

**MINUTES OF THE 13TH MEETING OF HR COMMITTEE
BOARD OF DIRECTORS HELD ON 17TH JANUARY, 2023**

The 13th meeting of HR Committee of Board of Directors was held on 17th January, 2023 at 11:00 am at PASSCO Head Office, Lahore. The following attended:-

a.	Capt. (Retd.) Saeed Ahmad Nawaz Managing Director, PASSCO.	Chairman
b.	Mr. Asif Bashir Group Chief – Special Assets Management Group (SAM), Allied Bank Limited, Lahore.	Member
c.	Mr. Shehryar Ahmad Deputy Secretary (CF), Ministry of Finance, Government of Pakistan, Islamabad.	Member
d.	Mr. Emad Nazir Ahmed General Manager (F&A), PASSCO.	Secretary HR Committee
e.	Mr. Shahid Ibrahim GM (Commercial), PASSCO.	by invitation
f.	Lt. Col (R) Imran Nazir GM (HR), PASSCO.	by invitation
g.	Mr. Malik Muhammad Sajjad DGM (HR), PASSCO.	by invitation

2. The meeting commenced with recitation of the verses of Holy Quran and the Chairman of the Committee welcomed the participants.

3. Leave of absence was granted to Mr. Zakria Naseem Mir, General Manager – Northern Punjab United Bank Limited, Lahore.

AGENDA ITEM NO. 1: Confirmation of the Minutes of 12th meeting of HR Committee held on 23rd September, 2022.

4. Minutes of 12th meeting of HR Committee of BOD held on 23rd September, 2022 duly approved by Chairman Committee were placed before the Committee for confirmation. The Board considered and confirmed the said minutes.

5. GM (HR) briefed the Committee regarding the questions raised during the previous HR Committee meeting as follows:-

a. Actual strength of employees working in the Company was 992 against the sanctioned strength of 1250 so there was a shortage of 258 workers;

b. Promotions of 2022-23 were given effect in the month of December, 2022. Furthermore, informed that no senior manager or critically important employee was due to retire during the

calendar year and induction / recruitment against vacant positions would be carried out in near future;

- c. The ratio of 80:20 as per HR Policy was being observed for the promotions as GMs/BS-20 and two DGMs (BPS-19) were promoted as GMs (BPS-20) in the 72nd meeting of Executive Committee held on 14.10.2022. He affirmed that same was being followed for initial recruitment as well;
- d. 179 PASSCO employees were imparted trainings to improve their skills in the year 2022. Training of two Board Members under Directors' Training Program from PICG was also arranged.

6. The Committee directed the Management to identify skill sets required to formulate a comprehensive training program designed not only to meet the promotion requirements but also meet the needs for upgradation of core competencies of the organization's human resource.

AGENDA ITEM NO. 2: Approval for Implementation of SAP/ ERP Software Solution.

7. GM (HR) briefed the Committee about the need, components required and implementation methodology of SAP/ ERP Software Solution. Mr. Asif Bashir and Mr. Shehryar Ahmad; Members of the Committee shared their reservations. They questioned the procedure adopted for selection of proposed solution and how it was determined that it was the best solution to meet the requirements of PASSCO as no details of the alternate solutions available and evaluation of their suitability were not included in the working paper. Similarly, comparative advantages/ benefits intended to be derived from the proposed solution were not discussed. The Committee further enquired whether gap analysis, cost benefit analysis or any other organizational research was conducted to determine effectiveness of the proposed software solution. The members emphasized the need to augment the human resources of PASSCO dealing with IT and advised that a professional IT firm be engaged by the Management to carry out an in-depth study/ analysis covering all aspects of PASSCO's software solutions requirements. In order to address the observations of the Committee the management requested to withdraw the Agenda Item.

“The Committee allowed the Management to withdraw the Agenda Item.”

AGENDA ITEM NO. 3: Approval for Revision of Education Allowance.

8. GM (HR) briefed the Committee regarding subject agenda item. The members deliberated on the agenda item and observed that keeping in view the inflationary trends the rates of

Education Allowance proposed were on the lower side. The Committee directed the Management to ensure proper verification of the beneficiaries before granting the allowance and resolved:

“To recommend to the BOD, enhancement in the rates of Education Allowance to PASSCO employees from BPS 1 to 15 as per following details with effect from the date of approval:

- a. Up to Matric : Rs. 2,400/- per month per child;
 - b. College going Children : Rs. 3,600/- per month per child;
 - c. Post Graduate/Graduate Level : Rs. 5,000/- per month per child.
- (Subject to maximum of Rs.12,000/- per month per individual employee)”**

AGENDA ITEM NO. 4: Approval for Health Assistance to all retired employees.

9. The HR Committee considered the agenda item and after detailed deliberations, the Committee resolved:-

“To recommend to the BOD to approve the post-retirement medical reimbursement benefits to employees who have retired before 01.04.2018 on the same analogy of existing policy of the employees retired after 01.04.2018 for lifetime.”

AGENDA ITEM NO. 5: Approval for the Enhancement of PASSCO Strength

10. GM (Commercial) briefed the Committee regarding subject agenda item. The members of the Committee commented that the data to justify the demand for increasing the authorized strength of PASSCO was missing. Mr. Asif Bashir apprised the Committee that Finance Division had placed a ban on enhancement of sanctioned strength. The Chair informed the house that according to advice/opinion of Law and Justice Division dated 19.02.2020 PASSCO was not a public sector entity in terms of section 2(54) of the Companies Act, 2017 and rule 2(g) of the Public Sector Companies (Corporate Governance) Rules, 2013 as only 25% of the paid-up capital was contributed by the Federal Government and just 3 out of 9 Directors are appointed by the Federal Government so Board was competent to enhance the authorized strength of PASSCO.

11. The Committee members observed that proposed reduction in regular cadres was not supported by any valid reasons. Likewise, the members held that change of cadre among the regular staff should not be allowed. The Committee agreed that proposal to increase the daily wage staff strength should be justified on the basis of policy in practice to handle stock at purchase center level and be supported by quantitative data. The committee was informed that actual strength of regular staff was 992 vs authorized strength of 1250 and actual daily wage staff hired in field zones was 847 against

the authorized 1,000. The Committee stressed that the Management must meet their HR requirement by filling the gap within authorized strength.

“The HR Committee did not approve the agenda as the Management failed to convince the Committee.”

AGENDA ITEM NO. 6: Approval for “PASSCO REGULATIONS 2022”

12. GM (Commercial) briefed the Committee regarding subject agenda item. The members of the Committee observed that the Management informed that PASSCO was not a public sector entity but had proposed to bring its HR Policy in conformity with Government rules. The Chair explained that since National Pay Scales had been adopted hence the Government rules continued to remain relevant and inevitable. The members shared their observations regarding regulation no. 3(a)&(b), 8(r), 15-A, 21 and 22 which was noted and proposal was amended accordingly (updated list of proposed changes is enclosed). The Committee resolved:

“To recommend to the Board to approve the proposed amendments in the HR Policy as an interim arrangement and direct the Management to hire a consultant to review the HR Policy and redraft it to bring the same in conformity with the best corporate values and policies in similar entities at home and abroad.”

AGENDA ITEM NO. 7: Approval for purchase of IT Equipment for Head Office


13. GM (HR) briefed the Committee regarding subject agenda item. The Committee directed the Management to link this agenda with the Agenda Item No. 1 (ERP Software Solution), prepare an equipment replacement policy and follow the same in future.

“The Committee declined to approve the Agenda Item and directed the Management to purchase the critically needed equipment under the competency of the Managing Director.”

14. There being no other point, the meeting ended with a vote of thanks to and from the Chair.

Approved


(Capt. (Retd.) Saeed Ahmad Nawaz)
Managing Director, PASSCO/
Chairman HR Committee of BOD


(Emad Nazir Ahmed)

Secretary HR Committee