



MULTAN ELECTRIC POWER COMPANY

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No. 3083-3/02/Company Secy

Office of

The Company Secretary

Dated: 21-06-2021

1. Mr. Jalil-Ur-Rehman Tarin
209-A, 27th Street,
Off Khayaban-e-Roomi, DHA, Phase-8, Karachi.
2. Mr. Ikram-Ul-Haq
Chief Executive Officer,
MEPCO Multan.
3. Commodore Muhammad Siddiq (R),
D-22, Street # 2, Navel Housing Scheme (NHS),
Hilal Road, F11/1, Islamabad.
4. Sardar Naufil Mahmud,
70-B, Sarfraz Rafiqi Road,
Lahore Cantt 54810, Lahore.
5. Mr. Javed Iqbal Khan,
Joint Secretary (Budget), Govt of Pakistan
Finance Division Islamabad.
6. Mr. Ahmed Taimoor Nasir
Joint Secretary (Transmission),
Room No. 220 Ministry of Energy
(Power Division), Islamabad.
7. Mr. Nauman Siddiqui,
59-G Commercial, Phase-I,
DHA, Lahore.
8. Muhammad Shafiq Ur Rahman
214 - Pak Block, Allama Iqbal Town
Lahore.
9. Malik Ahmad Jalal,
12/4 Main Khayaban-e-Muhafiz,
Phase-6, D.H.A, Karachi.
10. Mr. Arif Mansoor,
1st Floor, Central Design Building,
Old Anarkali, Lahore.
11. Muhammad Saleem Shah Bukhari,
Bukhari & Company, 40-41-A,
Ali Arcade, Multan.
12. Mr. Akhtar Hussain Qamar,
Watan Builders, Old Sales Tax Building,
Vehari Chowk, Multan.

Sub:- MINUTES OF 174TH BOD MEETING HELD ON 07-06-2021.

Enclosed please find herewith Minutes of 174th BOD Meeting held on **07.06.2021 (Monday) at 11:00 AM in Board's Meeting Room, MEPCO H/Q Khanewal Road Multan** for information and necessary action please.

DA/as above

COMPANY SECRETARY MEPCO

Copy to:-

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. The Manager (MM) & Procurement (Distn) MEPCO Multan.
6. The Manager (Transport) MEPCO Ltd Multan.
7. Deputy Manager (Civil) MEPCO Ltd Multan.
8. The Staff Officer to CEO MEPCO H/Q Multan.

MULTAN ELECTRIC POWER COMPANY

MINUTES OF 174TH BOD MEETING, HELD ON 07.06.2021 (MONDAY) AT 11:00 AM IN BOARD'S MEETING ROOM, MEPCO HEAD QUARTER KHANEWAL ROAD MULTAN.

- | | | |
|-----|-------------------------------|-------------------------------|
| 1. | Mr. Jalil-Ur-Rehman Tarin | Chairman |
| 2. | Mr. Ikram-Ul-Haq | CEO/Director |
| 3. | Commodore Muhammad Siddiq (R) | Director |
| 4. | Sardar Naufil Mahmud | Director |
| 5. | Mr. Nauman Siddiqui | Director |
| 6. | Muhammad Saleem Shah Bukhari | Director |
| 7. | Mr. Akhtar Hussain Qamar | Director |
| 8. | Mr. Javed Iqbal Khan | Director (Through Video Link) |
| 9. | Mr. Ahmed Taimoor Nasir | Director (Through Video Link) |
| 10. | Muhammad Shafiq-Ur-Rahman | Director (Through Video Link) |
| 11. | Malik Ahmad Jalal | Director (Through Video Link) |
| 12. | Mr. Arif Mansoor | Director (Through Video Link) |
| 13. | Mr. Sajid Yaqoob | Company Secretary |

Following MEPCO officers attended the Meeting on call.

- | | | |
|----|-----------------------|---------------------------|
| 1. | Mr. Ali Muhammad | Finance Director |
| 2. | Mr. Nasar Hayat Maken | D.G (HR & Admin) |
| 3. | Mr. Noor Ahmed Somroo | Chief Engineer (Dev.) PMU |
| 4. | Engr. Itrat Hussain | Chief Strategic Planner |
| 5. | Engr. Imran Mahmood | Director (Proc.) Dist. |

Meeting started under the Chairmanship of Mr. Jalil-Ur-Rehman Tarin. 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: -

Before start of regular agenda of meeting, Chair welcomed new three members on Board with the remarks that Board will benefit from their expertise in their relevant field and the new members will add valuable contribution towards betterment of Company. The Chair invited new members for their brief introduction. New members introduced themselves by giving their past experience and achievements during their career.

The Board also considered inclusion of new members in Board's Committees and resolved as follows.

Resolution

174-BOD-R1

RESOLVED that approval is hereby accorded to nominate members of following Committees as mentioned against each member.

- a) Muhammad Saleem Shah Bukhari
 - i. Audit & Finance Committee
 - ii. AT & C, Customer Services & Market Operations Committee.
- b) Mr. Akhtar Hussain Qamar
 - i. Health, Safety, Environment & Quality Assurance Committee.
 - ii. Technical, Automation & New Initiative Committee.

C) Mr. Arif Mansoor

- i. Procurement & Disposal Committee.
- ii. Strategy & Risk Management Committee.

AGENDA ITEM NO. 1

Leave of absence of Honorable Members of BOD Meeting.

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

AGENDA ITEM NO. 2

To consider and confirm the minutes of the 173rd BOD Meeting held on 05.05.2021.

Company Secretary apprised that the minutes of the 173rd BOD Meeting held on 05.05.2021 dully endorsed by the Chairman BOD were circulated among all Board Members. The Chairman BOD invited the attention of the Members who were part of previous Board for offering any reservation(s)/comments(s) regarding approval of the minutes.

Resolution

174-BOD-R2 There being no objection from the house, **RESOLVED** that the minutes of the 173rd BOD Meeting held on 05.05.2021 be and is hereby confirmed as true record of the proceedings of the meeting.

AGENDA ITEM NO. 3

To consider and confirm Circular Resolution No. 2 dated: 19.05.2021.

The Board was apprised by Company Secretary that the matter regarding formation of new Committees of MEPCO Board of Directors was presented to the Members of the Board, After considering the matter, the Board passed the below detailed Circular Resolution.

“RESOLVED THAT approval for constitution of following committees comprising upon following members along with TORs be & is hereby accorded.”

<p>Audit & Finance Committee</p> <table border="1"> <tr> <td>i.</td> <td>Muhammad Shafiq ur Rahman</td> <td>Member</td> </tr> <tr> <td>ii.</td> <td>Commodore Muhammad Siddiq (R)</td> <td>Member</td> </tr> <tr> <td>iii.</td> <td>Malik Ahmad Jalal</td> <td>Member</td> </tr> <tr> <td>iv.</td> <td>Mr. Javed Iqbal Khan</td> <td>Member</td> </tr> <tr> <td>v.</td> <td>Mr. Ahmed Taimoor Nasir</td> <td>Member</td> </tr> </table>	i.	Muhammad Shafiq ur Rahman	Member	ii.	Commodore Muhammad Siddiq (R)	Member	iii.	Malik Ahmad Jalal	Member	iv.	Mr. Javed Iqbal Khan	Member	v.	Mr. Ahmed Taimoor Nasir	Member	5	<p>HR & Nomination Committee</p> <table border="1"> <tr> <td>i.</td> <td>Mr. Jalil-Ur-Rehman Tarin</td> <td>Chairman</td> </tr> <tr> <td>ii.</td> <td>Muhammad Shafiq ur Rahman</td> <td>Member</td> </tr> <tr> <td>iii.</td> <td>Mr. Nauman Siddiqui</td> <td>Member</td> </tr> <tr> <td>iv.</td> <td>Sardar Naufil Mahmud</td> <td>Member</td> </tr> <tr> <td>v.</td> <td>Mr. Javed Iqbal Khan</td> <td>Member</td> </tr> <tr> <td>vi.</td> <td>Mr. Ahmed Taimoor Nasir</td> <td>Member</td> </tr> <tr> <td>vii.</td> <td>Mr. Ikram-ul-Haq CEO</td> <td>Member</td> </tr> </table>	i.	Mr. Jalil-Ur-Rehman Tarin	Chairman	ii.	Muhammad Shafiq ur Rahman	Member	iii.	Mr. Nauman Siddiqui	Member	iv.	Sardar Naufil Mahmud	Member	v.	Mr. Javed Iqbal Khan	Member	vi.	Mr. Ahmed Taimoor Nasir	Member	vii.	Mr. Ikram-ul-Haq CEO	Member
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The members were requested to consider the above proposed resolution. Board considered the case and resolved as follows.

Resolution

174-BOD-R3 RESOLVED that the above Circular Resolution No. 02 dated: 19.05.2021 approved in circulation is hereby confirmed.

AGENDA ITEM NO. 4

To consider the letter received from Ministry of Energy (Power Division) regarding strict adherence to the applicable law/rules/regulations etc.

With the permission of Chair, Company Secretary apprised the members that a letter has been received from Ministry of Energy (Power Division) regarding strict adherence to the applicable law / rules / regulations etc. stating as follows;

All the Distribution Companies (DISCOs) under the administrative control of Power Division are Public Sector Companies (PSCs) and they are governed under the following Law / Rules / Guidelines etc:

- a) The Companies Act, 2017
- b) The Public Sector Companies (Corporate Governance) Rules, 2013
- c) The Public Sector Companies (Appointment of Chief Executive) Guidelines, 2015
- d) Any other Regulations / Instructions / Instrument applicable to the Public Sector Companies. (i.e NEPRA Rules, PPRA Rules & SECP Rules)

It was further intimated that it has been desired that all the Chairmen of BoDs DISCOs are therefore directed to ensure adherence to the Law / Rules / Guidelines as mentioned above, in letter and spirit. In context of this letter, Chair invited the attention of members to very important aspect with the remarks that since the constitution of Board and engagement with management in different committees' meetings, it has been conceived that officers in field operation are always stating invariably that they work under tremendous pressure from within and outside Company. Chair was of the view that Board should set an example of itself that every Board member will

sustain pressure by himself ensuring that it does not trickle down to management. Every Board member must resist the pressure at his own level.

Keeping in view the present energy crisis, he emphasized that, it is our national duty to serve this nation with best of our abilities and being the representative of Government of Pakistan, all members must provide their services to national cause by disposing off their fiduciary responsibilities in the best interest of Company. We, being the Board members, have prime obligation to sustain all pressures to ourselves so that management can have the liberty in its operational decision-making process. In order to deliver effective governance, and generate sustainable long-term performance, Board should never provide any excuse to management for not delivering the deliverables. Moreover, all board members are expected to act ethically at all times, notify promptly of any material facts or potential conflicts of interest and take appropriate corrective actions.

Adding to his remarks, he proposed that, members should consider to resolve that CEO being the head of management, should point out during the Board meeting if he is being pressurized unduly by any Board member. If he fails to bring it to notice of Board, he will be held responsible for any omission. Chair desired the support of every member for establishment of effective corporate governance model. Chair invited the comments of the members.

One of members expressed that the prime objective of Board is to achieve better performance of MEPCO as part of national reconstruction process. MEPCO has huge impact in development of national energy sector and its betterment would serve national cause. He assured his support whole heartedly with this national cause and agreed with verdict of Chair with the remarks that it is pre-requisite of becoming a Board member that he/she will follow the code of conduct as specified in Company's Act and Corporate Governance Rules.

Another member expressed that all of Board members have gone through different walks of life and have versatile experience in different capacities. All the members are mature enough to understand the dynamics of working as head of organization in advisory capacity. He appreciated the idea of Chair to reaffirm the ethics and responsibilities as member of MEPCO Board.

All members agreed with remarks and proposal of Chair and unanimously assured that they will ensure that their loyalty with Company is never compromised.

After thorough discussion, Members unanimously resolved as under.

Resolution

174-BOD-R4 RESOLVED that every Board member fully understands his responsibilities as Member of Board in advisory capacity as specified in Company's Act and Corporate Governance Rules and ensures adherence to the Law / Rules / Guidelines as mentioned above, in letter and spirit.

FURTHER RESOLVED that Chief Executive Officer is hereby directed to point out if he is pressurized unduly by any Board member. If he fails to bring it to notice of Board, he will be held responsible for any omission.

AGENDA ITEM NO. 5

To review TORs of Strategy & Risk Management Committee.

With the permission of Chair, Company Secretary apprised the members that TORs of Strategy & Risk Management Committee were discussed in its 1st Committee meeting. During the course of meeting, members observed that some TOR are overlapping with mandate of other committees as well. The members of S&RMC desired to discuss the matter at Board level as well so that input from other members can be obtained and recorded accordingly.

Some of the members were of the view that they could not have the time to reflect on this agenda item, so, they requested the Chair to defer the case to next meeting.

Another member was of the view that the TORs are of generic nature and the same do not require much deliberation. He proposed that Board should not postpone this issue for next meeting.

The Chair invited the comments of other members and after due discussion, Board unanimously resolved as follows.

Resolution

174-BOD-R5 RESOLVED that deliberation upon above agenda item is deferred to next meeting.

AGENDA ITEM NO. 6

To discuss the recommendations / directions of 1st Health, Safety, Environment & Quality Assurance Committee Meeting held on 26.05.2021.

With the permission of Chair, Chairman HSE&QA Committee informed Members about his observations after 1st HSE and Quality Assurance Committee.

At the very outset, he intimated that state of safety in MEPCO is in dismal condition. Such poor status of safety is due to many reasons and absence of proper HSE organization in MEPCO is the major reason for this painful situation. The Committee during the course of its 1st meeting has issued different guidelines and action plans for effective implementation of safety protocol.

He informed the members that during this period 2 fatal accidents of public men (private electricians) have been occurred in MEPCO. The inquiry reports have not yet been presented to Committee. The time being consumed for finalization of an inquiry report is alarmingly long. The top management and inquiry team must sense the urgency of the issue and rise up to the occasion and ensure that inquiry report is finalized maximum within 10 days.

Safety is a culture, he added and it requires generations to grip its footings within society. After 1st meeting of HSE&QA, it has been strongly realized that a comprehensive safety management system is required to be established in MEPCO on war footing basis. There is no Reward and Reprimand Policy for safety in Company. The root cause of non-implementation of safety protocols is lack of commitment from top management. The existing SOPs need to be revisited and safety manual should be incorporated.

Continuing with his briefing, he emphasized that a well-established safety structure is required for ensuring effective implementation of SOPs but as of now the Company has very weak safety structure. As a part of prevailing practice, the responsibility of an accident is fixed to the lowest level of technical staff and all senior officers up to Chief Engineer level do not take any responsibility of the accidents. It will require considerable efforts to lift up this situation to a respectable level. First of all, Safety organization needs to be established and head of safety must report directly to CEO. He highlighted that private electrician are working within organizations and they are being paid by the line staff. Such state of affairs needs explanation from management.

While responding to the observation of Chairman HSE, CEO apprised that since he took over the charge, it has been observed that there is a culture of engagement of private electricians for official duties since long and they are being paid by in-service local line staff. The engagement of local electrician has no justification and all possible measures are being adopted to curb this practice. During visit of different operation offices, 40% shortage of staff was argued as major reason for this omission. CEO apprised that he has scrutinized the strength of line staff through ERP and it was revealed that 81% line staff is on payroll of Company but more than 21% line staff is working other than field assignments. All field formations have been directed to cancel all attachments and ensure presence of line staff on field assignments. Moreover, a certificate from SDO level has been obtained certifying that no private public man is working in any capacity with MEPCO line staff.

The Chairman HSE Committee commented that although it is administrative cum operational issue, yet it has hampered the safety badly. He commented that he has strong conviction that this status will not change unless and until top level management is jolted through disciplinary actions.

The secret of success of implementation of safety culture lies in commitment from top management. The prevailing situation clearly reflects that illegal engagement of private public men for line assignments would never stop unless and until corrective measures are taken to resolve this issue.

Chairman HSE requested the members to issue direction to management to cancel all attachments of line staff and they must be repatriated to field and a certificate from all HoDs should be obtained in this regard. All members agreed with proposal.

The Chair concluded the discussion regarding safety with the remarks that top priority of whole organization should be that accident must not happen. Furthermore, thorough investigation should be carried out and prompt punitive and corrective action should be taken immediately. He proposed that Biometric Attendance System should be introduced all over company for the staff working on desk jobs and a separate system should be devised for staff working on field assignments as company provided mobile phones are available with supervisory staff and meter readers. All members agreed with the proposal.

During the course of discussion, Board directed as follows.

Direction

174-BOD-D1 Directed DG (HR & Admin) to cancel all attachments of line staff and they must be repatriated to field duties and a certificate from all HoDs should be obtained in this regard.

174-BOD-D2 Directed DG (IT) to present a proposal for introduction of Biometric Attendance System for every office of company for the staff working on desk jobs and a separate system for staff working on field assignments.

AGENDA ITEM NO. 7

i. Approval for publication of advertisement of Director General MIRAD.

With the permission of Chair, the agenda was presented by the D.G (HR & Admin). He apprised that in compliance of directions passed by HR Committee of MEPCO BOD in its 28th meeting held on 05.04.2021, an Item Note was prepared and presented before HR & Nomination Committee in its 1st meeting held on 24.05.2021 for recommendation the case to MEPCO BOD for approval to publish advertisements for 20 Nos. positions under MIRAD in daily newspapers and to ratify the Internal & External Hiring Policy/SOP for MIRAD. After due consideration, he mentioned that HR & Nomination Committee has recommended to publish advertisement of Director General MIRAD only at first place.

The Chair informed the members that MIRAD is a huge initiative taken by Government of Pakistan which involves all stake holders. A new department will be created in Company for this purpose. During the course of HR & Nomination Committee meeting, members had considered consensus that at first step, DG MIRAD should be recruited and rest of the posts of this new department will be filled in consultation with new incumbent as DG MIRAD. Different companies have published the advertisement after thorough deliberation which the members may consider. After due consideration, members agreed to publish the advertisement of DG MIRAD on GEPCO analogy.

During the course of discussion, one of members pointed out that as a policy matter, all advertisements are being published through PID and it is common observation that advertisements are published in newspapers which are having very few readers. PID publishes the advertisement in 4-6 newspaper which has an additional financial burden for Company. He proposed that keeping in view the sensitivity of issue, advertisement should be published in newspapers having maximum attendance. Another member argued that it should be clarified whether the publication of advertisement through PID is recommended or mandatory or policy of Ministry. Participating into discussion, one member was of the view that Companies Act empowers the Board to take any policy decision and this being a policy matter should be dealt at Board level and members should resolve

accordingly. After due consideration, members were of unanimous view that DG (HR & Admin) should brief the Board in next meeting after consulting with other DISCOs and present the case accordingly. However, advertisement of DG MIRAD should be published as per prevailing practice.

The Board resolved as follows:-

Resolution

174-BOD-R6 RESOLVED that considering the request of D.G (HR & Admin) and recommendations of 1st HR & Nomination Committee of the Board, approval to publish the advertisement of Director General MIRAD on the analogy of GEPCO to initiate the recruitment process is hereby accorded.

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

- 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 and 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.

ii. Approval for grant of promotion as SDO (Civil) under direct recruitment quota.

With permission of Chair, the agenda was presented by the D.G (HR & Admin), He informed the Board that Mr. Muhammad Afzal Sub Engineer Civil filed a Writ Petition No. 4839/2021 before Hon'able Lahore High Court Bench at Multan. The Honorable court passed order dated 31.03.2021 was communicated to the Committee. He also intimated the contention of petitioner.

In context with contention of the petitioner, facts were briefed to members. He informed that since inception of MEPCO i.e. 1998, no direct induction / recruitment has been made up till now. MEPCO BOD in its 70th meeting held on 13.10.2010 accorded approval for utilization of direct quota for promotion of Mr. Muhammad Afzal Sabir S/O Rao Noor Din as SDO (Civil) and official promoted accordingly vide this O/O No. 88-T dated 28.05.2010. Later on MEPCO BOD in its 108th meeting held on 14.12.2015 has accorded approval that Quota for any category of post will not be utilized / converted for promotion in future.

Upon query of one of Members, DG (HR & Admin) apprised that contention of the petitioner is not on merit as quota utilization cannot be made as per rules. DG (HR & Admin) also informed that the request of the petitioner has also been regretted in Writ Petition No. 12198/ 2020 and Speaking Order was issued vide No. 28328-31 dated 04.11.2020. Furthermore, HR Committee during its meeting held on 18.07.2019 vide agenda item No. 09 has also regretted the case. Now, the HR & Nomination Committee has also recommended to regret the case. Considering the verdict of management and recommendation of HR & Nomination Committee, the members resolved to regret the case.

Resolution

174-BOD-R7 RESOLVED that the case is hereby regretted as the contention of the petitioner cannot be entertained under rules.

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

- 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. 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.

iii. To consider the report of D.G (HR & Admn) upon Ministry's letter No. 8(10)/2018-DISCOs dated: 04.02.21 (QESCO Quetta Junior Engineer SDO 2nd Merit List).

Before start of formal presentation of Board, the Chair inquired whether this agenda has been presented in HR & Nomination Committee of Board or otherwise. DG (HR & Admin) informed that case has been recommended for Board's approval by HR Committee of previous Board. The Chair invited the comments of members. Members were of considered opinion that present HR & Nomination Committee should have fresh look on the agenda.

The Chair invited the attention of members with the remarks that after interaction with management during different committee meetings, he is of the view that, there are some HR related issues which should be discussed and addressed at Board level. He informed the members that there is huge deficiency in human resource in certain areas of Company. The company needs fresh graduates like engineers, MBAs, CAs, ACMAs, ACCAs and IT related qualifications in Finance, Internal Audit, IT, ERP and operational departments. The project like ERP is in miserable situation despite huge investment and absence of qualified staff is major reason. There is dire need of inducting qualified people at grass root level. He requested the members to resolve and authorize the management for recruitment of fresh engineers, MBAs, ACMAs, ACCAs and IT related qualifications as per their need. In addition to fresh graduates, Chair stated that company also need specialists for some fields, like company has no Chartered Accountant. Security and vigilance of company is equally important for sustainable development of company, so, head of security and vigilance needs to be recruited on war footing basis. The control and checks of top level management will at higher level if Internal Audit, Finance, IT and Security Departments are strengthened with specialists of relevant fields.

All other members agreed with proposal of the Chair with the remarks that talented young graduates have no substitute and induction of specialists will surely be beneficial for company. A transparent process should be carried out to identify highly talented individuals.

After thorough discussion and due diligence, members principally agreed for creating the post of Director Security & Surveillance and desired that DG (HR & Admin) should float an advertisement for hiring of specialized individual on contract basis. The members also deliberated upon different proposals regarding the age limit and experience of security specialist and after due diligence it was agreed that the matter may be discussed at HR & Nomination Committee level at first.

During the course of discussion, Board resolved/directed as follows.

Resolution

- 174-BOD-R8** **RESOLVED** that case is hereby referred to HR & Nomination Committee for its deliberation.
- 174-BOD-R9** **RESOLVED** that the approval for creation of post of Director (Security & Surveillance) reporting directly to CEO is hereby accorded.
- 174-BOD-R10** **RESOLVED** that management is hereby authorized to start recruitment process for hiring of fresh graduates having qualification of engineering, CA, ACMA, ACCA, MBA and IT related experts for operation, Internal Audit, Finance and IT offices.

Direction

- 174-BOD-D3** **Directed** DG (HR & Admin) to present the case for hiring of Director (Security & Surveillance) along with proposed advertisement and job description of the post.

AGENDA ITEM NO. 8

i. Approval for procurement of 3400 km ACSR Rabbit Conductor (T/No. 80/21 dt: 11.02.2021).

With the permission of Chair, the agenda was presented by General Manager (Tech). He apprised the Board that tender inquiry regarding procurement of 3400 KM ACSR Rabbit Conductor was floated in widely circulated newspapers in line with the approval of competent authority under Single Stage, Two Envelopes (Technical and Financial) bidding procedure. Four (04) firms purchased the tender documents whereas Three (03) firms participated in the tender and submitted their bids along with offered quantity. The technical bids were opened by the tender opening committee on scheduled date and time i.e. 11.02.2021. The Technical bids were sent to Tender Evaluation Committee for technical evaluation on 18.02.2021. The committee evaluated the case based on the technical evaluation; M/s Newage Cables, M/s Fast Cables and M/s Steel Complex have been found as technically responsive bidders:

The information regarding results of Technical evaluation & opening of financial bids were conveyed to technically responsive bidders. Subsequently, the financial bids were opened by the tender opening committee in presence of bidder's representatives on scheduled date i.e. 26.02.2021.

The Recommendations of the Bid Evaluation Committee are "based on the Technical as well as Financial evaluation; M/s Steel Complex has emerged as most advantageous bidder for the procurement of 3400 KM ACSR Rabbit Conductor @ Rs. 73,500/- per KM without GST"

While providing justification of rate, he emphasized that the lowest tender rate is 7.3%, 5.15%, 18.61%, 16.29%, & 18.61% on higher side as compared with the previous purchase /tender rate of MEPCO, SEPCO, LESCO, GEPCO & FESCO respectively. Moreover, the tender rate is 3.92% & 3.67% on lower side from LOI rate of IESCO & tender rate of HESCO opened on 27.01.21 respectively.

Upon query of one of members of Board, GM (Technical) confirmed that MEPCO has complied with the PPRA rules/procedures related to such procurement and technical, 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. Moreover, previously there is no issue on supplier side from which this procurement is being made.

Continuing with his briefing, GM (Technical) stated that total cost for procurement of 3400 km ACSR Rabbit Conductor @ Rs. 73,500/- per km comes out to Rs. 249.9 Million (excluding 17% GST) from M/S Steel Complex. CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the Company. He informed that subjected procurement is required for deposit works, development schemes & SDGs.

Based on management's assertions as stated above, the Board agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last P.O issued by other DISCOs. The Board also considered the stock balance position is 0 whereas monthly consumption is 650 No.

The Board considered the case in detail and after due deliberation resolved as follows.

Resolution

174-BOD-R11 RESOLVED that considering the request of General Manager (Technical), recommendations of Tender Evaluation Committee and Procurement Committee of Board, approval for the procurement of 3400 KM ACSR Rabbit Conductor @ Rs. 73,500/- per KM without GST from M/s Steel Complex amounting to

Rs. 249.9 Million (excluding GST) against Tender No. 80/21 opened on 11.02.2021 is hereby accorded.

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

- 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 the 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. Previously, there is no issue on supplier side from which this procurement is being made.
 - g. There is no violation of SOPs of MEPCO for environmental and social safeguard.
 - h. The procurement will be in accordance with the approved financial budget and procurement plan.
 - i. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
 - j. The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
 - k. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.
- ii. **Administrative approval of electrical estimate for construction of 4th 40MVA power transformer bay (T-4), extension of 132KV bus bar, new 132KV line bay, 11KV capacitor bank and shifting of gantry span at 132KV Grid Station Arif Wala under GSO Maintenance Head.**

AGENDA ITEM NO. 9

- i. **Approval of un-audited quarterly accounts for FY 2020-21 (1st Qtr)&(2nd Qtr).**
- ii. **Approval for adjustment of interest earned during FY 2000-01 to 2005-06 against village electrification funds against distribution margin of MEPCO.**

AGENDA ITEM NO. 10

- i. **Administrative approval for the proposal for bifurcation and rehabilitation of 11 KV Nawab Liaquat Ali feeder emanating from 132 KV Grid Station Shujabad under Account Head "Energy Loss Reduction (ELR)". Priority # 04 Circle Multan.**
- ii. **Administrative approval for the proposal for bifurcation and rehabilitation of 11 KV New Vehari Road feeder emanating from 132 KV Grid Station Vehari Road under Account Head "Energy Loss Reduction (ELR)". Priority # 03 Circle Multan.**
- iii. **Administrative approval for the proposal for bifurcation and rehabilitation of 11 KV Kotli Nijabat feeder emanating from 132 KV Grid Station Basti Malook under Account Head "Energy Loss Reduction (ELR)". Priority # 05 Circle Multan.**
- iv. **Administrative approval for the proposal for bifurcation and rehabilitation of 11 KV Karman Wala feeder emanating from 132 KV Grid Station Arif Wala under Account Head "Energy Loss Reduction (ELR)". Priority # 05 Circle Sahiwal.**

Before start of formal presentation to Board, the Chair inquired whether the above agenda items have been presented in respective Committees of Board or otherwise. It was informed that the cases have been recommended for Board's approval by respective Committees of previous Board. The Chair invited the comments of members. Members were of considered opinion that present relevant Committees should have fresh look on the agendas.

Resolution

174-BOD-R12 RESOLVED that subjected agenda items are hereby referred to relevant Committees for its deliberation.

The meeting ended with thanks to and from the chair.



(Engr. Sajid Yaqoob)
Company Secretary MEPCO