



HYDERABAD ELECTRIC SUPPLY COMPANY HYDERABAD

OFFICE OF THE COMPANY SECRETARY HESCO

3RD FLOOR ROOM NO.301 WAPDA OFFICES COMPLEX HUSSAINABAD HYDERABAD

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No.HESCO/BOD/CS/ **2808-28**

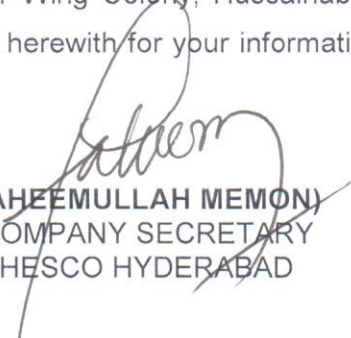
Date **11.09.2021**

1. **Engr. Shaikh Jamil Gul**, Chairman BOD, Plot # 2-C 9th Zamzama Commercial Lane, Phase-5, DHA, Karachi (Cell # 03008208676).
2. **Syed Zahir Hassan Rizvi**, Director BOD, 88/II/II 10th Lane Kh-e-Sehar Phase-VII DHA Karachi (Cell # 03082225027).
3. **Mr. Mohammad Rashid Hussain** Director BOD, Flat No.203, Plot No.222-H, Block-2, PECHS, Karachi (Cell # 03228187192)
4. **Mr. Ali Ahmed Palh**, Director BOD, Palh House 76-A/II/I 32nd Street Khayaban-e-Sehar Defence Karachi (Cell # 03042650047).
5. **Mr. Shahid Zaki**, Director BOD, 7/1 Khayaban-e-Hafiz DHA Phase-V Karachi (Cell # 03028228753).
6. **Engr. Irfan Ahmad**, Director BOD, 133/1, 12th Street, Khayaban-e-Bokhai, DHA Ph-6 Karachi (Cell # 03453377750)
7. **Mr. Akbar Azam Rajar**, Director BOD, Deputy Secretary (E&D) Power Division GoP Islamabad (051-9221964).
8. **Ms. Shahnaz Akhtar**, Director BOD / Deputy Secretary (CF-II) ministry of Finance Q-Block Room No.123 GoP Islamabad (051-9202063)
9. **Mr. Imtiaz Ali Shah**, Director BoD, Director Alternative Energy, Energy Department Govt. of Sindh, 3rd Floor State Life Insurance Corporation of Pakistan Building No.3, Dr. Ziauddin Ahmed Road, Opposite C.M. House, Karachi (Cell #03333533344)
10. **Mr. Rehan Hamid**, Director BOD/CEO HESCO, (022-9260023).
11. **Mr. Zulfiqar Ahmad Farooqui** Director BoD Living Icon, Plot No.C/25, Block-B, Unit No.5 Latifabad Hyderabad (03203581596).
12. **Mr. Muhammad Rashid Khan**, Director BoD, House No.F66_1153/3 Tulsi Dass Road Gari Khata Hyderabad (03003019872)
13. **Mir Janullah Khan Talpur**, Director BoD, PO Box Kotmirs Landhi via Mirwah Gurchani, District Mirpurkhas Sindh (03337655557)

Subject: MINUTES OF 196th BOD OF HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED.

The minutes of 196th BOD meeting of Hyderabad Electric Supply Company Limited held on 24.08.2021 at Committee Room, HESCO Power Wing Colony, Hussainabad Hyderabad, duly signed by the Chairman BOD HESCO, are sent herewith for your information please.

DA : As above


(FAHEEMULLAH MEMON)
COMPANY SECRETARY
HESCO HYDERABAD

Copy to:

1. General Manager (Technical) HESCO Hyderabad.
2. Chief Operating Officer HESCO Hyderabad.
3. Chief Engineers HESCO _____ (all)
4. Chief Commercial Officer HESCO Hyderabad.
5. Chief Financial Officer HESCO Hyderabad.
6. DG/ Admn & HR Director HESCO Hyderabad.
7. Chief Internal Audit HESCO Hyderabad.
8. Master file.

MINUTES OF MEETING

Meeting : **196th BOD MEETING**
Date : 24.08.2021 (Tuesday)
Time : 02.30 p.m.
Venue : COMMITTEE ROOM HESCO POWER WING COLONY
HYDERABAD.

ATTENDEES.

- | | |
|--------------------------------|------------------------|
| 1. Engr. Shaikh Jamil Gul. | Chairman BoD (On line) |
| 2. Mr. Mohammad Rashid Hussain | Director BoD (On line) |
| 3. Mr. Shahid Zaki | Director BOD (On line) |
| 4. Syed Zahir Hassan Rizvi. | Director BoD (On line) |
| 5. Engr. Irfan Ahmed. | Director BoD (On line) |
| 6. Ms. Shahnaz Akhtar. | Director BOD (On line) |
| 7. Mr. Akbar Azam Rajar. | Director BOD (On line) |
| 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 | Dir BoD/CEO |
| 12. Mr. Faheemullah Memon | Company Secretary |

ATTENDEE OFFICERS OF HESCO

- | | |
|-------------------------|-----------------------|
| 1. Ms. Hina Talpur | CFO HESCO |
| 2. Mohammad Usman Memon | D.G. HR & Admin HESCO |

LEAVE OF ABSENCE

The proceedings of meeting were started with recitation of Holy Quran. Engr. Shaikh Jamil Gul, Chairman of the BOD presided over the meeting. The Company Secretary apprised the Board that Mr. Imtiaz Ali Shah, Non- Executive Director expressed his inability to attend the Board Meeting due to some personal engagement and requested for leave for absence. The Board unanimously granted leave of absence to Mr. Imtiaz Ali Shah.

The Chairman welcomed all the members and tabled the following agenda for discussion:



Agenda#01 CONFIRMATION OF MINUTES OF 195th BOD MEETING.

The Company apprised the board that the minutes of the meeting were sent to all members, no changes were received from any member. The Company Secretary requested the Board for approval for confirmation of the minutes. Mr. Akbar Azam Rajar, Non- Executive Director apprised that he already requested to the Company Secretary that some of the minutes of the board meetings were not received by him. The Chairman asked the Company Secretary to share the minutes with the Member and also requested the Member to check if the said minutes are in junk mail.

DECISION. It was resolved that the minutes of meeting of 195th BoD will be confirmed in next Board Meeting.

Point of Action	Responsibility	Time line	Status
Confirmation of MoM 195 th BOD.	Company Secretary	Next Board Meeting	"Open"

Agenda#02 IMPLEMENTATION STATUS OF 195TH BOD MEETING.

DECISION. On the request of Company Secretary, the Board allowed to place the implementation status of the subject meetings in next board meeting.

Point of Action	Responsibility	Time line	Status
Implementation Status of 195 th BOD meeting	Company Secretary	Next Board Meeting	Open

Agenda#03 ASSIGNMENT OF ADDL. CHARGE OF COMPANY SECRETARY TO MR. FAHEEMULLAH MEMON SR. ENGINEER HESCO.

As the matter of Additional Charge of the post of Company Secretary was to be discussed, Mr. Faheemullah was requested to leave the committee room as the matter to his assignment was to be discussed in the board meeting. It was apprised that due to repartition of Mian Mohammad Sohail M. HRM holding the charge of Company Secretary to MEPCO Multan, Mr. Faheemullah Memon, Senior Engineer has been assigned the additional charge of the post of Company Secretary as Mr. Faheemullah Memon has already performed his duties as the Company Secretary

in the past. The Management apprised that order for additional charge of the post of Company Secretary has been issued.

Mr. Akbar Azam Rajar, Non-Executive Director BoD HESCO, while reviewing the item note and emphasizing upon completion of all due processes for such assignments apprised that last time for assignment of the Additional Charge of the post of Company Secretary, a panel of three officers was placed before the HR Committee and subsequently to the Board. The member inquired as to why this time the said process has not be followed and the order has been issued before placement of the matter to the relevant committee and BoD as the BoD is appointing authority for the position of the Company Secretary. The management apprised that due to relieving of Mian Suahil such arrangement was done in urgency in the public interest. The member observed that if the said was the case, the matter should have been brought before the board for ex-post facto approval. However, the management requested for ex-post facto approval of the board.

DECISION. The Board Resolved and granted Ex-post facto approval for assignment of the additional charge of the post of Company Secretary HESCO to Mr. Faheemullah Memon, Senior Engineer, w.e.f 16.08.2021 in addition to his own duties, on compensation allowance of Rs.30000/- p.m. until appointment of regular incumbent.

Further, the board resolved that the application received against the advertisement for the post of Company Secretary HESCO be placed before HR Committee meeting for scrutinization and further procedure as per rules.

Point of Action	Responsibility	Time line	Status
Order of Assignment of Additional Charge	HR & Admin	Already issued.	Close
Agenda item for Appointment of Regular Company Secretary	HR & Admin	Next HR Committee Meeting	Open

Agenda#04 UPDATE ON APPOINTMENT OF CHIEF INTERNAL AUDIT

It was apprised that the applications received for the post of Chief Internal Auditor HESCO were evaluated through the committee headed by Honorable Director BoD Mr. Muhammad Rashid Khan, Mr. Muzaffar Nizam the then D.G HR & Admin Director HESCO and Mian Muhammad

Sohail Afzal the then Company Secretary HESCO on the decision made during 36th Audit Committee meeting held on 12.08.2021 and shortlisted 09 no. candidates. The eligible candidates were further scrutinized in 37th Audit Committee meeting held on 20.08.2021 from which 08 No. candidates were finalized for interviews. It was further apprised that the interview of eligible candidates will be conducted in two sessions by Audit and Finance Committee meeting which is scheduled on 31st and 02 August 2021.

Mr. Akbar Azam Rajar, Non- Executive Director pointed out that the appointing authority for the position of Chief Internal Auditor is the board and that the terms and conditions for appointment of the Chief Internal Auditor are to be determined with the approval of the Board as per Rule 13 (1) and 13 (2) of the Public Sector Companies (Corporate Governance) Rules, 2013. The Member apprised that the ToRs of the Audit Committee extend certain leverage to the Audit and Finance Committee so far as the appointment of the Chief Internal Auditor is concerned, but without approval of the advertisement and the process of appointment by the board such process undertaken can be predisposed to any legal criticism bearing any legal complications at later stages. The Member asked if the advertisement published has the prior approval of the Board. It was apprised that the advertisement for the said post was approved by the Board. The Member apprised that the entire process for the recruitment of the position of the Chief Internal Auditor has to have an approval of the board as the relevant rules do not specify any procedure in this regard. The member also suggested that a panel of three candidates may be recommended by the Audit and Finance Committee for consideration of the board after carrying out the said process approved by the Board.

DECISION. Resolved that the Audit & Finance Committee to submit the panel of three candidates for appointment to the position of the Chief Internal Auditor to the board for considerations after carrying the process approved by the board.

Point of Action	Responsibility	Time line	Status
Interviews for Appointment of CIA	Audit & Finance Committee		Open

Agenda#05 RESPONSE TO THE MINUTES OF MEETING OF SENATE COMMITTEE

Discussion on Para-No.33 (ii) of the minutes of the meeting of Senate Standing Committee on Power held on 05.08.2021

Appreciating the efforts of CEO HESCO in the matter related to Latifabad incident, Board suggested Chief Executive Officer HESCO to look the matter on his own level.

Mr. Akbar Azam Rajar, Non-Executive Director urged the management to strategize a scheme of arrangements which ensures that such incidents must not repeat in future.

In response to the question on public person compensation policy against fatal / non-fatal accident cases, it was informed that the policy is under review at legal and nomination committee and will be finalized soon.

DECISION. Chief Executive Officer HESCO will resolve the matter related to Latifabad incident at his own level.

Discussion on Para-No.33 (ii) of the minutes of the meeting of Senate Standing Committee on Power held on 05.08.2021

On discussion related to the appointment of Ms. Hina Talpur CFO HESCO it was apprised to the Board that Ms. Hina Talpur was appointed during tenure of former BoD, HESCO. It was further observed that no report regarding irregularities in the appointment has been placed before board. After the lengthy deliberation it was suggested to discuss the matter in next board meeting with proper documents and evidences.

Mr. Akbar Azam Rajar, Non-Executive Director apprised the board that earlier the board unanimously resolved to conduct an inquiry in the case of appointment of CFO. Later the said case was again discussed in the board meeting and some members were of the view of that the matter does not require inquiry in this case whereas some members held the view that the matter requires to be inquired to close it for once and all. The Member further apprised that the matter was referred to HR Committee where half of the members voted for inquiry and half of the members consented that the inquiry is not required. The member apprised that the matter had to be placed before the board after deliberations in HR Committee. The Member also highlighted the fact that considerable time of the board has been wasted on this issue. The Member recommended to the board to conduct an impartial inquiry in this case. The member apposed the idea of outsourcing conduct of inquiry as no rule exists to inquire such matters through outsourcing. Further, the Member also counted risks attached to transparency in case of outsourcing. The member suggested that a committee comprising three or four members of the board may be constituted to conduct impartial and fair inquiry. The report of such inquiry may be submitted to the Senate Standing Committee.



The members also requested that the CEO's report on this case sent to Senate Committee via Power Division should also be shared with the Board Members for a considered decision. The CFO should also be given a chance to place her case before the Board. The Chairman advised the CS to share the report and recent correspondence with GoP agencies on this matter with the Board Members.

Board further directed Company Secretary to send interim reply to the Honorable Senate Standing Committee on Power to apprise the position accordingly through Ministry of Energy (Power Division).

DECISION. Deferred for Next Board Meeting.

Point of Action	Responsibility	Time line	Status
Interim Reply	Company Secretary	Immediate	"Open"

Agenda#06 RESPONSE TO SECP REGARDING PENDING ISSUES

Board discussed the matter related to SECP issues and its complaints received. Mr. Akbar Azam Rajar, Non- Executive Director pointed out some more non-compliances. The Member pointed out that the audit for the F.Y 2019-20 is still to be conducted, whereas during the EOGM it was directed by the proxy-holder on behalf of the share-holder to conduct the audit well before June-2021 as per requirements of the SECP but the same is still pending. In this regard CFO said that some sections are not providing record in this regard. The Member also pointed out that the budget of an organizations has to be passed well before start of the financial year, but the expenditures are being incurred without approval of the budget by the board. The Board suggested CEO HESCO to look the matter regarding Budget, Accounts and other matter related to SECP to avoid any non-compliances of SECP's directives in future.

DECISION. Deferred for next BOD meeting. However draft reply regarding other simple complaint may be shared with Honorable Members through email.

Point of Action	Responsibility	Time line	Status
Progress on SECP Issues	Company Secretary	Next Board Meeting	"Open"

Agenda#07 APPROVAL FOR PLACEMENT OF CUSTOMER CARE CENTERS

DECISION. Deferred for next BOD meeting.

Point of Action	Responsibility	Time line	Status
Discussion on Customer Care Center	CE Operation / Manager CM&O	Next Board Meeting	“Open”

Agenda#08 PROGRESS OF “EMPLOYEES’ GRIEVANCE RESOLUTION COMMITTEE”

In compliance with the direction of Board, it was apprised that committee has been constituted comprising of Senior officers with the approval of CEO HESCO for resolution of all the complaints related to HESCO employee as per terms of reference.

DECISION. Board appreciated the progress and directed to resolve the grievances of employees at the earliest.

Point of Action	Responsibility	Time line	Status
Committee already constituted to resolve the grievances of employees.	HESCO Management	--	Closed

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


(ENGR. SHAIKH JAMIL GUL)
CHAIRMAN BOD HESCO