

MINUTES OF MEETING

Meeting : **193rd BOD MEETING**

Date : 14.07.2021 (Saturday)

Time : 11.00 a.m.

Venue : COMMITTEE ROOM HESCO POWER WING COLONY
HYDERABAD.

ATTENDEES.

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| 1. Engr. Shaikh Jamil Gul. | Chairman BoD (Online) |
| 2. Mr. Mohammad Rashid Hussain | Director BoD. (Online) |
| 3. Mr. Shahid Zaki | Director BoD (Online) |
| 4. Syed Zahir Hassan Rizvi. | Director BoD (Online) |
| 5. Engr. Irfan Ahmed. | Director BoD (Online) |
| 6. Ms. Shahnaz Akhtar. | Director BoD (Online) |
| 7. Mr. Akbar Azam Rajar. | Director BoD (Online) |
| 8.Mr. Zulfiqar Ahmad Farooqui | Director BoD |
| 9.Mr. Muhammad Rashid Khan | Director BoD |
| 10.Mir Janullah Khan Talpur | Director BoD |
| 11.Mr. Rehan Hamid | Director BoD/CEO |
| 12.Mian Muhammad Sohail Afzal | Company Secretary (Online) |

ON LEAVE.

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| 1. Mr. Imtiaz Shaikh | Director BoD |
| 2. Mr. Ali Ahmed Palh. | Director BoD |

ATTENDEE OFFICERS OF HESCO

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| 1. Mr. Abdul Ahad | GM (Operations) |
| 2. Mr.Zahid Hussain Mughal | CE (Technical)/PMU |
| 3. Mr.Manzoor Somoro | CE (P&E) |
| 4. Mr. Muzaffar Nizam | HR & Admn Director |

5. Ms. Hina Talpur
6. Mr. Khoob Chand

Chief Financial Officer
CE (Commercial)

The proceedings of 193rd BOD meeting were started with the recitation of the verses from the Holy Quran. Engr. Shaikh Jamil Gul, Chairman of the BOD presided over the meeting. The Chairman welcomed all the BOD Members and the Management. The Company Secretary apprised the Honorable Chairman and the Board that Mr. Imtiaz Ali Shah & Mr. Ali Ahmad Palh BoD Members were unable to attend the BoD meeting due to their personal engagements and the Board agreed to grant them leave. Session was formally started on the following one-point agenda: -

Agenda#01. GRANT OF HONORARIUM / HARDSHIP ALLOWANCE TO HESCO EMPLOYEES

POINTS OF DISCUSSION:

1. The Director General (DG) (HR) apprised the Board that despite of a large number of problems, HESCO employees have been able to improve the performance of the company in terms of line losses and recovery position during the financial year 2020-21. While facing the noticeable problems including acute shortage of staff, shortage of material, effects of COVID-19 etc., HESCO employees have left no stone unturned to contribute their efforts for the progress of the company.
2. The DG (HR), further apprised the Board that as other DISCOs have also allowed their employees an honorarium/hardship allowance equivalent to one basic pay, therefore, HESCO BoD is also requested to grant approval for an honorarium/hardship allowance equivalent to one basic pay to all HESCO employees, as mentioned in the item note, on the eve of Eid ul azha for motivation of the HESCO employees.
3. The Board deliberated that the Honorarium can only be given to the best performers and not to those who have been identified as poor performers. It was discussed that grant of Honorarium to all HESCO employees without excluding the poor performers will decrease the morale of the best employees. The management apprised that poor performer who have been involved in serious nature of disciplinary cases/enquiries and

those who have been awarded major penalties during the financial year 2020-21 have not been proposed for grant of Honorarium.

4. The Board further deliberated that Company's poor financial condition does not allow to grant the requested Honorarium to its employees as recovery of about more than Rs.123 billion is still pending from the consumers and the management has badly failed to focus on this issue. Non-adherence to NEPRA targets, poor electricity network / infrastructure, shortage of material, increased line losses, presence of Kunda system, charging of illegal detection to consumers etc., are such chronic problems which have devastated the company and management has totally failed to address these issues.
5. The Chief Executive Officer requested the Board to allow the said Honorarium as union is also pressing hard for the same on the analogy of other DISCOs. However, the Board deliberated that they will not allow any reward/honorarium under any of the pressure except on the criteria of performance only.
6. The Board after detailed deliberations and obtaining performance affirmations from the Management, allowed grant of Honorarium / Hardship allowance equivalent to one basic pay to all HESCO employees, as mentioned in the item note.

DECISION:

- i) BOD HESCO unanimously accorded approval for the grant of Honorarium / Hardship Allowance to all HESCO employees and compensation to Daily Wagers and Part Timers subject to the following conditions:
 - a) It will be admissible to all employees (Regular / Contract) on the pay roll of HESCO having at least six months service during the financial year 2020-21.
 - b) It will be admissible to contract employees on lump sum package at the rate of 60% thereof or Rs.1,50,000/- whichever is less.
 - c) It will be admissible to those regular employees who have worked for at least six months during the financial year 2020-21 but retired from service

on superannuation or have been transferred / on deputation to HESCO and do not have six months service in HESCO on the date of issue of honorarium order.

- d) The employees who are under any departmental enquiry pertaining to the financial year 2020-21 relating to corruption, theft of electricity, embezzlement, fraud and unethical act / gross misconduct etc as well as involved in NAB / FIA cases / enquiries, will not be entitled for the honorarium. In case of subsequent exoneration the employee will become entitled. (The Employees censured can not be awarded any honorarium as Censure is a penalty after conviction)
- e) The employee who has been penalized with major and minor (The employees imposed minor penalties cannot be awarded honorarium) penalty during the financial year 2020-21 will not be entitled.
- f) The employee on extra ordinary leave or on deputation abroad or within the country will not be entitled.
- g) It will only be paid either through cheque or bank transfer.

Note:

The daily wagers and part timers will also be compensated in lieu of their contribution to the company at the following rates:

- a) **Daily Wager:** At the rate equivalent to minimum of the pay scale of their posts subject to the condition that the individual must have been originally engaged on 89 days spell basis at least one year back from the date of issuance of order.
- b) **Part timer:** At the rate equivalent to one month's wages only subject to the condition that the individual must have been originally engaged as part timer at least one year back from the date of issuance of order.

- ii) BOD HESCO also said that it cares for the welfare of HESCO employees and said that honesty, integrity and commitment to excellence were of paramount importance and expressed its desire that it expects that HESCO team will:
- a) Rise to the occasion and prove that it fully understands the rights of the customers and that they are fully committed to serving HESCO's customers to their full satisfaction;
 - b) Support the management in its efforts in increasing the sale of electricity and in providing reliable and safe supply of electricity to HESCO customers;
 - c) Work diligently and not tolerate any malpractice or wrong doing at any level which is not only a criminal act but also causes loss to HESCO and to the country, **speak up Policy (What is this policy)** is also being issued, there is zero tolerance for any corrupt act, and all employees and other are encouraged to report any malpractice that comes to their knowledge in the Company.
 - d) Report all incidences of electricity theft in HESCO service territory so that those causing loss to HESCO can be punished;
 - e) Work hard to ensure 100% recovery in all circles and any act of over billing will be dealt with very strictly as per law;
 - f) Embrace new technology and processes with an open mind to make HESCO a forward looking and modern organization capable of dealing with future challenges;
 - g) Operate, maintain and look after HESCO's assets as they would look after their own assets;
 - h) Not to indulge themselves nor allow anyone else to act in an un-safe manner nor create an un-safe condition, and uphold high standards of health, safety and environment and ensure to HSE lapses for staff, public and HESCO's assets;
 - i) Irrespective of their rank and position, treat all employees with respect and politeness.
- iii) Approval is based on the following confirmations by HESCO 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) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of BOD HESCO.
- d) Concerned official / officer of HESCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

There being no further business to transact, the meeting ended with a vote of thanks to and from the Chair.

(ENGR. JAMIL GUL SHAIKH)
Chairman BOD HESCO