

## **BHUTAN POSTAL CORPORATION LIMITED**

### **161<sup>st</sup> CORPORATE MANAGEMENT COMMITTEE MEETING**

**Date** : 2<sup>nd</sup> June 2022  
**Time** : 10:00 AM  
**Venue** : Conference Hall, Head Office, Thimphu

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Members present:

1. Mr. Karma Nidup, Chief Executive Officer and Chair
2. Mr. Jigme Tenzin, Head, Operations Department
3. Mr. Tshewang Rinzin, Head, AFD
4. Ms. Rinchen Zangmo, Head, Finance Division
5. Ms. Tshering Wangmo, Assistant Manager, Corporate Office

#### **Opening remarks by the Committee Chair (including quorum fulfillment)**

The Chair formally opened the meeting and informed that going forward Ms. Tshering Wangmo, Asst Manager, Corporate will be member of CMC in place of late Ms. Tshering Chhokie. The chair emphasized on modifying the PSWF to support the Company's staff in situations like death and sickness.

#### **161.0 Adoption of Agenda**

The meeting endorsed the agenda as circulated with one additional agenda 1. **Ms. Tshering Wangmo as new member of CMC.**

#### **161.1 Declaration of Conflict of Interest**

The members signed the conflict-of-interest forms as none had any conflict of interest on the agenda as presented

#### **161.2 Confirmation of the Minutes of the 160th CMC meeting**

The Head, Finance Division informed the meeting and in particular to the minute taker that in 160<sup>th</sup> CMC, the minute taker has mentioned Finance and AFD under PSWF, which in actual it should be treasurer and member secretary. She further added that the meeting actually decided that the PSWF meeting to be held next month instead of every month.

The meeting ratified the 160 CMC and instructed the corporate to use the terms as informed by the Head of Finance and also decided that the PSWF committee meeting will be held half yearly.

### **161.3.1 Research Information- Gedu College**

The Chair informed the meeting that the company received a letter from the college to provide the data/information for their research purpose. The members of the meeting had a reservation on providing the detailed data/information, since there is a chance that the data provided to them might be misused. The Meeting further deliberated what? which? and how the data should be provided?

#### **Outcome/Decision**

The meeting agreed with the submission made above and decided that not more than the data/information which are incorporated in the Annual Report and which are in public domain will be shared.

#### **Responsible Person/Division**

AFD

#### **Timeline**

Immediately

### **161.3.2 Waive-Off of the Non-recovery of amount on Pay fixation-2014**

#### **Discussion**

Ms. Tshering Wangmo briefed the meeting on the non-recovery of the salary, which AFD submitted the above agenda to the CMC meeting to Waive-off the Non-recovery of the amount/salary of the resigned employee in pay fixation done in the year 2014. The total amount of Nu.222,308/-(two lakh twenty two thousand three hundred eight) only could not recover from the resigned employee of the Bhutan Post and the total amount of Nu.111,584/-(one lakh eleven thousand five hundred eighty four)only from resigned staff of city Bus(CBS).

Head, AFD informed the meeting that the RAA memo on the above is partially resolved, however they have submitted to CMC meeting to waive off, so that the memo can be resolved fully/completely.

#### **Decision/outcome**

The Chair informed that as per SRR (service rule of the company) under the delegation power, CEO has a full authority to waive off, however, there is a RAA memo on the above mentioned agenda, the meeting instructed as follows:

- AFD and IAU to discuss with RAA.

**Commented [TW1]:** Edited by Head, Finance division

- The meeting instructed AFD to follow-up once again with the ex-employee and to appoint/direct a relevant staff to closely follow up with the ex-employee of CBS and Bhutan Post.
- The meeting also instructed AFD to provide full documentation to IAU to follow up with RAA

**Responsible Person/Division**

AFD & IAU

**Timeline**

Immediately

**161.3.3 Request made by the tenant (Bhutan Post canteen & Excellent live painting) from HQ building to waive off the rent.**

**Discussion**

The Chair informed the meeting that once the tenant applies for rent waiver, the tenant refuses to pay the rent at all. He cited the example of the Phuntsholing building case. Where some of the tenants refused to pay the rent on the basis that they have appealed for rent waiver off to the company.

The committee discussed whether the management is comfortable to accept their proposal or not, so that we can appraise the Board for waiver. Since financial performance of the 1st quarter is not good compared to the previous year and considering the pandemic, where we have seen that during the lockdown their shop has been closed, the committee discussed spreading their rental during lockdown to settle within the financial year.

**Decision/Outcome**

The meeting instructed as follows:

- AFD shall recruit a VTI person to manage the real estate and he will be posted at Phuntsholing regional office. The notice should be served to the tenant if he/she fails to pay on time
- The meeting instructed AFD to write a precautionary note immediately to the tenant, whether the appeal made by them will be granted by the Board and if not the penalty will be posed for late rental payment.

The meeting decided not to entertain the appeal on rent waiver, since Bhutan Post is financially not strong as the revenue source is limited. The meeting instructed the AFD to adjust the rent of the canteen from the security deposit and ask him to deposit if the security deposit is insufficient.

For Excellent live painting, the AFD was asked to inform the owner that he can pay the rent accumulated during lockdown within the financial year without penalty.

**Responsible Person/Division**

AFD

**Timeline**

Immediately

**161.4 Audited Final Account for the year 2021**

**Discussion**

The Head, Finance Division presented the final Audited accounts for the year 2021 to the meeting. The net revenue for the year 2021 is Nu. **291.083 M** and the total expenditure is Nu.**220.335 M**, where the loss before income tax is **1.252m**. she also added that the cash and bank balance at the beginning of the year was Nu.**83.912 M** and the Cash and bank balance at the end of the year was Nu.**85.811 M**.

The meeting instructed to present Administration and Operations cost under Admin and other cost separately to the Board for better understanding.

**Decision/income**

The Chair commends the Head, Finance for presenting the detailed audited account for the year 2021 with that the meeting endorsed the final audited accounts presented by Finance.

The meeting instructed the corporate office to add a note while submitting the documents to MoF that once the documents are submitted, the company will not submit again.

The meeting endorsed that from next year we will present Administration Expenses and Operations Expenses separately by consulting Statutory Auditors.

**Responsible Person/Division**

Finance Division

**Timeline**

Immediately

**161.5 Financial statement of the 1<sup>st</sup> Quarter 2022**

**Discussion**

The Head, Finance Division presented the 1<sup>st</sup> Quarter 2022 in detail, where the Chair informed that January and February was badly affected by the pandemic.

The Finance Head presented the comparison on the income and expenditure for the year 2022 and the year 2021.

**Decision/Income**

The meeting endorsed the submission made by the Finance on the financial report for 1<sup>st</sup> Quarter 2022.

**Responsible Person/Division**

Finance Division

**Timeline**

Immediately

161.6.1 Direct Fund transfer without issuing the Cheque

**Discussion**

The Head Finance proposed to the management via CMC meeting for the permission to transfer the Fund to the parties directly to their account without having to issue a cheque to the parties.

**Decision/outcome**

The meeting endorsed the proposal as submitted by the Head, Finance division with the Instruction that Finance Division to keep check and balance and also to transfer the fund only to the party's name and not to other accounts.

The meeting also instructed ICT to include the SMS system in Direct Fund Transfer.

**Responsible Division**

Finance Division & ICT Division

**161.7.1 Update on PSWF for the month of January, February, March and April**

**Discussion**

Head, Finance presented the PSWF for the months of January, February, March and April 2022.

**Decision/outcome**

The meeting Instructed the PSWF meeting will be held twice in a year without fail. The member secretary needs to conduct and organize the meeting twice a year without fail hence as decided by the CMC.

Commented [TW2]: Edited by Head, AFD

**Responsible person/Division**

Member secretary of PSWF

## **Timeline**

Twice a year.

### **161.8 Action Taken Report/ Follow up on the past CMC decisions**

#### **Decision/Outcome**

The meeting instructed as follows:

- AFD to form a multi-disciplinary team consisting of all the divisions, where AFD will lead and coordinate the cost benefit analysis on managing by company will be better or our sourcing will be better?
- The management will present to the Board for guidance and opinion once the analysis is done.
- OD to share the RFP documents for Gelephu Building with the Regional Head of Central Region so that the Region can get in touch with the prospective customers and confirm the interior structure with the Organization intending to lease the Hotel, Offices and Shopping spaces before commencement of the partition works by the contractor.
- Research team will consist of 1. Mr. Tashi Phuntscho(IAU)  
2. Ms.Ugyen Tshomo(BDMD)  
3. Mr. Tshewang Rinzin(AFD)  
4. Mr/Ms.....(Finance Division), whereas Ms. Sarmila

and Legal will be kept in loop.

### **161.9 Any Other Matters**

161.9.1 Ms. Tshering Wangmo to be appointed as member of CMC

#### **Discussion**

The Chair informed the meeting that Since Late Madam Tshering Chhokie is a member of CMC and due to her demise, Ms. Tshering Wangmo, who will currently take corporate work will be appointed as member of CMC.

#### **Decision/outcome**

The meeting endorsed as submitted above