

MULTAN ELECTRIC POWER COMPANY

No. 0279-15300 /Company Secy:

Dated 02-11-23

1. Sardar Muhammad Jamal Khan Leghari,
Ex President House Choti Zerine,
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. Mr. Naeem Rauf,
Secretary, Energy Department,
8th Floor, EFU House,
Jail Road, Lahore.
6. Mr. Fazalullah Durrani,
House No. 16, Faisal Bagh,
Stadium Road, Bahawalpur.
7. Muhammad Nawazish Ali Pirzada,
Pirzada House, Airport Road,
Bahawalpur.
8. 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 207TH BOARD MEETING HELD ON 19-10-2023.

Enclosed please find herewith Minutes of 207th BOD Meeting held on **19-10-2023 (Thursday) at 10:00 AM in Board's Meeting Room MEPCO H/Qs Khanewal Road Multan,** for kind information and necessary action please.

DA/as above

COMPANY SECRETARY MEPCO

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.

For kind information and further necessary action please.

Meeting Date: 19-10-2023 (Thursday)

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. Zafar Abbas | Director (Through Video Link) |
| 3. | Mr. Allahyar Khan | CEO/Director |
| 4. | Mr. Javed Iqbal Khan | Director (Through Video Link) |
| 5. | Mr. Naeem Rauf | Director (Through Video Link) |
| 6. | Mr. Fazalullah Durrani | Director |
| 7. | Mian Muhammad Ali | Director |
| 8. | Mr. Khurram Mushtaq | Director (Through Video Link) |
| 9. | Muhammad Nawazish Ali Pirzada | Director (Through Video Link) |
| 10. | Mian Shahid Iqbal | Director |
| 11. | Mr. Asghar Leghari | Director (Through Video Link) |
| 12. | Rana Yasir Rauf | Director |
| 13. | Mr. Athar Ali Mazari | Director (Through Video Link) |
| 14. | Muhammad Jabir | Director |
| 15. | Mr. Sajid Yaqoob | Company Secretary |

Following officers attended the Meeting on call.

- | | | |
|----|---------------------------------|-------------------------|
| 1. | Engr. Jam Gul Muhammad Zahid | Chief Engineer (CS) |
| 2. | Mian Ansar Mahmood | Finance Director |
| 3. | Engr. Asghar Khan Ghallo | Chief Strategic Planner |
| 4. | Mr. Waqas Masood Amjad Chughtai | D.G (HR & Admin) |
| 5. | Mr. Wajahat Bucha | Director (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 Company Secretary informed the Committee that Mr. Hussain Ahmad Fazal & Mr. Ammad ud Din have expressed their inability to attend the Board meeting.

After due consideration, it was resolved that leave of absence from 207th meeting of Board be and is hereby granted to Mr. Hussain Ahmad Fazal & Mr. Ammad ud Din who had requested for the same.

Agenda item-2 To consider and confirm the minutes of the 206th BOD held on 02-10-2023.

Company Secretary apprised that the minutes of 206th BOD meeting held on 02-10-2023, 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.

Upon query of the Chair, Finance Director apprised that procurement of distribution material was approved subject to financial concurrence of Finance Director and it has been observed that budget against each item found available except for Single Phase Energy Meters presented at Agenda Item No. 15. He informed that the tendered quantity has been reduced by 15% keeping in view the availability of budget. The members noted the explanation.

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

207-BOD-R1 There being no objection from the house, **RESOVLED that** the minutes of 206th Meeting held on 02-10-2023 be and is hereby confirmed as true record of the proceedings of the meetings.

Agenda item-3

To review the compliance status on the directions issued by BOD during its 188th to 206th BOD Meeting.

Regarding subjected agenda, the members after due consideration directed the management to present the compliances of the directions in two stages i.e. directions issued from 188th BOD to 195th BOD in next meeting and directions issued from 196th BOD to 207th in subsequent meeting. The management noted the same for compliance.

Resolution

207-BOD-R2 **RESOVLED that** the deliberation on subjected agenda is hereby deferred to next meeting.

Agenda item-4

To consider the letter received from Ministry of Energy (Power Division) dated 02.10.2023 regarding Performance Agreement / Contract for F.Y 2023-24.

Proceedings:

With the permission of Chair, CEO apprised the Board that a letter has been received from Ministry of Energy (Power Division) on 02-10-2023 regarding Performance Agreement / Contract wherein Deputy Secretary (DISCOs), Akbar Azam Rajar has stated that the targets have been broken down DISCO wise and reflected in the Performance Contract of MEPCO for the Financial Year, 2023-24. In terms of Rule 8 of the Public Sector Companies (Corporate Governance) Rules, 2013, the Chairman BoD (on behalf of all Board Members) and CEO have been requested to sign this agreement and return the same in original by 06-10-2023. He informed that duration of this performance contract will be for one year starting from 1st July, 2023 to 30th June, 2024. Mr. Zafar Abbas, being representative of Ministry of Energy (Power Division) explained the essence of the Performance Agreement / Contract. He intimated that these targets are set in line with Circular Debt Management Plan (CDMP).

At the outset of discussion, the Chair pointed out that the T&D Loss targets set in proposed Performance Contract are in line with targets determined by NEPRA. MEPCO has challenged

NEPRA fixed targets of line losses in Appellate Tribunal being irrational and unjustified; the hearing of the case is under process. The Chair was of the view that the constraints are being faced in smooth running of the affairs of Company. The shortage of staff, unrealistic target of line losses determined by NEPRA, lack of investment required for system rehabilitation and high average length of HT lines as compared to other DISCOs of Punjab are some examples of bottlenecks being faced by Board in achievement of targets fixed in proposed contract. The Board members are aware of the enormous responsibility that has been endowed to them, he stated. In order to run the affairs of Company efficiently and turns it into profit generating unit, all bottlenecks being faced by Board should also be addressed. In response, one of the members explained the challenges being faced by Ministry of Energy due to non performance of SOEs. It is near to impossible to defend the bad performance of DISCOs at highest levels of Government, he added.

Participating into the discussion, Chief Executive Officer briefed the constraints being faced by the management in terms of unrealistic target of line losses fixed by NEPRA. MEPCO remained under Rs. 9 Billion loss in F.Y 2022-23 due to unachievable target assigned by NEPRA i.e. 12.34%. He explained that shortage of staff, high average length of feeders and issues relating to procurement of distribution material etc. are major bottlenecks for achievement of targets in true spirit. He informed that MEPCO's Technical loss verified by 3rd Party is 12.08% whereas; NEPRA target is 11.83% for FY 2023-24. The average feeder length of MEPCO is 48 KM whereas; LESCO and GEPCO have average feeder length of only 22 KM and 16 KM respectively. Furthermore, wheeling related issues were explained for members' consideration. The members acknowledged the explanation given by CEO with the remarks that management is handicapped at different fronts and on other hand, aggressive targets have been assigned by NEPRA without realization of ground facts and other resource constraints. The members were also of the view that although management has challenged target fixed by NEPRA at relevant forum and seems unjustified, yet as a matter of fact; the same is in field as of today and all parameters will be reviewed in line with target fixed by NEPRA as reference.

Participating into discussion, the representative from Ministry of Energy (Power Division) clarified that all discussions/targets being made at Government level is in accordance with NEPRA fixed targets. So, the Board and management need to understand that performance accountability is with regards to NEPRA fixed targets only. He proposed that management should work out the Business Plan / Strategy in order to achieve those standardized targets. The Secretary, Energy Department, Government of Punjab endorsed the verdict of honorable member with the emphasis that revision of the assigned targets at this stage is not possible because it will be having impact on MEPCO consumers as well as Circular Debt which is not advisable in the best interest of Company and the overall economy of the country. All other members agreed with the proposal based on the understanding that the challenge against NEPRA target will become effective through proper channel when it is decided by the Appellate Tribunal or relevant forum.

Moving forward, CEO briefed the Board about the parameters and their respective agreed targets which are required to be monitored by BoD & Management through effective implementation. He intimated that KPIs have been split into different parameters for evaluation purpose. While responding to the query of one of Board members, Chief Engineer (CS) presented the monthly targets assigned by Ministry against each parameter for Financial Year 2023-24.

While interjecting, the Chair invited the attention of members towards part-II of Performance Agreement / Contract regarding responsibilities and commitments by MEPCO BoD / management, wherein it is required that Board of Directors shall create or activate the Strategic Business Unit (SBU) for implementation of targets set out in Contract. SBU shall be served by a full time secretary

working directly with Company Secretary to act as focal person and custodian of data for life of this Contract. After due consideration, the Committee desired that Chief Executive Officer shall do the needful for establishment of SBU as desired in the contract.

While concluding the discussion, the Chair commented that surgical measures are required to be taken to meet with the targets assigned by Ministry and desired that CEO should take corrective administrative measures across the Company. After threadbare discussion, the members agreed to approve the Performance Agreement / Contract between Ministry of Energy (Power Division) and CEO/BOD Members Multan Electric Power Company (MEPCO) for FY 2023-24. The members agreed to inform the Ministry that the Performance Agreement / Contract has been signed subject to understanding and reservation that T&D losses targets will be subject to final outcome / decision of the appeal filed before NEPRA Appellate Tribunal. However, it was directed that management shall present a roadmap for achievement of targets fixed in Performance Agreement / Contract for F.Y 2023-24 to Policy, Strategy, Other Operations and Marketing Committee for detailed deliberation on the assigned targets.

The Board resolved and directed as follows.

Resolution

207-BOD-R3 **RESOLVED** that considering the request of Chief Engineer (CS), approval for Performance Agreement / Contract for F.Y 2023-24 as received from Ministry of Energy (Power Division) is hereby accorded.

FURTHER RESOLVED that the Chairman BoD will sign the Performance Agreement/ Contract on behalf of the Board.

Direction

207-BOD-D1 **DIRECTED** to present a roadmap for achievement of targets fixed in Performance Agreement / Contract for FY 2023-24 to Policy, Strategy, Other Operations and Marketing Committee for detailed deliberation on the assigned targets.

(Responsibility: CE (CS) | Timeline: Policy, Strategy, Other Operations and Marketing Committee)


Note:- Mr. Allahyar Khan left the meeting for agenda item No. 5 having conflict of interest.

Note:- Mr. Zafar Abbas and Mr. Naeem Rauf were not present during the discussion of Agenda Item No. 5.

Agenda item-5

To consider the recommendations of HR & Nomination Committee for holding of interviews of the shortlisted candidates for the post of Chief Executive Officer MEPCO.

Proceedings:

With permission of the Chair, Company Secretary apprised that in compliance of Resolution No. 204-BOD-R3 passed by BOD in its 204th meeting held on 02-09-2023, the Ministry of Energy (Power Division) was requested vide letter No. 10202-03 dated 11-09-2023 to approach Election Commission of Pakistan for seeking its necessary approval to continue and finalize the process for appointment of Chief Executive Officer MEPCO under a performance based contract. In response, a letter has been received from Ministry of Energy (Power Division) dated 03-10-2023 wherein, the Chairman MEPCO BOD has been requested that the recruitment process against the position of CEO MEPCO may be completed immediately, as per prevailing rules / policy in reference with Election Commission of Pakistan's letter No. 9(1)/2023-Elec-II dated 26-09-2023. 

The Company Secretary briefed the members about the recruitment process carried out for the post of CEO MEPCO. It was mentioned that the advertisement for the post of Chief Executive Officer was published in Newspapers on 11.06.2023. Last date for submission of applications was 13.07.2023. The Initial Scrutiny Committee constituted by the Board reviewed the 35 No. applications received and prepared a check list of all candidates based on the requirements given in the advertisement. Based on the requirements given in the advertisement and report of initial scrutiny committee, HR & Nomination Committee during its 13th Meeting held on 22.07.2023 recommended to shortlist the 6 No. applicants for the post of CEO MEPCO for interview. The letter of Election Commission of Pakistan and clause 22 (2) of SOE Act was presented for members' consideration.

At the outset of discussion, the Chairman of the then HR & Nomination Committee briefed the Board regarding the proceedings of Committee on subject matter. He enlightened the members about the short listing process carried out by the Committee and observations made therein. He briefed the members that while reviewing the documents; it was observed that submission of current experience certificate is not practicable for the applicants working in private sector on high profile position. It may affect their career progression in respective organization. Therefore, recent experience certificate found missing in most of the applications received from private sector candidates. He informed that 6 applicants have been shortlisted who strictly fulfilled all criteria mentioned in the advertisement.

After detailed discussion and due diligence, the members were of unanimous view that vision of the Board was to attract the candidates from different walks of life. The desired diversity of applicant pool has not been achieved against the published advertisement. Therefore, the members agreed to quash the advertisement published on 11.06.2023 and unanimously resolved to re-advertise the post to attract diversified applicants. Furthermore, it was also agreed to revisit the contents of existing advertisement on analogy of the top notch organizations in the corporate sector and get it approved from Board through Circular Resolution.

The Board unanimously resolved as follows.

Resolution

207-BOD-R4 **RESOLVED** that approval to cancel the whole recruitment process by quashing the advertisement published on 11-06-2023 and start the process afresh is hereby accorded.

FURTHER RESOLVED that new advertisement will be published after approval of the Board through Circular Resolution.

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


Matters relating to Audit, Finance, Investigation, Financial Risk Management and Internal Control Committee Meeting

Agenda item-6 **Approval for revision of Book of delegation of Financial Powers.**

Matters relating to HR, Legal and Other Miscellaneous Matters Committee Meeting

Agenda item-7 **To consider the request for approval to accept the regular enquiry report conducted under the convenership of General Manager (OP) MEPCO.**

Resolution

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

Agenda item-8**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 Board that subjected agenda was presented in 206th meeting wherein the Board had referred the case back to management with the direction to check and confirm the typing/clerical mistake from the recording of 202nd meeting in coordination with Finance Director. Company Secretary informed that as per the directions of Board, the case has been checked in coordination with Finance Director and found it to be typing / clerical mistake with respect to house rent, utility allowance and cash medical allowance. The members noted the explanation with satisfaction.

On the request of one of members, D.G (HR & Admin) informed that following comparison sheet was presented in 202nd MEPCO BOD adjourned meeting held on 19.07.2023.

Name of Company	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.)
LESCO	90000	40500	13500	9000	-	153000
HESCO	150000					150000
FESCO	150000					150000
MEPCO	76375	34369	15275	7638	15275	148932

He informed that House Rent Allowance @ 40% was written due to clerical mistake instead of 45% and Utility Allowance @ 15% was written as per pay package of LESCO in header. Whereas, the calculations of House Rent and Utility Allowance for pay package of MEPCO officers was made @ 45% & 20% of basic pay respectively and total pay package of Rs. 148,932 was approved by Board. Moreover, the %age of Cash Medical Allowance was also missing. The figures mentioned in the pay package are correct in all respect but the %ages mentioned in the header needs to be rectified as detailed below:-

Basic Pay	House Rent @ 45% of B.P	Utility Allowance @ 20% of B.P	Conveyance Allowance @ 10% of B.P	Cash Medical Allowance @ 20% of B.P	Total (Rs.)
76375	34369	15275	7638	15275	148,932

After due consideration, the Board unanimously resolved as follows.

Resolution

207-BOD-R6 In continuation of Board's Resolution No. 202-BOD-R20, **RESOVLED** that the clerical / typographical mistake with respect to house rent, utility allowance and cash medical allowance is hereby rectified as follows:-

Basic Pay	House Rent @ 45% of B.P	Utility Allowance @ 20% of B.P	Conveyance Allowance @ 10% of B.P	Cash Medical Allowance @ 20% of B.P	Total (Rs.)
76375	34369	15275	7638	15275	148,932

However, the other part of the resolution will remain same.

The resolution is based on 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.

Matters relating to Policy, Strategy, Market Reforms & Risk Management Committee Meeting

Agenda item-9

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

Resolution

207-BOD-R7 **RESOLVED** that the deliberation on subjected agenda is hereby deferred to next meeting.

Matters relating to Technical Initiatives, Development, Operational Risk Management and Procurement Committee Meeting

Agenda item-10

Administrative approval for Connectivity / Shifting of Load and Bifurcation proposal of 11KV Old Kacha Khu Feeder under A/C Head (ELR) & 03 No. revised proposals for shifting of load of 11KV New Kacha Khu, 2/9-R & Mohsin Wal Feeders all Emanating from 132 KV Grid Station Mian Channu will be shifted to newly energized 132 KV Grid Station Musa Virk Under Account Heads (ELR).

Proceedings:

With permission of the Chair, agenda was presented by Chief Strategic Planner. He informed the Board that matter regarding approval for Connectivity / Shifting of Load and Bifurcation proposal of 11KV Old Kacha Khu Feeder under A/C Head (ELR) & 03 No. revised proposals for shifting of load of 11KV New Kacha Khu, 2/9-R & Mohsin Wal Feeders all Emanating from 132 KV Grid Station Mian Channu to 132 KV Grid Station Musa Virk Under Account Heads (ELR) was presented in 12th Technical Initiatives, Development, Operational Risk Management and Procurement Committee Meeting held on 02-10-2023 wherein, the Committee has recommended the case to Board with the direction to present approved plan of 132KV Grid Station Musa Virk and to rectify the cost & savings of the proposals and provide accurate facts & figures while presenting the case to Board.

Upon query of a member, Chief Strategic Planner emphasized that new and revised connectivity proposals will be beneficial to achieve optimal operation of under loaded Power Transformer of new energized 132 KV Grid Station Musa Virk, besides it will also reduce technical loss, improve system voltage and also ensure stable, un-interrupted electricity supply to the inhabitants being fed from the subject cited feeders. He further informed that MEPCO will be able to achieve savings of 3.505 million units. Moreover, B.C ratio and feeder length of each proposal was also intimated to Board members. Chief Strategic Planner asserted that in case of non-execution of the proposals, the quality supply to consumers will not be possible and will contribute to high voltage drop.

The members considered the study results of all proposals and after due consideration, unanimously resolved as follows.

Resolution

207-BOD-R8 Considering the request of Chief Strategic Planner., recommendations of Technical Initiatives, Development, Operational Risk Management and Procurement Committee, **RESOLVED that** administrative approval of subjected new and revised connectivity proposals amounting to Rs. 111.211 Million 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) Technical and financial evaluation of the submitted case has been carried out correctly on the basis of true facts. .
- e) There is no violation of SOPs of MEPCO for environmental and social safeguard.
- f) Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- g) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

Agenda item-11

To consider the Statement of Compliance with Public Sector Companies (Corporate Governance) Rules, 2013.

Proceedings:

With permission of the Chair, agenda was presented by Company Secretary. He informed the Board that Statement of Compliance with respect to Public Sector Companies (Corporate Governance) Rules-2013 amended up to 2019 has been prepared by the Company and reviewed by the Auditors, which is required to be Published in Company's Annual Report for the year ended 30th June, 2023. The statement is required to be signed by the Chief Executive of the Company jointly with the Chairman of Board or in case of his absence, with any of the independent / non-executive director.

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

Resolution

207-BOD-R9 **RESOLVED that** approval for Statement of Compliance reviewed by External Auditors is hereby accorded.

Agenda item-12

Approval for extension / retention in engagement period of 301 Outsourced skilled / un-skilled labour through M/S Ali Azhan Contractor / Firm.

Proceedings:

Before start of formal presentation upon subjected agenda, Company Secretary informed that the matter has not been discussed in HR, Legal and Other Miscellaneous Matters 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, Legal and Other Miscellaneous Matters Committee.

With permission of the Chair, agenda was presented by D.G (HR & Admin). He informed the members that BOD in its 202nd meeting held on 16.07.2023 & adjourned meeting held on

19.07.2023 accorded approval 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 the same terms and conditions or till awarding of fresh contract to the bidder, whichever is earlier. In compliance, Expression of Interest (EOI) was published in Daily Newspapers on 13.07.2023 for provision of 301 Skilled & Unskilled labor. In response, 07 firms / contractors submitted their bids / proposals, which were opened on 01.08.2023 by the Bid Opening Committee constituted vide office order dated 27.07.2023. Bid Evaluation Committee vide letter dated 07.09.2023 has forwarded the Technical Bid Evaluation report vide which, 02 firms / contractors have been declared Technically Responsive and 05 firms / contractors have been declared Technically Non-Responsive. The meeting of opening of financial bids of 02 technically responsive firms / contractors was scheduled on 12.09.2023, but it has been postponed due to filing of grievance application by one of the bidder / contractor i.e. M/s Ali Azhan Enterprises before MEPCO Grievance Committee as intimated by Chief Engineer / CSD and later on, 2nd bidder / contractor i.e. M/s Muneer Hussain Bhutta has also filed grievance application before the Grievance Committee. Further process regarding opening of financial bids and its evaluation will be initiated in the light of report of the Grievance Committee.

In view of above, D.G (HR & Admin) requested to accord approval for extension / retention in engagement period of 301 Skilled & Unskilled outsourced labor provided by the firm i.e. M/S Ali Azhan Enterprises for further period of 04 months w.e.f.01.09.2023 to 31.12.2023 with same terms & conditions or till awarding of fresh contract to the successful bidder whichever is earlier.

The Chair invited the attention of the members with the request to consider the matter keeping in view the sensitivity of job being performed by outsourced labor. He was of the view that such hiring with least wages is prone to corrupt practices resulting in considerable financial loss to Company. The members had detailed deliberation upon the issue and discussed the different options which can be exercised to address the issue. After due consideration, the Board unanimously resolved to accede the request of management. However, it was desired that management shall present the following information in next meeting.


1. The optimal requirement of meter readers for efficient meter reading along with justification of requirement.
2. Comparison of financial implication of hiring of meter readers through outsourcing and on contract basis.
3. Cost and benefit analysis of digitization of meter reading i.e. installation of AMR meters.

The members unanimously resolved and directed as follows.

Resolution

207-BOD-R10 Considering the request of D.G (HR & Admin), **RESOLVED** that approval for extension / retention in engagement period of 301 No. Skilled & Unskilled outsourced labour provided by the firm i.e. M/S Ali Azhan Enterprises for further period of 04 months w.e.f 01.09.2023 to 31.12.2023 on same terms & conditions or till awarding of fresh contract to the successful bidder, whichever is earlier 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.

Direction

207-BOD-D2 **DIRECTED** to present the following.

1. The optimal requirement of meter readers for efficient meter reading along with justification of requirement.
2. Comparison of financial implication of hiring of meter readers through outsourcing and on contract basis.
3. Cost and benefit analysis of digitization of meter reading i.e. installation of AMR meters.

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

Agenda item-13

Approval for adoption of clarification issued from G.M (HR) PPMC Islamabad regarding no audit / draft para pending in respect of all employees being considered for promotion to their next higher ranks.

Proceedings:

Before start of formal presentation of subjected agenda, one of the members pointed out that the matter has not been thrashed out in relevant Committee. After due consideration, the members unanimously resolved to refer the case to Audit, Finance, Investigation, Financial Risk Management and Internal Control Committee for its recommendations.

Resolution

207-BOD-R11 **RESOLVED** that the subjected matter is hereby referred to Audit, Finance, Investigation, Financial Risk Management and Internal Control Committee for detailed deliberation.

The meeting ended with thanks to and from the chair.


(Engr. Sajid Yaqoob)
Company Secretary MEPCO