified by the Medical Board of WAPDA Hospital, considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED that** approval for recruitment of following 79 No. posts of various categories under 2% disable quota by observing all parameters as per Ministry of Energy (Power Division) Islamabad letter dated 03.05.2023 is hereby accorded. 

Sr. No.	Nomenclature of Post	BPS	No. of vacancy under 2% disable quota
1	Jr. Engineers / SDOs	17	5
2	Office Assistant / Head Clerk	15	1
3	SSO-I	15	2
4	Account Assistant	15	1
5	Commercial Assistant	15	4
6	LS-I	15	3
7	Data Coder	15	2
8	Data Entry Operator	15	2
9	SSO-II	14	1
10	LS-II	14	6
11	Assistant Foremen	14	1
12	Assistant Draftsman	13	1
13	Junior Clerk / LDC / TCC	09	6
14	Tracer	07	2
15	Truck Cleaner / Lorry Cleaner	03	2
16	Store Helper	03	3
17	Daftri	02	1
18	Waiter / Bearers	02	1
19	Mali	01	12
20	NaibQasid	01	11
21	Sanitary Worker / Sweeper	01	12
<b>Total</b>			<b>79</b>

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.

#### Agenda item-10


#### Approval for grant of long term advance to MEPCO employees F.Y. 2022-23.

#### Proceedings:

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding approval for grant of long term advance to MEPCO employees for F.Y. 2022-23 was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

After due consideration, the Board unanimously agreed to endorse the recommendations of HR & Nomination Committee and resolved as follows.

#### Resolution

**202-BOD-R8** Considering the request of D.G (HR & Admin), recommendations of Scrutiny Committee and HR & Nomination Committee, **RESOLVED** that approval for grant of long term advance to 21 No. Officers (BPS-18 & above) including following three officers as a special case is hereby accorded. 



- (1) Mr. Aftab Fazal, Manager (CA) O/O Finance Director MEPCO.
- (2) Mian Ansar Mahmood, Finance Director MEPCO
- (3) Mr. Khalid Mahmood, CE / DG (HR & Admn) MEPCO.

Sr. No	Name of Officer	Designation	Amount (Rs.)
<b>Construction of House</b>			
1	Mumtaz Ali Solangi	XEN (OP) A.P.East	1,100,000/-
2	Iftikhar Kamran	XEN (R&RE) D.G.Khan	1,050,000/-
<b>Purchase of Car</b>			
1	Khalid Mahmood	DG (HR & Admn) MEPCO	1,450,000/-
2	Sajjad Hussain Qureshi	Dy: Director (IT) Sahiwal	1,450,000/-
<b>Purchase of Plot</b>			
1	Shahzad Habib Gill	XEN (M&T) MEPCO Division R.Y.Khan	1,200,000/-
2	Javaid Iqbal	DDT Khanewal	1,200,000/-
3	Iqbal Hussain	Dy:Director (IT) MEPCO Multan	1,400,000/-
4	Irfan Bashir	DM (PDC) MEPCO HQs Multan	1,200,000/-
5	Muhammad Azhar Iqbal	XEN (P&I) MEPCO Division Multan	1,200,000/-
6	Syed Imran Hussain Bukhari	XEN (T&G) "C" Division (GSC) Multan	1,100,000/-
7	Bilal Khan	XEN (SS&T) M/Garh	1,200,000/-
8	Qamar ur Zaman	XEN (Const) MEPCO Multan	1,200,000/-
9	Muhammad Hayat Tunio	XEN (OP) MEPCO Division Hasilpur	1,200,000/-
10	Irshad Hussain	DCM MEPCO Circle Multan	1,150,000/-
11	Abdul Wahid	XEN (OP) MEPCO Division Kot Addu	1,200,000/-
12	Sajid Mehmood	XEN (SS&T) Division Multan	1,200,000/-
13	Muhammad Ali Yasir	XEN (OP) Musapak Division Multan	1,200,000/-
14	Muhammad Aftab Fazal	Manager (CA) MEPCO Multan	1,500,000/-
15	Sher Dil	Dy: Director (IT) D.G.Khan	1,200,000/-
16	Adnan Iqbal	Dy: Director (IT) MEPCO Multan	1,200,000/-
17	Mian Ansar Mehmood	Finance Director MEPCO Multan	4,000,000/-
<b>Total</b>			<b>2,86,00,000/-</b>

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.

#### **Agenda item-11 To consider the amendments in MEPCO Deputation Policy - 2022.**

##### **Proceedings:**

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding considering the amendments in MEPCO Deputation Policy – 2022 & Intercompany Transfer Policy on wedlock basis-2022 (for female employees only) was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

At the very outset of discussion, the members unanimously agreed to discard the option for deputation abroad on employee's request in future and resolved that henceforth; no individual request will be entertained seeking deputation abroad. However, it was agreed that management can explore the possibility of signing an agreement with multinationals through prevailing standard government procedure and selected individuals after determining the internal hiring procedure can be allowed for deputation abroad. However, the employees who are already on deputation abroad will be directed to report back upon completion of approved time and no further extensions will be awarded.

While discussing local deputation policy, the members observed that the proposed policy includes some fundamental syntax errors. These errors could undermine the effectiveness and integrity of the policy, leading to potential issues or unintended outcomes. After detailed discussion, the Board desired to resubmit the policy keeping in view of above discussion with the direction that the policy should be got legally vetted before presentation to the Board.

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R9** RESOLVED that the agenda is hereby deferred with the direction to resubmit the policy in the light of above discussion.

### **Agenda item-12**

**Approval for functioning of newly established Transformer Reclamation Workshop (TRW) R.Y. Khan along with creation of posts.**

### **Proceedings:**

With permission of the Chair, agenda was presented by DG (HR & Admin). He informed the Board that matter regarding approval for functioning of newly established transformer Reclamation Workshop (TRW) R.Y. Khan along with creation of posts was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

During the course of discussion, D.G (HR & Admin) informed that Ministry of Energy (Power Division), Govt. of Pakistan has issued direction that no creation of post be carried out in DISCOs without prior approval of the committee constituted vide its letter No. 12(3)/2018-DISCOs dated: 28-05-2022. Accordingly, recruitment on all posts will be subject to concurrence of Ministry of Energy (Power Division).

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R10** Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED** that approval for the followings is hereby accorded:-

- i. For establishing and functioning of newly proposed Transformer Reclamation Workshop R.Y Khan w.e.f 01-07-2023.
- ii. For creation of above mentioned 56 No. posts subject to the concurrence of Ministry of Energy (Power Division) Government of Pakistan, Islamabad and accordingly newly created posts of SDO (TRW), Test Inspector, Foreman, Test Assistant / Lab Assistant, Junior Store Keeper, Assistant Foreman & Naib Qasid will be filled through internal arrangement from existing MEPCO working strength / recruitment as well as the posts of Helper, Driver, Security Guard and Sweeper will be filled through outsourcing.

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.

### Agenda item-13

### Approval for hiring of 04 No. posts of various categories in BPS-17 through external hiring under MIRAD.

#### Proceedings:

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding approval for hiring of 04 No. posts of various categories in BPS-17 through external hiring under MIRAD was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

Upon query of a member, D.G (HR & Admin) apprised that as per the directives of Ministry of Energy (Power Division), fresh interviews of eligible candidates were conducted as per scrutiny of applications by the Selection Board for the following positions under MIRAD.

Sr. No.	Positions	No. of Positions
1	Assistant Manager (Finance)	2
2	Assistant Manager (Transmission Planning)	1
3	Assistant Manager (Admin)	1
<b>Total</b>		<b>4</b>

After due consideration, the Board unanimously agreed to endorse the recommendations of HR & Nomination Committee and resolved as follows.

#### Resolution

**202-BOD-R11** Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED** that approval for the followings is hereby accorded: -

1. Issuance of offer of appointment letters to the selected candidates who have been awarded highest marks by the Selection Committee for the posts of 02 Assistant Managers (Finance), 01 Assistant Manager (HR & Admn) & 01 Assistant Manager (Transmission Planning) on merit.
2. Salary will be in accordance with the resolution passed in Agenda No. 16.

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.

**Agenda item-16 Approval for pay package of officers appointed on lump sum salary / pay equivalent to BPS-17 post.****Proceedings:**

Before start of formal presentation upon subjected agenda, Company Secretary informed that the matter has not been discussed in HR & Nomination Committee meeting. DG (HR & Admin) requested the Board to condone the requirement of presenting the case along with recommendations of relevant Board's Committee. The Board, after due consideration, acceded the request. D.G (HR & Admin) presented the proposed pay package for members' consideration.

At the very outset of discussion, the members observed that the presented pay package does not merit for consideration and desired that the revised proposal should be presented in adjourned 202<sup>nd</sup> BOD meeting scheduled to be held on 19-07-2023 (Wednesday) after incorporating the following information.

1. Detail of pay package offered to regular employees of MEPCO having BPS-17
2. Comparison of pay package on lump sum salary / pay equivalent to BPS-17 post approved in other DISCOs
3. Terms & Conditions should be clearly mentioned in the offer of appointment along with key deliverables for each post

After due consideration, the Board unanimously resolved as follows.

**Resolution**

**202-BOD-R12 RESOLVED** that the agenda is hereby deferred to adjourned 202<sup>nd</sup> BOD meeting scheduled to be held on 19-07-2023 (Wednesday) after incorporating the above information.

**Matters relating to Audit & Finance Committee****Agenda item-17 Approval of MEPCO Corporate Budget for F.Y. 2023-24.****Proceedings:**

With permission of the Chair, agenda was presented by Finance Director. He informed the Board that matter regarding approval of MEPCO Corporate Budget for F.Y. 2023-24 was presented in 7<sup>th</sup> Audit & Finance Committee meeting held on 19-06-2023 wherein, the Committee unanimously resolved to recommend the Corporate Budget for Board's consideration and subsequent approval after incorporating the observations made by different members in "OPEX" and "CAPEX" during the meeting.

Finance Director presented the MEPCO Corporate Budget comprising of Operating and Capital Expenditure for F.Y. 2023-24. The following budget estimates have been figured out, keeping in view the past performance, Multi Year Tariff determination of NEPRA, consumer end tariff, projected availability of power and inflationary trend etc:-

	Rs. In Million
Total Revenue	576,138
Operating Cost and Other Expenses	534,116
Net Profit	42,022
Capital Expense (CAPEX)	39,035

Finance Director apprised that the main objective of the budget is to chalk out Annual Business Plan of the Company to ensure financial viability along with improving the financial discipline in the Company under regulatory framework, achieve better operational efficiency to improve customer

service and achieve sustainability of existing system to ensure consistent, safe & reliable power supply to end consumers.

During the course of discussion, CEO requested the members to consider the addition of one more M&T Circle office in the region keeping in view the increased number of electricity connections during the recent years. He was of the view that re-structuring of M&T formation is need of the hour, as this office is playing pivotal role in the retrieval of lost units from the damaged / defective meters and checking of all categories of meters. The Board principally agreed to the request of CEO with direction to present the feasibility report for establishment of new M&T Circle office along with the financial analysis after vetting of HR & Nomination Committee.

During the course of briefing, the members showed their concern upon status of sale of scrap in F.Y 2022-23 and directed to expedite the process for sale of scrap after categorization of each type of scrap. Carrying on with the presentation, Finance Director briefed the members about analysis of sales, revenue, expenses, lines length, grid stations & transformers etc. as compared to previous year. He presented the summary of the budget categorized as "Operating cost and other expense" amounting to Rs. 534,116 Million and "Capital expense" amounting to Rs. 39,035 Million along with investment plans with regards to STG, ELR & DOP etc. Regarding balance payments against ADB Loan, the members observed with grave concern that despite the lapse of considerable time, an amount of Rs. 461 Million is still payable to different firms. The Board directed to present the case of balance payments in next Audit & Finance Committee meeting.

The members after due consideration endorsed the recommendations of Audit & Finance Committee and unanimously resolved as follows.

### **Resolution**

**202-BOD-R13** Considering the request of Finance Director and recommendations of Audit & Finance Committee, **RESOLVED** that approval for the followings is hereby accorded:-

- i. The proposed Corporate Budget of MEPCO for F.Y. 2023-24 comprising of Operating Expenses amounting to Rs. 534,116 Million and Capital Expenditure amounting to Rs. 39,035 Million.
- ii. Allocation of Consumer Finance Budget (Deposit Works, SAP/SDGs & Capital Contribution) on the basis of actual receipt of funds under respective head as well as utilization to the extent of pending liability.
- iii. To authorize the Finance Director for distribution of budget to all accounting units / formations.

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.



**Agenda item-18**

**Approval for booking the adjustment of GOP Equity / investment of Rs. 4,470 million in the Books of Accounts.**

**Proceedings:**

With permission of the Chair, agenda was presented by Finance Director. He informed the Board that matter regarding approval for booking the adjustment of GOP Equity / investment of Rs. 4,470 million in the Books of Accounts was presented in 7<sup>th</sup> Audit & Finance Committee meeting held on 19-06-2023 wherein, the Committee has recommended the case to Board for approval.

The Board was apprised that Audit and Finance Committee has also recommended that the matter is of recurring and routine nature, so a standing approval should be accorded and Finance Director should be authorized to book the adjustment of GoP Equity/investment, in the Books of Accounts upon receipt of Credit Note from CPPA-G. All other members agreed with the recommendations of Audit and Finance Committee. After due consideration, the Board unanimously resolved as follows.

**Resolution**

**202-BOD-R14** Considering the request of Finance Director and recommendations of Audit & Finance Committee, **RESOLVED** that approval for the following is hereby accorded:-

- i. Booking the Adjustment of GoP Equity of Rs. 4,470 million in Books of Accounts of MEPCO.
- ii. Finance Director is hereby authorized to incorporate GoP Equity Adjustment in the Books of Accounts of MEPCO as and when Credit/Debit advices received from CPPA-G in pursuance of ECC decisions in future.

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>Matters relating to Procurement &amp; Disposal Committee</b>
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**Agenda item-21**

**Approval for procurement of 132/11.5 KV, 31.5/40MVA & 20/26 MVA Power Transformers financed under MEPCO's Own Resources / Deposit Works against (Tender No. 53/2022-23 opened on 21.03.2023, bid validity is up to 19.07.2023).**

**Proceedings:**

With permission of the Chair, agenda was presented by Chief Engineer (Dev) PMU. He informed the Board that matter regarding approval for procurement of 132/11.5 KV, 31.5/40MVA & 20/26 MVA Power Transformers financed under MEPCO's Own Resources / Deposit Works was presented in 201<sup>st</sup> Board meeting held on 14-06-2023 wherein, it was directed to obtain legal opinion regarding JV agreement of the bidders i.e M/s Validus Engineering (Pvt) Ltd (JV) with Elsewedy Electric Product Egypt. The legal advice should answer the query that whether Joint Venture under the presented agreement constitutes a separate legal entity or otherwise. In compliance of the directions, Chief Engineer (Dev) PMU presented the legal opinion, JV agreement between JV partners and undertaking submitted by JV firm. 


Upon query of one of members, Chief Engineer (Dev) PMU confirmed that as per JV agreement and affidavit submitted by JV partners “in case of defects, repair, rework or warranty claim, the partner in charge (Manufacturers & Supplier) i.e. Validus Engineering Private Limited shall be responsible and accordingly will submit the Performance Guarantee if the bid is accepted by Employer and the project is awarded to the firms”. He also intimated that similar undertaking has been presented to other DISCOs and consequently, P.O has been issued.

The members discussed the matter at length and unanimously resolved to endorse the recommendations of Procurement & Disposal Committee. After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R15** Considering the request of Chief Engineer (Dev) PMU, recommendations of Bid Evaluation Committee and Procurement & Disposal Committee, **RESOLVED that** approval for issuance of L.O.A / P.O in favor of M/s Validus Engineering (Pvt) Ltd (JV) with Elsewedy Electric Product Egypt for supply of 03-No. 132/11.5KV, 31.5/40MVA Power Transformers and 01-No. 132/11.5KV, 20/26MVA Power Transformer amounting to Rs. 878,500,000/- under MEPCO own Resources / Deposit Works PMU is hereby accorded.

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) MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e) Technical and financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- f) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- g) The procurement will be in accordance with the approved financial budget and procurement plan.
- h) Previously, there is no issue on supplier side from which this procurement is being made.
- i) The supplier from which this procurement is being made is neither involved in litigation nor black listed in any other DISCO and fulfils all pre-requisites mentioned in tender documents.
- j) There is no violation of SOPs of MEPCO for environmental and social safeguard.
- k) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- l) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences. 


**Agenda item-32 Any Other Points with the permission of the Chair****a To consider the Sport Policy 2023.**

With the permission of the Chair, the agenda was presented by President Sport Committee. He informed the members that MEPCO is also contributing its share in promoting sports at National & International Level being a Corporate Social Responsibility (CSR). Company is managing the sports activities through MEPCO Sports Association which is affiliated with WAPDA Sports Board. MEPCO Teams compete with other DISCOs in tournaments called as “WAPDA Annual Inter Unit Competition” whereas combined team of all DISCOs/NTDC & WAPDA (including MEPCO) represents at National Level as WAPDA Team through WAPDA Sports Board. He apprised that 21 different sports teams and players are on MEPCO’s strength.

While interjecting the presentation, one of members recalled that the matter was thoroughly thrashed out during the tenure of previous Board and after detailed examination of sports structure, few teams/games were approved in MEPCO. He showed his displeasure for the presented briefing. The members took a bird’s eyes view of the presentation and agreed that presentation does not merit for consideration at Board level. The members were of the unanimous view that the same should be thrashed out at HR & Nomination Committee level at first, so that, concrete recommendations are given to Board for approval. The members also shared their concern that the players are at MEPCO’s pay roll but there is no prominent name of MEPCO reflecting at National/International level. The members desired that MEPCO/DISCOs should exert efforts for registration with Pakistan Sports Board as independent identity. While concluding the discussion, the chair instructed the management to rationalize the existing strength of MEPCO sports players and present a comprehensive policy in upcoming HR & Nomination Committee meeting. The Board resolved as follows.

**Resolution**

**202-BOD-R16 RESOLVED** that the policy is hereby referred to HR & Nomination Committee with the direction to management to rationalize the existing strength of MEPCO Sports players along with the proposal for registration of MEPCO Sports Association in Pakistan Sports Board.

After presentation upon above agenda items, one of the members commented that due to heavy agendas and full day meeting, the task has become laborious. Further, he requested for leave to attend some other urgent assignment. The Chair proposed that the meeting should be adjourned to 19-07-2023 (Wednesday) at 10:00 AM at same venue so that all left over / remaining agenda is completed. All members agreed for proposed adjournment. 

**Note:- The meeting was adjourned to be held on 19-07-2023 (Wednesday) at 10:00 AM in Board’s Room, MEPCO H/Qs, Khanewal Road, Multan.**

**The Adjourned 202<sup>nd</sup> Meeting of MEPCO BOD was held under the Chairmanship of Sardar Muhammad Jamal Khan Leghari.**

**Meeting Date:** 19-07-2023 (Wednesday)

**Meeting Time:** 10:00 AM

**Location:** Board's Meeting Room, MEPCO H/Qs, Khanewal Road, Multan.

**In attendance:**

1. Sardar Muhammad Jamal Khan Leghari	Chairman
2. Mr. Allahyar Khan	CEO/Director
3. Mr. Zafar Abbas	Director (Through Video Link)
4. Mr. Javed Iqbal Khan	Director (Through Video Link)
5. Dr. Naeem Rauf	Director (Through Video Link)
6. Mr. Fazalullah Durrani	Director
7. Mian Muhammad Ali	Director
8. Muhammad Nawazish Ali Pirzada	Director (Through Video Link)
9. Mr. Khurram Mushtaq	Director (Through Video Link)
10. Mian Shahid Iqbal	Director
11. Mr. Amad ud Din	Director
12. Mr. Asghar Leghari	Director (Through Video Link)
13. Rana Yasir Rauf	Director (Through Video Link)
14. Mr. Athar Ali Mazari	Director (Through Video Link)
15. Mr. Hussain Ahmad Fazal	Director (Through Video Link)
16. Muhammad Jabir	Director
17. Mr. Sajid Yaqoob	Company Secretary

**Following MEPCO officers attended the Meeting on call.**

1. Mian Ansar Mahmood	Finance Director
2. Engr. Rana Muhammad Ayub	General Manager (Tech)
3. Engr. Jam Gul Muhammad Zahid	Chief Engineer (CSD)
4. Engr. Khalid Mahmood	D.G (HR & Admin)
5. Engr. Muhammad Arshad	Chief Engineer (Dev) PMU
6. Engr. Muhammad Sohail Ahmed	D.G (MIRAD)
7. Engr. Muhammad Siddique	Director (Proc) Dist.
8. Engr. Muhammad Akram	Director (Proc) PMU

The Chairman noted quorum of the meeting and declared the meeting to be in order. Proceedings of the meeting commenced with recitation of the Holy **Quran** by Mr. Sajid Yaqoob. The Members and key management personnel declared that they do not have any conflict of interest in respect of any Agenda Items being discussed in this meeting.

The Company Secretary apprised the Board that all Members are available.

*Following agenda items were presented to the Committee, the resultant discussions, recommendations and directions of the Committee are narrated as under.*

**Note:-** Mr. Allahyar Khan left the meeting for agenda item No. 7 having conflict of interest. 

## Agenda item-7

**To consider following for appointment of Chief Executive Officer MEPCO.**  
**i) SOP**  
**ii) Service Agreement**  
**iii) Performance Agreement / Contract**

**Proceedings:**

With permission of the Chair, Company Secretary apprised that subjected matter with respect to SOP was presented in 201<sup>st</sup> BOD meeting held on 14-05-2023 wherein, the Board accorded approval of the draft SOP partially, for completion of hiring process for the Post of Chief Executive Officer MEPCO. Subsequently, the matter was again presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee recommended the case for approval of the SOP for completion of hiring process for the Post of Chief Executive Officer MEPCO. However, proposed Service Agreement and Performance Agreement / Contract were referred to Board for its collective deliberation.

Moreover, it was apprised that the employment contract (i.e. Service Contract) containing detailed terms and conditions was received vide Section Officer (DISCOs) Ministry of Energy letter dated 23-12-2020. The same needs to be thoroughly deliberated to finalize for entering into employment agreement with prospective CEO MEPCO. In addition to above, the Performance Agreement / Contract is required to be signed with prospective CEO. The contract signed by the Chairman BOD and existing MEPCO CEO can be taken as guideline.

Before start of formal discussion on the subjected matter, the Chair invited the attention of all members and informed that last date for submission of application for the post of CEO MEPCO was 13.07.2023. He invited the Convener of Initial Scrutiny Committee to update the Board regarding proceedings of scrutiny of applications received for the post of CEO MEPCO. Finance Director, being convener of the Initial Scrutiny Committee, briefed the Board that Initial Scrutiny Committee constituted by the Board has reviewed the 35 No. applications received and prepared a check list of all candidates based on the requirements given in the advertisement. During the course of discussion, different queries raised by the members were responded by the Initial Scrutiny Committee.

Going forward, the Chairman, HR & Nomination Committee spelled out the gist of deliberation during the Committee meeting while finalizing the SOP for completion of hiring process for the post of Chief Executive Officer MEPCO. The salient features / synopsis of SOP was apprised to the members. During the course of discussion, different queries were raised by members, which were responded by the Company Secretary. The members proposed certain amendments which were noted for compliance.

Regarding Service Agreement and Performance Agreement / Contract, the Board desired to refer the case to HR & Nomination Committee for members' deliberation with the direction that the Performance Agreement / Contract should be viewed in line with the State-Owned Enterprises (Governance and Operations) Act, 2023.

After due consideration, the Board unanimously resolved as follows.

**Resolution**

**202-BOD-R17** In continuation of Board Resolution No. 201-BOD-R4, **RESOLVED that** approval of SOP (**Attached at Annexure-A**) for completion of hiring process for the Post of Chief Executive Officer MEPCO is hereby accorded.

**FURTHER RESOLVED that** the matter regarding Service Agreement and Performance Agreement / Contract is hereby referred to HR & Nomination Committee for detailed deliberation to align it with the State-Owned Enterprises



(Governance and Operations) Act, 2023 and submit concrete recommendations thereon.

**Note:-** Mr. Allahyar Khan joined / resumed the meeting for rest of the Agenda Items.

**Agenda item-14** **Approval of Selection Committee for recruitment of Director General MIRAD in MEPCO.**

**Proceedings:**

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding approval of Selection Committee for recruitment of Director General MIRAD in MEPCO was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval.

After due consideration, the Board unanimously agreed to endorse the recommendations of HR & Nomination Committee and resolved as follows.

**Resolution**

**202-BOD-R18** Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED that** approval for nomination of HR & Nomination Committee and Dr. Naeem Rauf as Selection Board to conduct the interview of the eligible candidates for the post of D.G (MIRAD) in MEPCO is hereby accorded. However, the offer of appointment will be issued after approval of 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.

**Agenda item-15** **Approval for extension / retention in engagement period of 301 outsourced skilled / un-skilled labour through M/S Ali Azhan contractor / firm.**

**Proceedings:**

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that matter regarding approval for extension / retention in engagement period of 301 No. outsourced skilled / un-skilled labor through M/S Ali Azhan contractor / firm was presented in 12<sup>th</sup> HR & Nomination Committee meeting held on 05-07-2023 wherein, the Committee has recommended the case to Board for approval for further 04 months on same terms & conditions or till awarding of fresh contract to the bidder whichever is earlier.

Upon query of one of the members, D.G (HR & Admin) apprised that Expression of Interest (EOI) was published in Daily Newspapers on 03.04.2023. In response, 06 No. firms / contractors submitted their bids. The Bid Evaluation Committee in its technical evaluation report has declared all 06 No. firms/contractors technically not responsive. Now, the previous process has been quashed and EOI for engagement of 301 No. skilled / unskilled labor through contractor is being re-published in the daily

newspapers to initiate competitive bidding process. Report of Bid Evaluation Committee was presented to Board. Upon query of another member, D.G (HR & Admin) informed that M/s Ali Azhan, existing contractor / firm has also been declared technically not responsive having less liquidity (as per eligibility of bidders under Clause-6 ) due to increased minimum wage rate, as prescribed in the tender.

During the course of discussion, the members asserted that minimum rates of wages fixed by Government of Pakistan should be observed while hiring the outsourced labor. Moreover, the management must ensure that the salary of outsourced labor is timely disbursed. While discussing the issues being faced for hiring of a firm, it was suggested that management may consider splitting of its requirement in lots so that more competition is invited in tender. After due deliberation, the Board unanimously resolved to accede the request of management for extension in the contract of existing firm till the completion of tender. The members also desired that extended period of 4 months should be reduced to 2 months and directed the management to complete the whole process within 2 months.

The Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R19** Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED** that the approval is hereby accorded for extension / retention in engagement period of 301 No. Skilled & Unskilled outsourced labour from M/S Ali Azhan Enterprises for further period of 02 months w.e.f. 01.07.2023 to 31.08.2023 on same terms & conditions or till awarding of fresh contract to the bidder whichever is earlier.

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.

### **Agenda item-16**

**Approval for pay package of officers appointed on lump sum salary / pay equivalent to BPS-17 post.**

### **Proceedings:**

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the members that proposed pay package has been prepared keeping in view the observations of members raised in 202<sup>nd</sup> BOD meeting held on 16.07.2023. He presented the comparison of lump sum pay package (for BPS-17 officers appointed on contract) of MEPCO (Rs. 148,932) with other DISCOs i.e. LESCO (Rs. 153,000), HESCO (Rs. 150,000), FESCO (Rs. 150,000) and PESCO (Rs. 87365). He further informed that existing pay package of a Junior Engineer (BPS-17) is amounting to Rs. 97103/- and other benefits include free electricity supply of 450 units per month and medical facility. While discussing the proposed package, the members were of the view that it should be clearly mentioned in lump sum pay package that the medical facility and free electricity supply is not

admissible therein. Furthermore, the members were of the understanding that the increase in pay announced by the Government will not be applicable on the employees falling under this package; it will be prerogative of the Board.

Continuing, D.G (HR & Admin) presented the proposal of performance based annual increment on the analogy of FESCO. The Members discussed the presented proposal in detail and decided that the officer evaluated as average as per the assigned targets / KPIs shall not be entitled to annual increment and performance based annual increment should not be more than 5% of the basic pay. It was also directed to clearly define the KPIs of the officer for evaluation accordingly. The management noted the same for compliance.

Based on the understanding that all terms and conditions will be clearly spelled out while offering the employees proposed pay package, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R20** Considering the request of D.G (HR & Admin) and recommendations of HR & Nomination Committee, **RESOLVED** that approval of the following pay package for the officers appointed on lump sum salary / pay equivalent to BPS-17 post is hereby accorded.

Basic Pay	House Rent @ 40% of B.P	Utility Allowance @ 15% of B.P	Conveyance Allowance @ 10% of B.P	Cash Medical Allowance	Total (Rs.)
76375	34369	15275	7638	15275	148,932

**FURTHER RESOLVED** that annual increment (performance based) should not be more than 5% of the basic pay.

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

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

### **Agenda item-19**


**Approval for payment of SAP Software Annual Support, Maintenance Fee & Novation of Partner / Agreement.**

### **Proceedings:**

With permission of the Chair, agenda was presented by Finance Director. He informed the Board that matter regarding approval for payment of SAP Software Annual Support, Maintenance Fee & Novation of Partner / Agreement was presented in 9<sup>th</sup> Procurement & Disposal Committee meeting held on 15-06-2023 wherein, the Committee has recommended the case to Board for approval.

During the course of discussion, the members were of unanimous view that the subjected payment is as per agreement and a regular issue which does not need any further approval from the Board. Likewise, if the period is already covered in the contract, it also needs no approval from the Board.

After due consideration, the Board unanimously agreed to accede the request of management with the directions to provide following details in this regard.

- Detail of available, functional and non-functional modules of SAP. 

2. Detail of available and utilized user licenses.
3. Financial impact of Novation of Partner / Agreement

### **Resolution**

**202-BOD-R21** Considering the request of Finance Director and recommendations of Procurement & Disposal Committee, **RESOLVED** that approval for consolidation & annualization of two invoices and payment of SAP Annual Support Fee to M/s ABACUS Consulting amounting to Rs. US\$ 116,824 exclusive of sales tax. The subject payment is payable in Pak Rupees @ exchange rate prevalent on date of payment as per terms and conditions of the agreement. However, it was directed to provide detail of Novation of Partner / Agreement.

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**

**202-BOD-D2** **DIRECTED** to provide the following information.

- i). Detail of available, functional and non-functional modules of SAP
- ii). Detail of available and utilized user licenses
- iii). Financial impact of Novation of Partner / Agreement

(Responsibility: Finance Director | Timeline: Next Meeting)

### Matters relating to Procurement & Disposal Committee

#### Agenda item-20

**Approval of following tentative Annual Procurement Plans for F.Y. 2023-24**

- i. PMU Directorate.**
- ii. Procurement Distribution Directorate.**
- iii. Civil Directorate.**
- iv. TRW.**

### **Proceedings:**

With permission of the Chair, agenda was presented by General Manager (Tech.). He informed the Board that matter regarding approval for procurement plans for F.Y. 2023-24 of PMU Directorate, Procurement Distribution Directorate, Civil Directorate & TRW was presented in 9<sup>th</sup> Procurement & Disposal Committee meeting held on 15-06-2023 wherein, the Committee has recommended the case to Board for approval.

G.M (Tech) presented the consolidated procurement plan including requirement of Distribution Directorate including distribution material, safety items, AMR meters, I.T items & transport department, PMU Directorate, Civil Directorate and TRW for the F.Y 2023-24 amounting to Rs. 40,016 Million. The abstract of procurement plan was presented to members for their consideration. Regarding World Bank projects, CEO informed that construction of 6 No. Grid Stations, 70 No. feeders, 9000 No. APMS and 80 No. Bucket Mounted Cranes has been included in the projects which will be completed in 3 years. The Board desired to present the technical evaluation



report of first phase wise installation of Asset Protection Management System (APMS). The management noted the same for compliance. The Chair emphasized that its management's prime duty is to ensure that each project being undertaken under World Bank Loan is carefully and effectively planned. The execution of each project should be smooth, efficient and end result of all these projects should be consumer satisfaction.

During the course of discussion, Finance Director intimated that Rs. 450 Million was approved and allocated for F.Y 2022-23 under GSO Operation & Maintenance head but utilization of only Rs. 100 Million has been made by concerned office. Chief Engineer Development (PMU) explained the status of balance amount with the restraints involved in the procurement of material. The Board desired to present the status of procurement in respect of GSO O&M along with the issues faced by the management in next Procurement & Disposal Committee meeting. During the course of discussion, it was informed that at present procurement of material is being carried out in different offices. The Board also directed to present the proposal for establishment of centralized procurement department along with its merits & demerits in next meeting.


While concluding, the Chair enquired whether the proposed plans are in line with Corporate Budget for Financial Year 2023-24 or otherwise. The management responded that these procurement plans are in line with Corporate Budget for Financial Year 2023-24. The members unanimously desired that allocation of budget against above mentioned procurement plans should be strictly in accordance with approved Financial Budget for FY 2023-24.

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

- 202-BOD-R22** Based on the understanding that the proposed procurement plans are in consistent with Approved Corporate Budget of Company and considering the recommendations of Procurement & Disposal Committee, **RESOLVED that** approval for the followings is hereby accorded.
- i. Tentative Annual Procurement Plan of PMU Directorate for the F.Y 2023-24 including STG Material Procurement Plan for F.Y 2023-24 amounting to Rs. 8,183 million, Civil Works & Other Cost amounting to Rs. 1445 million and additional budget amounting to Rs. 1241 million against Carry forward P.Os.
  - ii. Tentative Annual Procurement Plan of Distribution Material for the F.Y 2023-24 amounting to Rs. 27,374 Million.
  - iii. Tentative Annual Work Plan of Civil Directorate for the F.Y 2023-24 amounting to Rs. 448.74 Million for Repair and Maintenance Work.
  - iv. Tentative Annual Procurement Plan of TRW for the FY 2023-2024 amounting to Rs. 1324.056 million for reclamation of 11701 No. transformers, arrangement of machinery items and civil works for establishment of New TRWs at R.Y Khan & Sahiwal.

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. 



## Agenda item-22

**Approval for Tender No. 33-35 (2022-23)-1, construction of equipment foundations and allied works of 132KV Switch Yard and control house building for conversion work from 66KV to 132KV Grid Station Dajal under MEPCO own resources.**

**Proceedings:**

With permission of the Chair, agenda was presented by Chief Engineer (Dev) PMU. He informed the Board that matter regarding approval for Tender No. 33-35 (2022-23)-1, construction of equipment foundations and allied works of 132KV Switch Yard and control house building for conversion work from 66KV to 132KV Grid Station Dajal under MEPCO own resources was presented in 9<sup>th</sup> Procurement & Disposal Committee meeting held on 15-06-2023 wherein, the Committee has recommended the case to Board for approval.

After due consideration, the Board unanimously agreed to endorse the recommendations of Procurement & Disposal Committee and resolved as follows.

**Resolution**

**202-BOD-R23** Considering the request of Chief Engineer (Dev) PMU and recommendations of Procurement & Disposal Committee, **RESOLVED** that approval of acceptance of the tender for construction of equipment foundations and allied works of 132KV Switch Yard & control house building for conversion work from 66KV to 132KV Grid Station Dajal under MEPCO own resources and award of contract to M/S I.H Malik & Co. (Pvt.) Ltd Multan amounting to Rs. 46,370,940/- (Including 5% PST) is hereby accorded.

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) MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e) Technical and financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- f) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- g) The procurement will be in accordance with the approved financial budget and procurement plan.
- h) Previously, there is no issue on supplier side from which this procurement is being made.
- i) The supplier from which this procurement is being made is neither involved in litigation nor black listed in any other DISCO and fulfils all pre-requisites mentioned in tender documents.
- j) There is no violation of SOPs of MEPCO for environmental and social safeguard.
- k) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- l) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

## Agenda item-23

**Approval for procurement of 31,000KG new Enamel Copper Wire of different sizes (T/No. 262/23, Dated: 04.05.2023, bid validity upto 01.09.2023).**

**Proceedings:**

With permission of the Chair, agenda was presented by General Manager (Tech). He informed the Board that matter regarding approval for procurement of 31,000KG new Enamel Copper Wire of different sizes was presented in 9<sup>th</sup> Procurement & Disposal Committee meeting held on 15-06-2023 wherein, the Committee has recommended the case to Board for approval.

After due consideration, the Board unanimously agreed to endorse the recommendations of Procurement & Disposal Committee and resolved as follows.

**Resolution**

**202-BOD-R24** Considering the request of General Manager (Tech), recommendations of Bid Evaluation Committee and Procurement & Disposal Committee, **RESOLVED that** approval is hereby accorded for procurement of 31000 KG New Enamel Copper Wire of different sizes amounting to Rs. 104.688 million (excluding GST) against Tender No. 262/23 as tabulated below:-

Sr. No.	Size of New Enamel Copper Wire	Tender Qty. (KG)	Rate P.U. PKRs. W/O GST	Total Amount PKRs.	Name of firm having lowest rate
1	0.5 mm	1,400	3,375/-	4,725,000	M/S Crown Winding
					M/S Universal Metal
2	0.8 mm	11,000	3,375/-	37,125,000	M/S Crown Winding
3	1.1 mm	8,000	3,379/-	27,032,000	M/S Top Enamel Wire
4	1.5 mm	10,600	3,378/-	35,806,800	M/S Swat Industry
<b>G. Total.</b>		<b>31,000</b>		<b>104,688,800</b>	<b>104.688 Million</b>

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.
- MEPCO has complied with the PPRA rules and procedures related to such procurement.
- Technical and financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- The procurement will be in accordance with the approved financial budget and procurement plan.
- Previously, there is no issue on supplier side from which this procurement is being made.

- i) The supplier from which this procurement is being made is neither involved in litigation nor black listed in any other DISCO and fulfils all pre-requisites mentioned in tender documents.
- j) There is no violation of SOPs of MEPCO for environmental and social safeguard.
- k) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- l) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**Agenda item-24**

**Approval for procurement of 32,500KG new Paper Cover Copper Strips of different sizes (T/No. 263/23, Dated: 04.05.2023, bid validity up to 01.09.2023).**

**Proceedings:**

With permission of the Chair, agenda was presented by General Manager (Tech). He informed the Board that matter regarding approval for procurement of 32,500KG new Paper Cover Copper Strips of different sizes was presented in 9<sup>th</sup> Procurement & Disposal Committee meeting held on 15-06-2023 wherein, the Committee has recommended the case to Board for approval.

While providing justification of the quoted rate, General Manager (Tech) presented price comparison with other DISCOs' last purchase rates along with dollar rate. The analysis exhibited that the above tender quoted rate is 83.993% on higher side as compared with MEPCO previous purchase rate & 14.88% on lower side as compared with the latest tender rate of PWF. Furthermore, G.M. (Tech) presented the price assessment in comparison with applicable LME rates respectively. While discussing, the Board considered that stock balance position of new Paper Cover Copper Strips of different sizes including the recycled copper is 32870 KG, whereas; material in pipeline is 121,000 KG. The Members also considered the lowest quoted price with reference to the last P.O issued by PWF.

Participating into discussion, the Chair pointed out that vetting of financial analysis by Finance Director is not available on the subjected working paper. He emphasized that every agenda item which involves financial implication should be endorsed by Finance Directorate before its presentation to Board or its Committees. All other members agreed with the direction that Finance Director should provide the detail regarding budget availability along with financial vetting of every Agenda / matter involving financial implication.

After due consideration, the Board unanimously agreed to endorse the recommendations of Procurement & Disposal Committee and resolved as follows.

**Resolution**

**202-BOD-R25** Considering the request of General Manager (Tech), recommendations of Bid Evaluation Committee and Procurement & Disposal Committee, **RESOLVED** that approval is hereby accorded for procurement of 32500 KG New Paper Cover Copper Strips of different sizes amounting to Rs. 108.722 million (excluding GST) against Tender No. 263/23 as tabulated below:-

Sr. No.	New Paper Cover Copper Strips	Tender Qty. (Kg)	Rate P.U. PK Rs.	Total Amount PK Rs.	Name of firm having lowest rate
1	0.8x5 mm	900	3,345/-	3,010,500/-	M/S Atta Metal
2	1.4x4.5 mm	1,600	3,346/-	5,353,600/-	M/S Copper House
3	4x5 mm	4,000	3,346/-	13,384,000/-	M/S Universal
		4,000	3,346/-	13,384,000/-	M/S Copper House
4	5x8 mm	11,000	3,345/-	36,795,000/-	M/S Atta Metal
		11,000	3,345/-	36,795,000/-	M/S Universal Metal
<b>Total</b>		<b>32500</b>		<b>108,722,100/-</b>	

However, above approval is subject to financial vetting by Finance Directorate.

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) MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e) Technical and financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- f) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- g) The procurement will be in accordance with the approved financial budget and procurement plan.
- h) Previously, there is no issue on supplier side from which this procurement is being made.
- i) The supplier from which this procurement is being made is neither involved in litigation nor black listed in any other DISCO and fulfils all pre-requisites mentioned in tender documents.
- j) There is no violation of SOPs of MEPCO for environmental and social safeguard.
- k) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- l) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

#### Resolution

**202-BOD-R 26 RESOLVED** that all cases involving financial implication will be financially vetted from the Finance Directorate before presentation to the Board and its Committees.

#### **Agenda item-25**

**Approval for procurement of 179250 No. Single Phase Energy Meters (T/No. 131/23 opened on 02.06.2023, Bid Validity up to 01.08.2023.**

#### **Proceedings:**

With permission of the Chair, agenda was presented by General Manager (Tech). He informed the Board that matter regarding approval for procurement of 179,250 No. Single Phase Energy Meters



was presented in 9<sup>th</sup> Procurement & Disposal Committee meeting held on 15-06-2023 wherein, the Committee has recommended the case to Board for approval.


Upon query of the Chair, General Manager (Tech) informed that approximately 219,000 numbers of defective meters are pending to be replaced up to June, 2023 and there is considerable pendency of meters against new connections. Furthermore, high prices are emerging due to uncertainty in Local/International market. Therefore, the proposed procurement is very beneficial and crucial for the Company, he stressed. While providing justification of the quoted rate, General Manager (Tech) presented price comparison with other DISCOs' last purchase rates along with dollar rate. The analysis exhibited that above tender rate is 46.76%, 7.08%, 12.24%, 3.65%, 35.84% & 11.96% on higher side as compared with the previous tender rate of MEPCO, SEPCO, LESCO, HESCO, IESCO & FESCO respectively and equal to tender rate of GEPCO. The Committee also considered that stock balance position is 6000 numbers, whereas; average monthly consumption is 60,000 numbers. The proposed quantity is enough for 03 months.

After due consideration, the Board unanimously agreed to endorse the recommendations of Procurement & Disposal Committee and resolved as follows.

### **Resolution**

**202-BOD-R27** Considering the request of General Manager (Tech), recommendations of Bid Evaluation Committee and Procurement & Disposal Committee, **RESOLVED** that approval for procurement of 179,250 No. Single phase Energy Meters from M/s Pak Elektron Ltd. @ Rs. 4400/- per meter amounting to Rs. 788.7 Million (excluding GST) against Tender No. 131/23 is hereby accorded.

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) MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e) Technical and financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- f) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- g) The procurement will be in accordance with the approved financial budget and procurement plan.
- h) Previously, there is no issue on supplier side from which this procurement is being made.
- i) The supplier from which this procurement is being made is neither involved in litigation nor black listed in any other DISCO and fulfils all pre-requisites mentioned in tender documents.
- j) There is no violation of SOPs of MEPCO for environmental and social safeguard.
- k) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- l) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences. 



## Agenda item-26

**Approval of EOT case for waiver of liquidated damages I.R.O. M/S Sky Power Pvt Ltd against 15% addl: purchase order No. 7100002011 dated 29.03.2022 for supply of 150 No. 200KVA Distribution Transformers.**

**Proceedings:**

With permission of the Chair, agenda was presented by General Manager (Tech). He informed the Board that matter regarding approval of EOT case for waiver of liquidated damages I.R.O. M/S Sky Power Pvt Ltd against 15% addl: purchase order No. 7100002011 dated 29.03.2022 for supply of 150 No. 200KVA Distribution Transformers was presented in 7<sup>th</sup> Policy, Strategy, Market Reforms & Risk Management Committee meeting held on 06-07-2023 wherein, the Committee has recommended the case to Board for approval.

Upon query of one of Board members, G.M (Tech) asserted that if the delivery schedule is extended up to six months then the chargeable tentative L/D (10%) amounting to Rs. 14.970 Million i.e. (998000x150x10%) will be waived off. However, if the same quantity is procured @ MEPCO recent P.O rate i.e. Rs. 14,70,000/- per unit, then the difference of cost would be amounting to Rs. 70.80 Million ((1470000-998000)x150)). Hence, extension in delivery schedule will be beneficial for Company in the form of the net savings of Rs. 55.83 Million i.e. (70.80 M - 14.970 M), as higher rates are emerging due to shortage of raw material and inflation, he stressed.

After due consideration, the Board unanimously agreed to endorse the recommendations of Procurement & Disposal Committee and resolved as follows.

**Resolution**

**202-BOD-R28** Considering the request of General Manager (Tech), recommendations of EOT committee and Policy, Strategy, Market Reforms & Risk Management Committee, **RESOLVED** that approval of extension in the delivery period of 15% additional purchase order, as tabulated below is hereby accorded:-

Name of Firm	Addl: P.O No. & date	Description of Material	Rate per Unit (Rs.)	Addl: P.O Qty (No.)	Proposed Extension Delivery Period
M/s Sky Power	7100002011 29.03.2022	200 kVA Dist Transformers	998,000/-	150	100% Qty within 180 days or earlier from the issuance date of amendment.

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

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

## Agenda item-27

**Approval of EOT case for waiver of liquidated damages I.R.O M/S Sky Power Pvt Ltd against 15% Addl: purchase order No 7100002132 & 7100002157 both dated 16.12.2022 for supply of 300 (150X2) Nos. 50 KVA Dist. Transformers.**

**Proceedings:**

With permission of the Chair, agenda was presented by General Manager (Tech). He informed the Board that matter regarding approval of EOT case for waiver of liquidated damages I.R.O M/S Sky

Power Pvt Ltd against 15% Addl: purchase order No 7100002132 & 7100002157 both dated 16.12.2022 for supply of 300 (150x2) Nos. 50 KVA Dist. Transformers was presented in 7<sup>th</sup> Policy, Strategy, Market Reforms & Risk Management Committee meeting held on 06-07-2023 wherein, the Committee has recommended the case to Board for approval.

Responding to the query of one of members, G.M (Tech) asserted that if the delivery schedule is extended up to three months from issuance date of amendment (tentatively before 15.07.2023) then the maximum chargeable tentative L/D (08%) amounting to Rs. 11.85 Million i.e. (493682x300x8%) will be waived off. However, if the same quantity is procured @ recent MEPCO P.O rate i.e. Rs. 607000/- per unit, then the difference of cost would be amounting to Rs. 33.99 Million i.e. ((607000-493682) x 300). Hence, extension in delivery schedule will be beneficial for Company in the form of the net tentative savings of Rs. 22.14 Million i.e. (33.99M -11.85M), as higher rates are emerging due to shortage of raw material and inflation, he stressed.

After due consideration, the Board unanimously agreed to endorse the recommendations of Procurement & Disposal Committee and resolved & directed as follows.

### **Resolution**

**202-BOD-R29** Considering the request of General Manager (Tech), recommendations of EOT committee and Policy, Strategy, Market Reforms & Risk Management Committee, **RESOLVED** that approval of the extension in the delivery period of 15% additional purchase order, as tabulated below is hereby accorded:-

Name of Firm	15% Addl: P.O No. & date	Description of Material	Rate per Unit (Rs.)	Addl: P.O Qty (No.)	Proposed Delivery Period as per firm's request
M/s Sky Power	7100002132 16.12.2022	50 kVA Dist Transformers	493,682/-	150	100% Qty within 90 days or earlier from the issuance date of amendment.
	7100002157 16.12.2022			150	

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

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

### **Agenda item-28**

**Approval to authorize AEDB for conducting competitive bidding for solarization of public sector building and authorizing CEO MEPCO to sign an agreement on behalf of MEPCO.**

### **Proceedings:**

With permission of the Chair, agenda was presented by D.G (MIRAD). He informed the Board that matter regarding approval to authorize AEDB for conducting competitive bidding for solarization of public sector building and authorizing CEO MEPCO to sign an agreement on behalf of MEPCO was

presented in 7<sup>th</sup> Policy, Strategy, Market Reforms & Risk Management Committee meeting held on 06-07-2023 wherein, the Committee has recommended the case to Board for approval.

Upon query regarding provision of funds for the said solarization, Finance Director informed that MEPCO will undertake solarization of its buildings on Own Cost Model which will eventually save the money in terms of reduced electricity bills of the solarized buildings.

After due consideration, the Board unanimously agreed to endorse the recommendations of Policy, Strategy, Market Reforms & Risk Management Committee and resolved as follows.

### **Resolution**

**202-BOD-R30** Considering the request of D.G (MIRAD) and recommendations of Policy, Strategy, Market Reforms & Risk Management Committee, **RESOLVED** that approval to install solar system of 286.2 kW in following buildings of MEPCO is hereby accorded:-

Sr. No.	Building Name	System Capacity (kW)	Estimate including NESPAK fee (PRR)
1	MEPCO Head Quarter, Multan	221.4	50,992,000
2	MEPCO Sports Complex, Multan	43.2	9,936,000
3	MEPCO Complex, Faroqpura, Multan	21.6	4,968,000
<b>Total</b>		<b>286.2</b>	<b>65,896,000</b>

**FURTHER RESOLVED** that Chief Executive Officer is hereby authorized to sign the authorization letter.

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

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

### **Agenda item-29**

**Approval of mechanism for debarring / blacklisting in respect of MEPCO Ltd. Multan.**

### **Agenda item-30**

**To deliberate upon employees' grievance handling mechanism for disposal of the representation being made by employees to Hon'ble Chairman / Members of the Board.**

### **Agenda item-31**

**To review the compliance status on the directions issued by BOD during its 188<sup>th</sup>, 189<sup>th</sup>, 190<sup>th</sup>, 191<sup>st</sup>, 192<sup>nd</sup>, 193<sup>rd</sup>, 194<sup>th</sup>, 195<sup>th</sup>, 196<sup>th</sup>, 197<sup>th</sup>, 198<sup>th</sup>, 199<sup>th</sup>, 200<sup>th</sup> & 201<sup>st</sup> 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, 21.03.2023, 28.04.2023, 29.05-2023 & 14.06.2023 respectively.**

### **Resolution**

**202-BOD-R31** **RESOLVED** that the subjected agendas are hereby deferred to next meeting. 

**Agenda item-32 Any Other Points with the permission of the Chair****32-b Approval of signing of Energy Purchase Agreement for 2.82 MW Pakpattan Hydro Power Project.****Proceedings:**

Before start of formal presentation upon subjected agenda, Company Secretary informed that the matter has not been discussed in Policy, Strategy, Market Reforms and Risk Management Committee meeting. He requested the Board to condone the requirement of presenting the case along with recommendations of relevant Board's Committee. The Board accorded approval to condone the requirement of presenting the case firstly to Policy, Strategy, Market Reforms and Risk Management Committee.

With permission of the Chair, agenda was presented by D.G (MIRAD). He informed that Chief Executive Officer, Punjab Power Development Company Limited (PPDCL) has requested vide letter dated: 02.03.2023 for signing of energy purchase agreement for 2.82 MW Pakpattan Hydro Power project. He briefed the background of the case that MEPCO had given consent for purchase of 2.82 MW power from Pakpattan Hydro Power project vide letter dated: 06-08-2013. Initially tariff was approved by the NEPRA vide letter dated: 04-02-2015 and later on reviewed vide letter dated: 08-02-2016. MEPCO signed an agreement for construction of 11 KV transmission line from Pakpattan Hydro Power Plant on dated: 05-01-2016.

Further, D.G (MIRAD) apprised that Regional Manager-I (M&T) submitted performance report vide letter dated: 22-11-2016 that initially test was not successfully performed due to multiple reasons. However, on 21.11.2016 full load test of only one generator at different times were performed, according to which load recorded was 1.11 MW and 1.42 MW. Moreover, MEPCO committee vide letter dated: 29-12-2016 intimated that "full load test (2.8 MW) has not been performed by the management".

In this regard, a meeting was held in CPPA-G and Minutes of meeting were circulated through CPPA-G letter dated: 22.11.2016 wherein, it was resolved that during construction of project, following obligations and formalities have not been fulfilled; which otherwise would have been mandatory on signing of EPA before start of construction.

- i). Appointment of independent engineer duly approved by purchaser.
- ii). Review and approval of drawing and technical data by purchaser.
- iii). Witnessing of type or factory acceptance by purchaser representatives etc.

Draft EPA template prepared by AEDB was presented and D.G (MIRAD) informed that it has not been approved by any competent authority or forum. He proposed that in this regard, a joint meeting may be held again wherein, PPDCL should be requested to prepare customized / tailored preamble of draft EPA in order to cover all observations raised by MEPCO and CPPA-G. After finalization of EPA, approval would be obtained by MEPCO from Competent Authority through Ministry of Energy (Power Division).

Responding to query of a member, D.G (MIRAD) apprised that side agreement for pre COD sale and purchase of electricity was made between MEPCO and Punjab Power Development Company Limited on 05-01-2017 after approval of MEPCO BOD. Punjab Power Development Company Limited has also issued letter dated: 28-04-2018 to contractor representative for procurement of plant, design, supply and installation of Pakpattan Hydro Power Project with date of operational acceptance as 28-04-2018. Furthermore, CPPA-G vide letter dated: 07-04-2020 requested Ministry of Energy

(Power Division) to direct MEPCO for re-signing of addendum to already signed side agreement. Finance Director MEPCO through letter dated: 20.03.2023 has communicated that retrospective liability should be avoided at any cost. CPPA-G vide letter dated: 22-6-2023 communicated that occurrence of COD is dependent upon the certain standard commissioning test, which is to be performed by the company and witnessed by the independent engineer. After successful performance of the commissioning tests, the independent engineer will issue a certificate; determining the date on which the complex is commissioned. Moreover, it is opened to the parties to decide the date of operational acceptance on 28.04.2018 to be treated as COD on execution of EPA.

During the course of discussion, Director (Legal) MIRAD narrated that construction has already been completed, however; testing & commissioning is required to be conducted. He pointed out that the project is being matured on COD basis for signing off EPA but the Gazette Notification of Tariff by NEPRA has not been issued yet. It is the responsibility of seller to get the Gazette notification issued in the matter, he stressed.

The members discussed the matter in detail and directed to hold a joint meeting of all stakeholders to resolve the issue and submit comprehensive report in this regard after incorporating the following detail:

- i. Legally thrash out the proposed Energy Purchase Agreement in accordance with Marala and Chianwali EPAs.
- ii. Take up the matter of NEPRA Gazette notification with Ministry of Energy (Power Division) and CPPA-G after coordinating with quarters concerned.

After due deliberation, the Board unanimously resolved as follows.

#### **Resolution**

**202-BOD-R32** With aforementioned directions, **RESOLVED** that the subjected agenda is hereby deferred.

32-c

**To consider the request for grant of deputation in respect of Mr. Mansoor Yaseen, A.M (P&I) MEPCO Sub Division D.G. Khan from MEPCO to SEPCO.**

#### **Proceedings:**

Before start of formal presentation upon subjected agenda, Company Secretary informed that the matter has not been discussed in HR & Nomination Committee meeting. D.G (HR & Admin) requested the Board to condone the requirement of presenting the case along with recommendations of relevant Board's Committee. The Board accorded approval to condone the requirement of presenting the case firstly to HR & Nomination Committee.

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that D.G (Staff) to Minister, Ministry of Energy (Power Division), Govt. of Pakistan, Islamabad vide his letter dated: 05.12.2022 has forwarded the request of Mr. Mansoor Yaseen S/O Ghulam Yaseen, Assistant Manager (P&I) MEPCO Sub Division D.G. Khan for grant of deputation from MEPCO to SEPCO. Chief Executive Officer SEPCO, Sukkur vide letter dated: 09.01.2023 has issued NOC for deputation of above named officer from MEPCO to SEPCO subject to fulfillment of criteria of SEPCO Deputation Policy. Request of the officer for grant of deputation from MEPCO to SEPCO was scrutinized by MEPCO Scrutiny Committee. Recommendations of the committee to regret the request of officer owing the shortage of staff were conveyed to D.G (Staff) to Minister, Ministry of Energy (Power Division), Govt. of Pakistan, Islamabad vide letter dated: 26.01.2023.

Continuing, D.G (HR & Admin) informed that presently MEPCO has hired the Junior Engineers / SDOs and ample pool of staff is available. Therefore, subjected request of deputation can be



entertained. Upon query of the Chair, D.G (HR & Admin) confirmed that Company work will not suffer if deputation is allowed to the captioned officer. Responding to the query of one of members, D.G (HR & Admin) apprised that in the light of MEPCO Deputation Policy-2022, not more than 03 No. engineers, 03 No. officers in other cadres and 05 No. officials (first come, first serve basis) are to be allowed deputation in a calendar year. He confirmed that subjected deputation is within the number of deputations allowed in policy. Furthermore, D.G (HR & Admin) briefed that no enquiry / disciplinary / FIA / NAB case is pending, no penalty during last 03 years and no adverse remarks in PER of last three years found in respect of Mr. Mansoor Yaseen, Jr. Engineer / A.M (P&I) MEPCO Sub Division D.G. Khan. Therefore, the proposed deputation fulfills the criteria given in MEPCO Deputation Policy-2022, he stressed.

After due consideration, the Board unanimously resolved as follows.

### **Resolution**

**202-BOD-R33** Considering the request of D.G (HR & Admin), **RESOLVED** that approval for grant of deputation in respect of Mr. Mansoor Yaseen S/O Ghulam Yaseen, Assistant Manager (P&I) MEPCO Sub Division D.G Khan from MEPCO to SEPCO, Sukkur in the light of MEPCO Deputation Policy-2022 for a period of three years 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.

32-d

**To consider the request for grant of deputation in respect of Mr. Shehbaz Akhtar, Dy. Manager (HR&A) WAPDA House Lahore to MEPCO.**

### **Proceedings:**

Before start of formal presentation upon subjected agenda, Company Secretary informed that the matter has not been discussed in HR & Nomination Committee meeting. D.G (HR & Admin) requested the Board to condone the requirement of presenting the case along with recommendations of relevant Board's Committee. The Board accorded approval to condone the requirement of presenting the case firstly to HR & Nomination Committee.

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the Board that Mr. Shehbaz Akhtar, Dy. Director (HR & Admn) WAPDA House Lahore has requested for his deputation / permanent absorption in MEPCO against any of available / vacant post in BPS-18. He apprised that Mr. Shehbaz Akhtar while working as AD (Admn) was placed at the disposal of MEPCO on deputation basis for a period of 03 years vide GM (HRD) WAPDA Office Order dated: 10.06.2019 and remained posted on deputation in MEPCO from 14.06.2019 to 26.04.2022 (02 years, 10 months & 13 days). Subsequently, DG (CM) S&C, WAPDA House Lahore vide office order dated: 26.04.2022 requested to relieve above officer to report back to his parent company so that his promotion case from Assistant Director (HR & Admn) to Dy: Director (HR & Admn) may be

considered. Accordingly, he was relieved off from MEPCO vide office order dated: 26.04.2022 and promoted as Dy. Director (Admn) WAPDA.

D.G (HR & Admin) briefed that 05 No. AD (HR & Admn) of MEPCO are in promotion zone for DD (HR & Admn) against promotion quota. However, the post of Assistant/Deputy Company Secretary of BPS-17/18 may be utilized. Upon query of a member, Company Secretary apprised that the post of Assistant Company Secretary (BPS 17/18) is a promotion post. The same was created with the instructions that when incumbent served as Assistant Company Secretary in BPS-17 gets sufficient experience on the job may be promoted in BPS-18 within the Company Secretariat.


Participating into the discussion, the Chair recalled the earlier directions of the Board to discourage the depositions against promotion seats as the same will lead to depriving the MEPCO employees from their due right of promotion. During the course of discussion, one of the Members invited the attention of Board towards the application of Mr. Shehbaz Akhtar, wherein, he has requested to allow deputation or permanent absorption against some designated posts. He was of the view that the detail of employees affected after proposed deputation or permanent absorption needs to be considered before proceeding in this matter. The information was not readily available. After deliberation, all Members agreed with aforementioned observations and directed to present the case with all requisite information in next HR & Nomination Committee for discussion. The management noted the directions for compliance.

After due consideration, the Board unanimously resolved as follows.

#### **Resolution**

**202-BOD-R34** With aforementioned observations, **RESOLVED** that the subjected agenda is hereby referred to HR & Nomination Committee for detailed deliberation on the matter.

**The meeting ended with thanks to and from the chair.**

  
(Engr. Sajid Yaqoob)  
Company Secretary MEPCO