

MINUTES OF THE 147th BOD MEETING

The 147th meeting of PASSCO Board of Directors was held at PASSCO Head Office, 11-Kashmir Road, Lahore on 23rd May, 2023 at 1100 hours. The following attended:

a.	Mr. Zafar Hasan Secretary, Ministry of National Food Security & Research Government of Pakistan	Chairman
b.	Mr. Asif Bashir Chief – Special Assets Management Group (SAM) Allied Bank Limited	Director
c.	Mr. Ahmad Naazer Minhaj General Manager - Head Agriculture Banking Habib Bank Limited	Director
d.	Mr. Hassan Nawaz Tarar Group Head Security & Marketing MCB Bank Limited	Director
e.	Mr. Zakria Naseem Mir General Manager – Northern Punjab United Bank Limited	Director
f.	Mr. Asad Ullah Habib Acting President/ CEO Zarai Taraqiati Bank Limited	Director
g.	Mrs. Naushaba Shahzad Executive Vice President/ Group Head-A Inclusive Development Group, National Bank of Pakistan	Director
h.	Mr. Sheharyar Ahmad, Deputy Secretary (CF) Ministry of Finance, Government of Pakistan	Director (Attended through Video-Link)
i.	Capt. (Retd.) Saeed Ahmad Nawaz	Managing Director
j.	Mr. Emad Nazir Ahmed	Company Secretary

2. The meeting commenced with recitation of the verses of Holy Quran and the Chairman of the Board welcomed the members.

Item No. 1: CONFIRMATION OF THE MINUTES OF 146TH BOD MEETING HELD ON 10th MARCH, 2023

3. The Board considered and confirmed the minutes of 146th meeting of Board of Directors held on 10th March, 2023.

Item No. 2: DICLOSURE OF CONFLICT OF INTEREST BY THE DIRECTOR

4. All the Directors confirmed that they had no conflict of interest with any of the agenda items to be considered in the meeting.

Item No 3: PROGRESS ON THE ACTIONABLE DECISIONS OF 145TH & 146th BOD MEETING

5. The Company Secretary briefed the members on the progress on previous BOD decisions. The Board directed to immediately get the newly purchased vehicles insured to cover any sort of risk and the insurance policy may be revised to cover the complete fleet of vehicles. The Board further directed that the High Level Management Committee (HLMC) should be constituted by designation instead of names to ensure the continuation of policies and Implementation of the decision of the BOD in true letter and spirit.

6. The chair directed to consider only Agenda Item No. 7 in the meeting and deferred the remaining agenda items.

Item No. 7: DISPOSAL OF DAMAGED WHEAT AND PAYMENT OF DIFFERENTIAL BETWEEN SALE PROCEEDS AND COSTS

7. Chair stated that Summary for the Cabinet had been moved by MNFSR as per previous decision of Board. However, later PASSCO management submitted a letter stating increase in the damages amount from Rs. 37.476 million to Rs. 175.186 million. The Chair in his capacity as Secretary MNFSR had observed that such correspondence could not be made directly by PASSCO management without approval of BoD. Moreover, an independent third-party inquiry had not been conducted. Therefore, meeting of BoD should be convened on urgent basis and whole matter should be placed before the Board. Chair also sought permission of Board to allow Joint Secretary (Plan) of MNFSR, who had conducted original inquiry, to brief the Board. General Manager (Commercial) PASSCO also briefed the members about the Agenda Item and views of management.

8. The Board considered the agenda item and Resolved as follows:

- i. The MNFSR Division may withdraw the Summary for the ECC of the Cabinet already moved and re-submit the same with the updated figures of estimated losses duly signed and verified by PASSCO;**
- ii. Since the validity of the auction rates received for the damaged wheat is 31.05.2023 and any delay in disposal/lifting of the same would further deteriorate the quality/quantity of the segregated damaged wheat stock entailing possible additional losses, therefore, it should be immediately disposed-off with the approval of the Federal Government;**
- iii. An independent external inquiry be conducted to inquire into the enhancement of cost differential reported by PASSCO Management; and**
- iv. The Board further expressed their serious concern on the inaccurate and unverified figures reported and directed the Management to put in place mechanism to ensure the accuracy and authenticity of financial data going forward.**