

# MULTAN ELECTRIC POWER COMPANY

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Office of  
The Company Secretary

No. 33238-62/Company Secy

Dated: 11-03-19

1. Mr. Akhlaq Ahmad Syed  
House No.162, Street No. 73,  
G-9/3, Islamabad.
2. Engr: Tahir Mahmood  
Chief Executive Officer,  
MEPCO Multan.
3. Mr. Khalid Masood Khan,  
10-Green Lane, Zakaria Town  
Bosan Road, Multan.
4. Mr. Saadullah Khan  
House No.49/1, Street No.1, Phase-2 DHA  
Lahore-54792.
5. Mr. Shaheryar Chishty,  
CEO, Asia Pak Investments,  
Daewoo Pakistan Building, Kalma Chowk  
231-Feroze Pur Road Lahore.
6. Mr. Muhammad Sarfaraz  
President, Multan Chamber of Commerce & Industry  
Shahrah-e-Aiwan-e-Tijarat-o-Sanat,  
Near Kalma Chowk, Multan
7. Mr. Imran Sikandar Baloch  
Commissioner, Multan Division  
Multan.
8. Mr. Zaffar Abbas  
Joint Secretary (Transmission),  
Room No. 235 Ministry of Water & Power,  
Islamabad.
9. Muhammad Anwer Sheikh,  
Joint Secretary (CF-II), Govt of Pakistan  
Finance Division Islamabad.

Sub:- **MINUTES OF 144<sup>th</sup> BOD MEETING.**

Enclosed please find herewith Minutes of 144<sup>th</sup> BOD Meeting held on **28-02-2019 (Thursday)** at 10:00 am in **MEPCO Conference Room Khanewal Road Multan** for information and necessary action please.

DA/as above

  
COMPANY SECRETARY MEPCO

Copy to:-

1. Finance Director, MEPCO Ltd Multan.
2. HR/Admn: Director MEPCO Ltd Multan.
3. General Manager (Tech) MEPCO Ltd Multan.
4. General Manager (Op) Distn: MEPCO HQ Multan.
5. Chief Engineer/CS Director MEPCO Ltd Multan.
6. Chief Engineer (T&G) MEPCO Ltd Multan.
7. Chief Engineer (Development) HQ Multan.
8. Chief Engineer (Planning) HQ Multan.
9. Chief Engineer (O&M) HQ Multan.
10. DG (IS) MEPCO HQ Multan.
11. Project Director Construction MEPCO HQ Multan.
12. Manager (Security) / Transport MEPCO Multan.
13. Manager Internal Audit, MEPCO HQ Multan.
14. Manager (L&L) MEPCO HQ, Multan.
15. Manager (MM) MEPCO HQ Multan.
16. Addl. Manager (Public Relations) MEPCO HQ Multan.

**For information with the request to provide compliance status on the decisions/directions of the Board meeting within week time positively.**

## MULTAN ELECTRIC POWER COMPANY

### MINUTES OF 144<sup>TH</sup> MEPCO BOD MEETING HELD ON 28.02.2019 (THURSDAY) AT 10:00 AM IN MEPCO BOARD'S MEETING ROOM, KHANEWAL ROAD MULTAN.

1. Mr. Akhlaq Ahmad Syed	Chairman
2. Mr. Tahir Mahmood	Director/CEO
3. Mr. Khalid Masood Khan	Director
4. Mr. Zafar Abbas	Director (Through Video Link)
5. Mr. Saadullah Khan	Director (Through Video Link)
6. Mr. Shaheryar Arshad Chishty	Director (Through Video Link)
7. Mr. Sajid Yaqoob	Company Secretary

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

1. Mian Ansar Mahmood.	Finance Director
2. Khawaja Ghulam Yaseem	General Manager CS
3. Mr. Abdul Aziz Niazi	Chief Engineer (O&M)
4. Engr: Shahid Hameed Chohan	Chief Engineer (P&E).
5. Mr. Mehmood Ahmad Khan	General Manager (Technical)
6. Muhammad Siddique Ch:	Chief Engineer (Development) PMU
7. Muhammad Ali	HR & Admin Director.

Meeting started with recitation of **Holy Quran** by Mr. Akhlaq Ahmad Syed. "Leave of Absence" request received from Mr. Imran Sikandar Baloch & Muhammad Sarfaraz were granted. The Chairman noted the quorum of the meeting that was in order. Meeting participants declared that they do not have any conflict of interest in respect of any Agenda Item being discussed in this meeting. Agenda items presented, discussed and resolved as under:-

**AGENDA ITEM NO.1**

**To consider and confirm the Minutes of 142<sup>nd</sup> BOD Meeting held on 04.01.2019 & 143<sup>rd</sup> BOD Meeting held on 14.01.2019.**

The Company Secretary apprised that the Minutes of 142<sup>nd</sup> & 143<sup>rd</sup> BOD Meetings held on 04.01.2019 & 14.01.2019 respectively duly endorsed by the Chairman were circulated to the Members. The Chairman invited all Members for any reservation(s)/comments(s) regarding these minutes.

**Resolution**

**144-BOD-R1** There being no objection from the house it was **RESOLVED** that the Minutes of 142<sup>nd</sup> & 143<sup>rd</sup> BOD Meetings held on held on 04.01.2019 & 14.01.2019, respectively are hereby confirmed as true record of the proceedings of these meetings.

**AGENDA ITEM NO.2**

**To consider and confirm the circular resolution No.01/2019 dated 11.02.2019.**

Circular Resolution No. 01 dated 11.02.2019 that ratified Ministry of Energy (Power Division) Govt. of Pakistan, Islamabad office order No. 3(2)/2018-DISCOs dated 08.02.2019 & 12.02.2019, was presented and read out as follows.

**"RESOLVED THAT** consequent upon retirement of Engr. Muhammad Akram Ch: Chief Executive Officer MEPCO, approval be & is hereby accorded for the following in favor of Mr. Tahir Mehmood, General Manager (Tech) NTDC":

1. Deputation as General Manager MEPCO. 

2. Assign the work of the post of Chief Executive Officer MEPCO w.e.f. 09.02.2019 purely on temporary basis as a stop gap arrangement and until further orders.
3. To exercise the Administrative / Financial powers entrusted to the post of Chief Executive Officer MEPCO.
4. Appointment as Director BOD MEPCO in place of Mr. Muhammad Akram Ch. against the casual vacancy for remainder of the term under Section 167 (1) of Company's Act-2017.

**Resolution**

**144-BOD-R2 Resolved** that the Circular Resolution no. 01 dated 11.02.2019 be and is hereby confirmed.

**AGENDA ITEM NO.3**

**To review Company's performance up to January, 2019.**

Khawaja Ghulam Yaseem General Manager CS gave a detailed presentation to the Board on the Company's progressive performance up to January, 2019 and compared with same period of FY 2018 as follows:

T&D line losses decreased by 0.8%, achieved 100.2% recovery against computed billing excluding subsidy, AT&C Losses (computed recovery without subsidy) decreased by 0.9% , 76,133 meters reported defective and 37,870 meters were allocated in Feb-2019 as replacemet. All subdivisions converted on Mobile Meter Reading and 99% efficiency. Anti Theft Drive resulted in 22.51 MKWH units detection amounting to Rs. 349.58 M and Rs. 118.58 M recovered. 983,522 cases reported to Police for lodging of FIR and 8257 FIRs registered. 228,605 new connections installed. The Members showed their satisfaction upon the overall progress of the Company and concern on the piling up of Permanent Disconnected Defaulters and Running Arrear having pending amount of Rs. 6154.08 M and Rs. 24347.64 M respectively.

Mr. Saad Ullah Khan suggested that the Board should seek and approve a comprehensive strategy to reduce the receivables which can be implemented by the management.

Mr. Sheheryar Arshad Chishty seconded his opinion and proposed that MEPCO should have an AT & C with defined TOR on the analogy of LESCO so that Board can emphasize on this single point. All other members agreed with the proposal and resolved/directed as follows.

**Resolution**

**144-BOD-R3 RESOLVED** that AT & C Committee of the Board is hereby constituted to devise a comprehensive strategy to reduce the AT&C Losses, comprising upon following members.

- |    |                              |        |
|----|------------------------------|--------|
| 1. | Mr. Akhlaq Ahmed Syed        | Member |
| 2. | Chief Executive Officer      | Member |
| 3. | Mr. Khalid Masood Khan       | Member |
| 4. | Mr. Saad Ullah Khan          | Member |
| 5. | Mr. Sheheryar Arshad Chishty | Member |

**Directions**


**144-BOD-D1** Directed to present the company's performance in relation to monthly as well as progressive targets in next meeting.

**144-BOD-D2** Directed to present the aging analysis of the Permanent Disconnected Defaulters, defective meters and ripe new connection applications.

**144-BOD-D3** Directed to clear the backlog of defective meters up to March, 2019 and ensure the replacement of defective meters within one month.

**AGENDA ITEM NO.4**

**To review physical targets up to 30th June, 2019 and strategy/mechanism for its achievement.**

Khawaja Ghulam Yaseem General Manager CS briefed the Board about monthly targets for reduction in T&D Losses, receivables, replacement of defective meters and removal of system constraints set till June, 2019. After detailed discussion and deliberation, the Board directed as follows. 

### Direction

- 144-BOD-D4** Directed to review the targets set for reduction of T&D Losses in relation to NEPRA Targets and all efforts should be exerted to achieve NEPRA Targets set for the Company.
- 144-BOD-D5** Directed to review the targets for recovery set for next five months as considerable amount is lying pending for recovery against permanent disconnected defaulters and running arrears.
- 144-BOD-D6** Directed to present the strategy for achievement of physical targets that should contain specific objectivity indicating the diagnosis of the grey areas, proposed solution, expected financial benefits of the proposed solution, time span and mechanism required for implementation of the solution.
- 144-BOD-D7** Directed to present a detail workable plan for ensuring 100% cash posting by MIS by next day in 1<sup>st</sup> meeting of AT & C Committee meeting.
- 144-BOD-D8** Directed to present the financial analysis of ongoing STG Projects indicating the actual cost being incurred, expected benefits in terms of reduction of load/losses at the completion of the project.
- 144-BOD-D9** Directed to develop a line of action for completion of under execution 146 ELR/DOP works, removal of 11 KV feeders under constraints along with financial analysis of the DOP/ELR/under constraints works for consideration of the Board.

### AGENDA ITEM NO.5

**To review the compliance status of Board's and its committees directions/ decision/ issued during different meeting.**

#### **1. Progress of ongoing STG Projects.**

The Chief Engineer (Dev) apprised the Board about the latest progress of STG Projects being carried out in the Company. After due consideration, the Board directed as follows.

### Direction

**144-BOD-D10** Directed to follow the directions 144-BOD-D8 mentioned above for further compliance.

#### **2-3. Status of Inquiry.**

The Chief Engineer (Dev) apprised the Board that MEPCO BOD inquiry committee was constituted vide office order No.1727/183333303-10 dated 27.09.2018, as soon as the inquiry is finalized the report will be submitted to MEPCO BOD. After due consideration, the Board directed as follows.

### Resolution


**144-BOD-R4 RESOLVED** that inquiry reports should be presented in next BOD meeting.

#### **4. Financial Analysis of works carried out by USAID and MEPCO.**

#### **5. Installation of ABC Cable for ELR Program.**

The Chief Engineer (P&E) presented the financial analysis indicating B/C Ratio and payback period of the works carried out by MEPCO and USAID. The detailed plan for installation of ABC cable aimed for energy loss reduction to be carried out by MEPCO in future was also presented to the Board. The Board did not agree with the presented data. The Board considered the presented data and after due deliberation directed as follows.

### Direction

**144-BOD-D11** Directed to present a report indicating the financial viability of installation of ABC Cable, justifying the B/C Ratio of the plan dully vetted by the Finance Director. The report should indicate the feasibility wise ranking of the proposals. 

**6. Strategic Plan for reduction of Line losses.**

The Chief Engineer (P&E) apprised the Board that requisite plan is under process and will be completed in due course of time. The Board directed as follows.

**Resolution**

**144-BOD-D12** Directed to present the subjected plan in upcoming 1<sup>st</sup> meeting of AT & C Committee.

**7. Progress of Transformer Reclamation Workshops.**

The General Manager (OP) apprised the Board about the progress of Transformer reclamation workshops established by MEPCO. He also apprised the Board about the major reasons for damage of distribution transformers. The Board considered the presented data and after due deliberation directed as follows.

**Direction**

**144-BOD-D13** Directed to prepare and present a consolidated diagnostic statistical report based on individual damaged distribution transformer reports identifying major causes damaging the distribution transformers so that preventive measures can be taken accordingly.

**144-BOD-D14** Directed to prepare and present a financial analysis of each workshop established by MEPCO dully vetted by Finance Director considering all costs.

**144-BOD-D15** Directed to prepare and present a comprehensive plan and implementation mechanism for reduction in numbers of damaged distribution transformers.

**8. Physical Progress of the Consultants hired in MEPCO.**

The Chief Engineer (Dev) & Project Director (Const :) intimated the Board that total value and physical progress of the consultants hired in MEPCO. The Board considered the presented report and after due deliberation resolved as follows.

**Resolution**

**144-BOD-R5 RESOLVED** that compliance status regarding subjected direction is found satisfactory.

**9. Revised Book of Financial Powers.**

The Finance Director and HR & Admin Director apprised the Board that a committee under the convener ship of Chief Engineer (P&E) has been constituted vide O/O No.178-P/1616-21 dt: 04-07-2018 to prepare the draft of Revised Book of Financial Powers. A revised draft of Book of Financial Powers has been prepared and will be presented in forthcoming BOD Meeting after final vetting by the top management. After due consideration, the Board directed as follows.


**Direction**

**144-BOD-D16** Directed to present the revised Book of Financial Powers to the Board after vetting of Audit & Finance Committee of the Board.

**10. Proposed Customer Service System.**

The Chief Engineer/CSD apprised the Board that Regional Complaint Center MEPCO has already been renovated and upgraded with different facilities for customers. He presented a report to the Board regarding facilities being provided to the customers of MEPCO. The Board discussed the report and showed its dissatisfaction. The Board reiterated its earlier directions that customer attending the sub divisional office should be properly taken care of. His complaint/request should be entered and acknowledgement slip should be given to the customer with a promised date for resolution of the complaint/request. After detailed discussion, the Board directed as follows.

**Direction**

**144-BOD-D17** Directed to present the implementation of earlier directions of the Board in next Board meeting in true letter and spirit. All efforts should be exerted for establishment of sophisticated customer service system up to sub divisional level for disposal of complaints/requests of the customers with in specified time frame. 



**144-BOD-D18** Directed to ensure that the proposed system is effectively working at sub divisional level by 31<sup>st</sup> March, 2019.

**11. Transport Policy for replacing of old vehicles.**

The Manager (T&S) apprised the Board that as per directions of the Board, Transport Policy for replacement of old vehicles has been prepared and ready for presentation to Risk Management Committee. After due consideration, the Board directed as follows.

**Direction**

**144-BOD-D19** Directed to present the Transport Policy for replacement of old vehicles in next Risk Management Committee.

**12. Formulation of a new salary structure for future recruitments without pension benefits.**

The Finance Director apprised the Board that draft salary structure has been prepared for MEPCO Employees. In order to ensure rational and comparative feasibility, committee comprising Addl. DG HR and Manager C.A has been deputed to visit PARCO and submit report, which is still awaited. Draft Salary structure will be finalized on receipt of Committee report and will be put to the BOD accordingly. After due consideration, the Board directed as follows.

**Direction**

**144-BOD-D20** Directed to present the present salary structure for each grade with start of scale benefits and average actual compensation at present with rationalization proposals for future recruitments with and without pension benefits in HR Committee meeting.

**13. Report of the Committee constituted to review the PEPCO proposed new Health Care Policy.**

The HR & Admin Director apprised that after approval of Healthcare Policy by MEPCO BOD in its 133rd BOD Meeting dated 02.02.2018, a committee was constituted vide office order dated 26.07.2018 to select Panel Hospitals, reimbursement rates for verification of medical bills and finalization of list of cities for Cash Medical Allowance to employees in BPS-16 & above etc. Meanwhile DG (HR) MEPCO, vide this office letter dated 05.09.2018, has forwarded the recommendations of FD MEPCO to GM (HR) PEPCO on the comments of DG (MS) WAPDA on PEPCO Healthcare Policy to finalize the agreement between DG (MS) & MEPCO. The reply of PEPCO is still awaited.

**Resolution**

**144-BOD-R6** **RESOLVED** that compliance on subject cited direction is found satisfactory.

**14. Directions regarding filling of 46 Nos posts of BPS-17 and above, 789 critically required post of BPS-6 to BPS-16 in the interest of company's work.**

The HR & Admin Director informed that Draft advertisements were forwarded to PEPCO. In meanwhile, Election Commission of Pakistan imposed ban on recruitment in 04/2018. On demand of 73 Nos. posts of BPS-17 and 2469 Nos. posts of BPS-01 to BPS-15, Ministry of Energy has accorded approval to fill 07 x Nos. SDOs & 818 x Nos. ALMs in first phase. Item Note has been sent to Company Secretary for HR Committee of MEPCO BOD.

**Direction**

**144-BOD-D21** Directed to present the Item Note in next HR Committee meeting.

**15. MEPCO Up gradation Policy.**

The HR & Admin Director informed that as per directions of MEPCO BOD, this office prepare / formulate Draft "MEPCO Upgradation Policy" for MEPCO Employees and send to GM (HR) PEPCO Lahore vide this office letter No. 38912-13 dated 06.04.2018 for ratification but no reply has so far been received uptill now. Moreover, this office also prepared / formulated "MEPCO HR Manual (Rules

/ Policies) - 2018 which was also sent to GM (HR) PEPCO as well as all DISCOs for comments / feedback vide this office letter No. 64235-36 dated 13.06.2018, however comments are still awaited

**Direction**

**144-BOD-D22** Directed to present the Up gradation Policy in next HR Committee meeting.

**16. Report regarding holding of up gradation and promotion Boards of all categories of employees in time.**

The HR & Admin Director informed that requisite documents of all eligible officials are being called for from lower formations in order to conduct the upgradation and promotion boards to be held in April and October 2019. During the course of discussion, the Board inquired about finalization of Performance Evaluation Reports up to 31, December 2018. The HR & Admin Director the Board that 31<sup>st</sup> March is final date for finalization of PERs and the same will be completed up to 31<sup>st</sup> March. The Board directed as follows.

**Direction**

**144-BOD-D23** Directed to complete all Performance Evaluation Reports (PER) upto 31<sup>st</sup> March, 2019 and submit a compliance report in next meeting.

**17. National Internship Program for electrical engineers.**

**18. Proposals from reputed institution of Pakistan for conduction promotion trainings.**

**19. Policy for grant of 4 advance increments to the officers on account of acquiring/possession.**

**20. Directions regarding applications for the posts of Chief Internal Auditor & Chief Financial Officer.**

**21. SOP for higher studies.**

**22. HR Policy Manual.**

**23. Verification and preparation of account of tangible and intangible assets received from SAID.**

**Placement of revenue in their separate head of accounts. Exercise for resolution of difference in balances with sister companies.**

**Report from Property Management Cell.**

**24. Capitalization of work in progress.**

**25. SOP for making any amendment in terms and conditions of the tender document.**

**26. Accounting mechanism for issuance of all mobile phones.**

**27. SOP for disposal of old mobile phones.**

**28-29 Third party testing of the transformer repaired by MEPCO Workshops.**

**30. Detail of applications received and completed in respect of housing schemes & commercial buildings.**

**31. Progress of the proposals approved by the Board.**

**32. Five years Loss Reduction Strategy.**

**33. Status of compliance of NEPRA Performance Standards.**

**34. Status of ongoing projects of Transmission lines/grid stations**

**35. Report regarding the new projects initiated by NTDC under the jurisdiction of MEPCO**

**36. Status of implementation of minimum stock balance.**


**37. Matter regarding M/s EMCO.**

**38. Steps for inclusion of clause for ensuring double performance warrantee and stage inspection in tender documents for procurement of insulators.**

**Inventory status of critical items.**

**39-40. Proposals / suggestions to develop a healthy competition in the bidding process of different critical items.**

**Compliance status of relates to Procurement Committee's Directions / Decisions.**

**1. Tentative yearly Procurement Plan for Reclamation of 7200 Nos. Transformers for the Fiscal Year 2018-19 to the extent of Rs. 352.5 million in respect of Transformer Reclamation Workshops under MEPCO.** 

2. Approval for the proposal for bifurcation / rehabilitation of 11KV Badli Sharif feeder emanating from 132KV Grid Station Jamal Din Wali under Account Head "Distribution Rehabilitation (ELR
3. Approval for the proposal for bifurcation / rehabilitation of 11KV Chowk Chadhar feeder emanating from 132KV Grid Station Nawazabad under Account Head "Distribution of Powers (DOP)".
4. Approval for the proposal for bifurcation / rehabilitation of 11KV Mahi feeder emanating from 132KV Grid Station Nawazabad under Account Head "Distribution Rehabilitation (ELR)".
5. Approval for the proposal for bifurcation / rehabilitation of 11KV Wara Sehran feeder emanating from 132KV Grid Station Karor Lal Eason under Account Head "Distribution Rehabilitation (ELR)".
6. Approval for the proposal for bifurcation / rehabilitation of 11KV 8-Kassi feeder emanating from 132KV Grid Station Head Kabir Wala under Account Head "Distribution Rehabilitation (ELR)".
7. Approval for the proposal for bifurcation / rehabilitation of 11KV Sadullah Pur feeder emanating from 132KV Grid Station Jalal Pur Pir Wala under Account Head "Distribution Rehabilitation (ELR)".
8. Approval for cancellation of Tender No. 192, 193 & 194 for the supply of HT/LT Spun Hollow Poles opened on 20.03.2018.
9. Approval for procurement of 70000 No. Disc, 100000 No. Pin & 200000 No. Spool Insulators (T/No. 10 opened on 15.08.2018).

**Compliance status of relates to HR Committee's Directions / Decisions.**

1. **Revision of room rent rates of MEPCO Officer's Hostel**
2. **Request for policy decision regarding revision of admissibility date for grant of special allowance @ Rs: 10000/- per month w.e.f 01.09.2009 instead of 25.10.2012 to MEPCO officers.**
3. **Enhancement of Marriage grant.**
4. **Scholarship for children of employees.**

**Direction**

**144-BOD-D24** Directed to present the compliance status to the respective Committees in their next meetings.

**AGENDA ITEM NO.6**

**Approval for Special additional remuneration for Chief Executive Officer (CEO Allowance).**

The agenda was presented by DG (HR & Admin) MEPCO. The Board was apprised that Mr. Tahir Mehmood, General Manager (Tech:) NTDC has been posted as General Manager in MEPCO on deputation and assigned to look after the work of the post of Chief Executive Officer MEPCO vide Ministry of Energy (Power Division) Govt. of Pakistan Islamabad office orders dated 08.02.2019 and dated 12.02.2019. The officer has joined MEPCO on 09.02.2019 (FN) and MEPCO BOD vide circular resolution No. 01/2019 dated 11.02.2019 has already ratified the posting of the officer on deputation as General Manager MEPCO and looking after the work of post of Chief Executive Officer MEPCO. Special remuneration is paid to the officers in all DISCOs who are posted as Chief Executive Officer. An example from FESCO for ready reference in which Rs.175000/- has been allowed to Chief Executive Officer FESCO from the date of assumption of the charge of the post of Chief Executive Officer. The Board was requested to accord its approval Rs.175000/- per month as special additional remuneration in favor of Mr. Tahir Mehmood, General Manager / Chief Executive Officer MEPCO from the date of assumption of charge of CEO i.e. 09.02.2019. After due consideration, the Board resolved as follows.

**Resolution**

**144-BOD-R7** **RESOLVED** that considering the request of DG (HR & Admin), the approval for Special additional remuneration Rs.100000/- (Rupees One Lac Only) per month in



favor of Mr. Tahir Mehmood, General Manager / Chief Executive Officer MEPCO from the date of assumption of charge of CEO i.e. 09.02.2019 is hereby accorded. The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) All legal and codal formalities have been complied with,
- c) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

#### **AGENDA ITEM NO.7**

##### **Approval for review/revision of capital Budget for FY 2018-19.**

The agenda was presented by the Finance Director. He gave a detailed presentation regarding status of procurement budget. The Finance Director MEPCO intimated the Board that the Capital Budget of Rs.13,638(M) was approved by BOD, out of which Rs.11,450(M) was available for procurement. However, an amount of Rs.8,548(M) has already been allocated for procurement of material. The brief status is as under: -

	<u>Rs. in million</u>
Capital Budget approved by BOD	13,638
Available for procurement	11,450
Budget allocated for procurement	8,548
Balance budget available for procurement	2,902

The detailed status of different heads was presented to the Board. Further apprised that based on actual receipt of funds during July-2018 to Jan-2019, under various heads of Consumer Finance, Re-appropriation/Adjustment/Enhancement has been worked out with the requirement of raising Capital Receipt Budget from Rs.3 (B) to Rs.5 (B) for consideration and recommendations to the BOD for approval. During the course of discussion the Board observed that certain projects requiring approval of PC-1 have been started without compliance to the requirement of Planning Commission of Pakistan and the Board desired to be apprised the reason for this happening and options available to correct the issue.

#### **Resolution**


**144-BOD-R8 RESOLVED** that considering the request of Finance Director, the approval to present the revised/ enhanced Capital Budget (Capital Receipt Budget from Rs.3 (B) to Rs.5 (B) for FY 2018-19) is hereby accorded.

- a. The working paper represents true facts of subjected case.
- b. All legal and codal formalities have been complied with,
- c. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**144-BOD-R9 Resolved** to complete the procurement process of STG projects for which allocation has been committed by the Finance Director for next year's according to cash requirement.

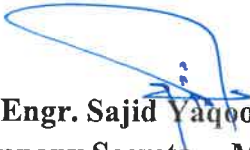
#### **Direction**

**144-BOD-D25** Directed the Finance Director and Chief Engineer (O&M) to ensure the consumption/procurement under Capital Receipt should match with the fund available in account head "Capital Receipt".

**144-BOD-D26** Directed the Chief Engineer (Dev) to ensure that no case is presented to Board/its committees without approval of its PC-1. However, if some approval of emergent nature is required, the urgency should be communicated to the Board along with justification. 

**144-BOD-D27** Directed the CEO to inquire the matter regarding Board's observation that certain projects requiring approval of PC-1 have been started without compliance to the requirement of Planning Commission of Pakistan and inform the Audit Committee of the Board about the reason for this happening and options available to correct the issue.

**The Meeting ended with thanks to and from the Chair.**

  
**(Engr. Sajid Yaqoob)**  
**Company Secretary MEPCO**