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MINUTES OF MEETING OF PITAC GOVERNING BODY
HELD ON 2nd DECEMBER, 2023 IN PITAC, LAHORE

The 74th meeting of PITAC Governing Body (GB) was held on 2nd December, 2023 under the Chairmanship of Mr. Muhammad Asad Islam Mahni, Additional Secretary-I, MoIP in the Committee Room of PITAC, Lahore. The list of participants of the meeting is attached as **Annex-I**.

The meeting started with the recitation from the Holy Quran.

The Chairman welcomed all the members of GB to participate in the 74th meeting of the Governing Body of PITAC and open the house for discussion on the following agenda items.

ITEM No.1 TO APPRISE THE GOVERNING BODY REGARDING PERFORMANCE OF PITAC AND IMPLEMENTATION OF SUSTAINABILITY PLAN WITH FUTURE PLAN

1. Engr. Muhammad Irfan, Director (O&W) gave a brief account of achievements of PITAC. Further, he highlighted performance of PITAC during the last five years in terms of its mandate.
2. Additional Secretary-I/Chairman GB emphasized upon the need to optimally utilize the resources and to carry out impact analyses of its services and cost-benefit analyses as it is running on Grant-in-Aid provided by the Federal Government.
3. DG(I&C), Balochistan suggested that PITAC Regional Centre Quetta should make effective coordination with the Directorate of Industries and Commerce, Govt. of Balochistan and other Provincial Departments.
4. Sheikh Mehboob Ashraf critically analyzed the working of PITAC and said that due to long gap between meetings of the Governing Body and Monitoring Committee, its performance is not being effectively monitored. He further added that due to unstable economic conditions and a rise in inflation day by day, whereas, the purchasing power of the public has declined and has adversely affected the industrial sector of the country. He suggested that PITAC should also work on 04-wheeler electric vehicles, lithium-ion batteries in collaboration with industry and academia. At present, only United & Road Prince is working on electric vehicles (04 wheelers), and he suggested that PITAC should focus on electric vehicle technology.
5. Director (IL & C), Gilgit Baltistan pointed out that an Assistant level employee of PITAC is handling activities of the Regional Centre, Gilgit who lacks capability to handle the activities of the centre. He apprised that Assistant Director had been transferred to Lahore. He suggested that an Assistant Director be transferred to Gilgit, who could be able to streamline the activities of the Regional Centre and coordinate with other organizations. He further said that he will share a report on "un-explored resources" with the Chairman, GB PITAC.
6. Chairman GB advised that PITAC may prepare a feasibility report on 04 wheelers electric vehicles to cope with "global climate" change issues, although EDB has also worked on this subject. PITAC Management was advised to prepare a document giving rationale for its existence highlighting its benefits to the industrial sector, general public, and SMEs. The Chairman also enquired about the land issue of PITAC. The Deputy Director (P&A) apprised that next date of hearing of the said issue is fixed on 12-12-2023 before ADCR, Lahore.
7. Special Secretary (I&C)/DG (Industries), Balochistan pointed out that PITAC is a Technical Assistance Centre but only provides skill development services in Balochistan. He stressed that PITAC should also provide Technical Assistance Services in Balochistan. He desired to convene a meeting with the Industrial Association in Quetta with PITAC management to assess their needs and assist them in resolving their technical issues.

Decisions:-

After detailed discussions / deliberations, the following decisions were made:-

- i) Governing Body meetings shall be convened quarterly.
- ii) DG PITAC shall approach Dy. Commissioner (DC), Lahore to resolve the issue of the title of PITAC's Land.
- iii) PITAC Management shall present comprehensive report/clarification regarding "PITAC Pension" to Chairman Governing Body.
- iv) PITAC shall arrange pre-board meetings with Chairman GB before the regular meetings.
- v) PITAC shall see as to how PITAC can get benefit from the suggestions GB Members.
- vi) PITAC shall make arrangements for posting of qualified person as Incharge at Regional Centre, Gilgit Baltistan.
- vii) PITAC shall prepare a report on 04 wheeler electric vehicles independently by PITAC covering all the aspects.
- viii) PITAC Management shall work on the task assigned by the Minister (I&P) for increasing the number of trainees while optimally utilizing the existing resources of PITAC without using additional financial implications.
- ix) PITAC shall quantify the impact of PITAC services and its relation to import substitution.
- x) PITAC shall prepare a cost-benefit analysis for the services rendered by PITAC.
- xi) The need assessment surveys being carried out by PITAC P&D Deptt shall be expedited to assess the needs of the industrial sector and align/enhance the services of PITAC accordingly.
- xii) Incharges of the Regional Centres shall be directed to improve their coordination with respective Provincial GB Members and provide them updates on performance, plans, and activities regularly and seek their guidelines.

ITEM No.2. TO APPRISE THE GOVERNING BODY REGARDING DORMANCY OF EMPLOYEES PROVIDENT FUND (EPF) AND SEEK APPROVAL REGARDING RECOMMENDATION TO MOIP FOR ISSUANCE OF AUTHORIZATION LETTER FOR CHANGE OF SIGNATORIES TO OPERATE THE ACCOUNT.

1. Director (O&W) apprised the BG that PITAC has received a letter from HBL demanding mandatory documents (i.e. Ministry's Approval, Board Resolution, Account opening request) to continue the operation of EPF account. In this regard, PITAC approached MOI&P to issue an authority letter for the operation and revival of the said account but MoIP directed that PITAC may place the said case in the next meeting of the Governing Body for approval.
2. Governing Body was requested to accord approval for;
 - Delegation of powers to DG, PITAC for the operation of the said account and further delegation/ assigning the responsibility to the officers of PITAC as signatories as and when required.
 - Recommendations to MoIP for the issuance of required authorization of the above-noted requirements of the Bank.

Decisions:

After detailed deliberations, Governing Body resolved to delegate powers to the Director General/Chairman EPF Trust to operate the "PITAC EPF Trust Account" and to further designate the officers as signatories subject to adherence to Govt. rules and regulations. The GB directed PITAC Management to send the case to MoIP for issuance of an authorization letter in the name of the Director General/Chairman EPF Trust to operate the said account by appointing the designated officers of PITAC as signatories.

ITEM No.3. TO APPRISE AND SEEK APPROVAL OF THE GOVERNING BODY REGARDING PAYMENT OF HOUSE RENT ALLOWANCE @ 55% OF THE BASIC PAY TO PITAC EMPLOYEES INSTEAD OF ITS ADMISSIBILITY AS ON 30.06.2022 TO IMPLEMENT THE DECISION OF LAHORE HIGH COURT, LAHORE.

1. Director (O&W) informed the GB that PITAC adopted the Basic Pay Scale (BPS) System with the approval of the President of Pakistan w.e.f. 01-07-1983. The employees of PITAC, inter alia, were allowed @ 55% House Rent Allowance (HRA) on basic pay, vide Finance Division (Regulation Wing) O.M. dated 21-07-1981. Similarly, Regularization Committee of Finance Division also agreed on HRA @55% of basic pay, vide their O.M. dated 13-01-2006. In 2012, in compliance of Finance Division's O.M dated.04-07-2011, PITAC allowed HRA @55% at frozen level of its admissibility as on 30-06-2011. Later on, in compliance of the orders of Lahore High Court, Lahore in Writ Petition No. 17092/2012, PITAC's employees continued receiving HRA of 55% of their basic pay. Finance Division, vide O.M. dated 25-06-2018 reiterated its concurrence for grant of House Rent Allowance @ 55% of the basic pay to employees of PITAC.
2. He further informed that on the instructions of CF&AO, MoIP dated 16-05-2023 and in compliance of para-8 of Finance Division's O.M dated 01-01-2022 regarding admissibility of allowances at the percentage of pay including HRA at the level of its admissibility as on 30-06-2022, the payment made in excess on account of HRA was recovered from all PITAC employees, vide O.M dated 06-06-2023. After stoppage of HRA @ 55% and recoveries of the excess amount, PITAC employee's Union filed Writ Petition # 45452/2023 in Lahore High Court, Lahore. The honorable court suspended the impugned order dated 06-06-2023 and PITAC paid the excess amount recovered to avoid court contempt. The case is still subjudice in the court of Law.
3. Governing Body was requested to approve to submit a comprehensive case to the Finance Division through MoIP to seek fresh concurrence to allow House Rent Allowance @ 55% for employees of PITAC in the light of Finance Division's earlier concurrence as conveyed vide its O.M. # 4(2)/R.4/2005-PITAC dated:25-06-2018 in compliance of Lahore High Court's order dated:28-06-2012.

Decision:

After detailed deliberations, the Governing Body delegated powers to the Director General to resolve the matter of House Rent Allowance strictly under the law in consultation with MoI&P and take up the matter with the Finance Division, if required.

ITEM No.4. TO APPRISE THE GOVERNING BODY REGARDING ENCASHMENT OF THE INVESTED PENSION FUND AND SEEK DIRECTION FOR ITS UTILIZATION.

1. PITAC adopted Pension Scheme w.e.f. 1st July 1982, approved by the Government of Pakistan as notified, vide Gazette Notification # 12(27)/81-Admn.IV, dated:13-07-1983, The Pension Fund was created. However, Ministry stopped grant of funds as suggested in above referred letter. Over the years, the amount transferred to this fund was invested in various financial institutions. PITAC is now receiving actual pensionary benefits for its retired employees from the Government of Pakistan through grant-in-aid.
2. The pension funds amount was invested in the shape of saving certificates in National Savings Centre (NSC). However, the NSC directed PITAC to en-cash the deposited certificates as the Government has banned the investment of organizational funds. Accordingly, the investment in the National Savings Centre was en-cashed and deposited in the Pension Account maintained with the National Bank of Pakistan, PCSIR Branch, Lahore. The amount so received is Rs.11.174 Million.

3. For utilization of this amount, PITAC management submitted the following two proposals for decision of the GB:-

➤ **Option # 1.**

"Since the FY 2022-2023, PITAC had a shortfall in ERB (Pension Funds) and the balance commutation is still outstanding to the extent of pending liabilities which can be made out of this amount.

➤ **Option # 2.**

The en-cashed amount can be re-invested in any commercial bank. However, for this investment, the commercial banks demand an authorization letter from the Ministry of Finance which PITAC will have to produce. In this case, the Governing Body may recommend the Ministry of Finance to issue an authorization letter.

Decisions:

After detailed deliberations/discussions, the following was unanomously approved that;

- i. The Director General PITAC may decide the matter of pension fund as per the instructions of Finance Divison.
- ii. The details of investment for the last five years and profit earned shall be shared with the Chairman GB.

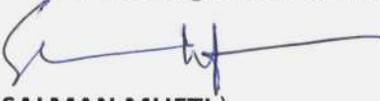
ITEM No.5. ANY OTHER ITEM WITH PERMISSION OF THE CHAIRMAN.

1. Sheikh Mehboob Ashraf, Director (I&C), Quetta and Director (I&C) GB, pointed out that the 73rd meeting of GB was convened online on a few hour's notice and decisions were made in haste ignoring the rules & regulations and factual position. They requested that their reservations and dissenting note may be discussed as a regular agenda item in the next meeting to review the decisions in line with the factual position and the prescribed procedure/rules and regulations of the Centre to avoid any legal complications.

Decisions:

The matter shall be discussed in the next regular meeting of the GB as a separate agenda item.

The meeting ended with a vote of thanks.



(SALMAN MUFTI)

Director General PITAC
Member/Secretary GB



(MUHAMMAD ASAD ISLAM MAHNI)
Chairman,
PITAC Governing Body