

# MULTAN ELECTRIC POWER COMPANY

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Office of  
The Company Secretary

No. 37021-46 Company Secy

Dated: 04-11-2019

1. Mr. Akhlaq Ahmad Syed  
House No.162, Street No. 73,  
G-9/3, Islamabad.
2. Engr: Tahir Mahmood  
Chief Executive Officer,  
MEPCO Multan.
3. Mr. Khalid Masood Khan,  
10-Green Lane, Zakaria Town  
Bosan Road, Multan.
4. Mr. Saadullah Khan  
House No.49/1, Street No.1, Phase-2 DHA  
Lahore-54792.
5. Mr. Shaheryar Chishty,  
CEO, Asia Pak Investments,  
Daewoo Pakistan Building, Kalma Chowk  
231-Feroze Pur Road Lahore.
6. Sheikh Fazal Elahi  
President, Multan Chamber of Commerce & Industry  
Shahrah-e-Aiwan-e-Tijarat-o-Sanat,  
Near Kalma Chowk, Multan
7. Mr. Shafiq Ahmad Malik  
Addl. Commissioner (Consolidation)  
Multan.
8. Mr. Zaffar Abbas  
Joint Secretary (Transmission),  
Room No. 235 Ministry of Water & Power,  
Islamabad.
9. Muhammad Anwer Sheikh,  
Joint Secretary (CF-II), Govt of Pakistan  
Finance Division Islamabad.

Sub:-**MINUTES OF 151<sup>st</sup> BOD MEETING HELD ON 26-10-2019.**

Enclosed please find herewith Minutes of 151<sup>st</sup> BOD Meeting held on 26-10-2019, (Saturday) at 11:00 am in NTDC Committee Room, 118-WAPDA House Lahore, for information and necessary action please.

DA/as above

  
COMPANY SECRETARY MEPCO

Copy to:-

1. Finance Director, MEPCO Ltd Multan.
2. HR/Admn: Director MEPCO Ltd Multan.
3. General Manager (Tech) MEPCO Ltd Multan.
4. General Manager (Op) Distn: MEPCO HQ Multan.
5. Chief Engineer/CS Director MEPCO Ltd Multan.
6. Chief Engineer (T&G) MEPCO Ltd Multan.
7. Chief Engineer (Development) HQ Multan.
8. Chief Engineer (Planning) HQ Multan.
9. Chief Engineer (O&M) HQ Multan.
10. DG (IS) MEPCO HQ Multan.
11. Project Director Construction MEPCO HQ Multan.
12. Manager (Security) / Transport MEPCO Multan.
13. Manager Internal Audit, MEPCO HQ Multan.
14. Manager (L&L) MEPCO HQ, Multan.
15. Manager (MM) MEPCO HQ Multan.
16. Manager (Civil) MEPCO HQ Multan.
17. Addl: Manager (Public Relations) MEPCO HQ Multan.

} For information & necessary action.

**MULTAN ELECTRIC POWER COMPANY**  
**MINUTES OF 151<sup>ST</sup> BOD MEETING, HELD ON 26.10.2019 (SATURDAY) AT 11:00 AM IN**  
**NTDC COMMITTEE ROOM, 118-WAPDA HOUSE LAHORE.**

|                           |                               |
|---------------------------|-------------------------------|
| 1. Mr. Akhlaq Ahmad Syed  | Chairman                      |
| 2. Engr. Tahir Mahmood    | Director/CEO                  |
| 3. Mr. Khalid Masood Khan | Director                      |
| 4. Mr. Zafar Abbas        | Director                      |
| 5. Mr. Saadullah Khan     | Director                      |
| 6. Muhammad Anwar Shaikh  | Director (Through Video Link) |
| 7. Mr. Sajid Yaqoob       | Company Secretary.            |

**Following MEPCO officers attended the Meeting on call.**

|                                   |                               |
|-----------------------------------|-------------------------------|
| 1. Mian Ansar Mahmood.            | Finance Director              |
| 2. Mr. Waqas Masood Amjad Chughai | DG (HR & Admin)               |
| 3. Mr. Abdul Aziz Khan Niazi      | G.M. (Technical)              |
| 4. Mr. Iqbal Khan Joiya           | Chief Engineer (P&E)          |
| 5. Mr. Abdul Sattar               | Director (Procurement) Distn. |
| 6. Rana Muhammad Aub              | Chief Engineer(Dev)PMU        |
| 7. Muhammad Abid Buzdar           | Dy: Manager (Dev)PMU          |

Meeting started under the Chairmanship of Mr. Akhlaq Ahmad Syed. Chairman noted the quorum and declared the meeting to be in order. Proceedings commenced with recitation of Verses from the Holy Quran by Mr. Akhlaq Ahmad Syed.

The Members and key management personnel declared that they are not directly or indirectly, concerned/interested in any contract or arrangement being considered in this Board meeting.

*Following agenda items were presented to the Board, the resultant discussions and decisions of the BOD are narrated as under:-*

**AGENDA ITEM NO. 1**

**Leave of absence of Honorable Members of BOD Meeting.**

The Chairman of the Board accorded approval for the leave of absence of the Board members namely Mr. Shaheryar Arshad Chishty, Mr. Shafique Ahmad Malik & Shaikh Fazal Elahi.

**AGENDA ITEM NO. 2**

**To consider and confirm the minutes of the 150<sup>th</sup> BOD Meeting held on 05.10.2019.**

Company Secretary apprised that the Minutes of 150<sup>th</sup> BOD Meeting held on 05.10.2019 dully endorsed by the Chairman BOD were circulated among all Board Members.

The Company Secretary apprised the members that some typing mistakes have been corrected in the minutes of Agenda Item No. 10 (i & ii). The Members were informed about the mistakes one by one. The Board desired that corrigendum may be issued with revised minutes of Agenda Item No. 10 (i & ii). The Members unanimously agreed to resolve to approve amendments in the minutes of Agenda Item No. 10 (i & ii). The Chairman BOD invited the attention of all Members for offering any reservation(s) / comments(s) regarding approval of the minutes.

**Resolution**

**151-BOD-R1** With amendments in minutes of Agenda Item No. 10 (i & ii) and there being no objection from the house, **RESOLVED** that the Minutes of 150<sup>th</sup> BOD Meeting held on 05.10.2019 be and is hereby confirmed as true record of the proceedings of the meeting.

### **AGENDA ITEM NO.3**

#### **Approval for matters relating to Procurement Committee.**

##### **i. Approval for procurement of 2000 Km ACSR Rabbit Conductor (T/No. 02/20 dt: 26.08.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 20<sup>th</sup> Procurement Committee meeting held on 22.10.2019. He apprised that tender was floated to purchase the quantity of 2000 km ACSR Rabbit conductor as per approval of competent authority and opened on 26.08.19. Five (05) firms purchased the tender documents whereas Four (04) firms participated in the tender opening process and quoted their rates on FCS basis without GST.

As per report of Bid Evaluation Committee convened by Chief Engineer (P&E), it is confirmed that Technical and Commercial evaluation of the bid submitted for the said procurement has been carried out correctly and on the basis of true facts of bid submitted by the bidder.

The Bid Evaluation Committee recommended that "M/s Eagle has been evaluated as lowest responsive bidder by quoting the rate of Rs. 66800/- per km for the full tendered quantity i.e. 2000 km ACSR Rabbit Conductor against tender No. 02/20 dated 26.08.2019."

General Manager (Technical) confirmed that all codal formalities, pertaining to the aforesaid procurement as envisaged in the PPRA Rules and other applicable SOPs/Rules were duly complied with and all information disclosed in the working paper being presented before the Procurement Committee is fairly stated. He further stated that no discrepancy has been pointed out by the Bid Evaluation Committee and no grievances have been received from any bidder.

Continuing with his briefing, he stated the total cost for the procurement of 2000 km ACSR Rabbit conductor would be amounting to Rs. 133.6 million (excluding GST) from M/s Eagle Cables. CEO also accorded approval for putting up agenda item in BOD.

The Committee noted that more than one month has been consumed for finalization of the tender for its opening date to submission date in Company Secretary Office. The Committee emphasized that the management should complete its all process within one month from tender opening date.


During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the Company. He informed the Committee that there is pendency of new connections and deposit works for which ACSR Rabbit Conductor is required. Further, he stated that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement.

Based on management's assertions as stated above, the Committee agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also considered the stock balance position as only 10 km is presently available in stock. The Board was informed that Procurement Committee has recommended the case for Board's approval. After due deliberation, the Board directed / resolved as follows.

#### **Resolution**

**151-BOD-R2 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 2000 km ACSR Rabbit conductor from M/s Eagle Cables @ Rs.66800/- per km is hereby accorded. The total cost for procurement of proposed item would be amounting to Rs. 133.6 million (excluding GST) against Tender No. 02/20 opened on 26.08.2019.

The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case. 

- b) Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- d) The subjected procurement is as per Financial Budget and procurement plan approved by the Board.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) That there is no conflict of interest of any member/Officer of the MEPCO.
- g) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the Consequences.

### **Direction**

**151-BOD-D1 Directed** the GM (Technical) and CE (Development) to present procurement cases to the respective Committee of the Board within one month from its tender opening date. Board further directed that bids opened must be sent to the tender evaluation committee without any delay in 2-3 working days at the most.

#### **ii. Approval for procurement of 2000 Km AAC Ant Conductor (T/No. 08/20 dt: 29.08.2019).**


The Board was apprised that the agenda was presented by General Manager (Technical) in 20<sup>th</sup> Procurement Committee meeting held on 22.10.2019. He apprised that tender was floated to purchase the quantity of 2000 km AAC Ant Conductor as per approval of competent authority and opened on 29.08.2019. Six (06) firms purchased the tender documents whereas Five (05) firms participated in the tender opening process and quoted their rates on FCS basis without GST.

As per report of Bid Evaluation Committee convened by Chief Engineer (P&E), it is confirmed that Technical and Commercial evaluation of the bid submitted for the said procurement has been carried out correctly and on the basis of true facts of bid submitted by the bidder.

The Bid Evaluation Committee recommended that "M/s Eagle has been evaluated as lowest responsive bidder by quoting the rate of Rs. 52300/- per km for the full tendered quantity i.e. 2000 km AAC ANT Conductor against tender No. 08/20 dated 29.08.2019."

General Manager (Technical) confirmed that all codal formalities, pertaining to the aforesaid procurement as envisaged in the PPRA Rules and other applicable SOPs/Rules were duly complied with and all information disclosed in the working paper being presented before the Procurement Committee is fairly stated. He further stated that no discrepancy has been pointed out by the Bid Evaluation Committee and no grievances have been received from any bidder.

Continuing with his briefing, he stated the total cost for the procurement of 2000 km AAC Ant Conductor would be amounting to Rs. 104.6 million (excluding GST) from M/s Eagle Cables. CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the Company. He informed the Committee that there is pendency of new connections and deposit works for which AAC Ant Conductor is required. Further, he stated that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement. Based on management's assertions as stated above, the Committee agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also considered the stock balance position as only 525 km is presently available in stock whereas monthly consumption is 413 km. 

The Board was informed that Procurement Committee has recommended the case for Board's approval. The Board considered the case in detail and after due deliberation resolved as follows:-

**Resolution**

**151-BOD-R3 RESOLVED** that considering the request of General Manager (Technical), recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 2000 km AAC Ant Conductor from M/s Eagle Cables @ Rs.52300/- per km is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 104.6 million (excluding GST) against Tender No. 08/20 opened on 29.08.2019.

The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- d) All legal and coddle formalities have been complied with.
- e) Budget certification has been obtained from Finance Director MEPCO.
- f) That there is no conflict of interest of any member/Officer of the MEPCO, and
- g) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**iii. Approval for procurement of 2000 Km PVC 2/Core 10mm<sup>2</sup> SID Cable (T/No. 09/20 dt: 29.08.2019).**


The Board was apprised that the agenda was presented by General Manager (Technical) in 20<sup>th</sup> Procurement Committee meeting held on 22.10.2019. He apprised that tender was floated to purchase the quantity of 2000 km PVC 10mm<sup>2</sup> 2/Core as per approval of competent authority and opened on 29.08.2019. Four (04) firms purchased the tender documents whereas Three (03) firms participated in the tender opening process and quoted their rates on FCS basis without GST.

As per report of Bid Evaluation Committee convened by Chief Engineer (T&G), it is confirmed that Technical and Commercial evaluation of the bid submitted for the said procurement has been carried out correctly and on the basis of true facts of bid submitted by the bidder.

The Bid Evaluation Committee recommended that "Based on the detailed evaluation in the report, it is recommended that consideration may be given to place contract award/ purchase order upon the lowest responsive evaluated bidder i.e. M/s Madni Cables Pvt Ltd at price PKR 48587 per km without GST."

General Manager (Technical) confirmed that all codal formalities, pertaining to the aforesaid procurement as envisaged in the PPRA Rules and other applicable SOPs/Rules were duly complied with and all information disclosed in the working paper being presented before the Procurement Committee is fairly stated. He further stated that no discrepancy has been pointed out by the Bid Evaluation Committee and no grievances have been received from any bidder.

Continuing with his briefing, he stated that the total cost for the procurement of 2000 km PVC 10mm<sup>2</sup> 2/Core would be amounting to Rs. 97.174.million (excluding GST) from M/s Madni Cables. CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the Company. He informed the Committee that there is pendency of new connections for which subjected procurement is required. Further, he stated that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement. 

Based on management's assertions as stated above, the Committee agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also considered the stock balance position as only 170 km is presently available in stock whereas monthly consumption is 451 km.

The Board was informed that Procurement Committee has recommended the case for Board's approval. The Board considered the case in detail and after due deliberation directed / resolved as follows:-

### **Resolution**

**151-BOD-R4 RESOLVED** that considering the request of General Manager (Technical), recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 2000 km PVC 10mm<sup>2</sup> 2/3 Core from M/s Madni Cables @ Rs.48587/- per km is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 97.174 million (excluding GST) against Tender No. 09/20 opened on 29.08.2019.

The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- d) All legal and coddle formalities have been complied with.
- e) Budget certification has been obtained from Finance Director MEPCO.
- f) That there is no conflict of interest of any member/Officer of the MEPCO, and
- g) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

iv. **Approval for procurement of 100000 No. 11 KV Disc Insulators (T/No. 14/20 dt: 30.08.2019).** The Board was apprised that the agenda was presented by General Manager (Technical) in 20<sup>th</sup> Procurement Committee meeting held on 22.10.2019. He apprised that tender was floated to purchase the quantity of 100000 No. 11 kv Disc Insulators as per approval of competent authority and opened on 30.08.2019. One (01) firm purchased the tender documents & participated in the tender opening process and quoted their rates on FCS basis without GST.

As per report of Bid Evaluation Committee convened by Chief Engineer (T&G), it is confirmed that Technical and Commercial evaluation of the bid submitted for the said procurement has been carried out correctly and on the basis of true facts of bid submitted by the bidder.

The Bid Evaluation Committee recommended that "Based on the detailed evaluation in the report, it is recommended that consideration may be given to place contract award/ purchase order upon the lowest responsive evaluated bidder i.e. M/s Emco Industries Ltd. at price PKR 1488/- per unit without GST."

General Manager (Technical) confirmed that all codal formalities, pertaining to the aforesaid procurement as envisaged in the PPRA Rules and other applicable SOPs/Rules were duly complied with and all information disclosed in the working paper being presented before the Procurement Committee is fairly stated. He further stated that no discrepancy has been pointed out by the Bid Evaluation Committee and no grievances have been received from any bidder.

Continuing with his briefing, he stated that the total cost for the procurement of 100000 No. 11 kv Disc Insulators would be amounting to Rs.148.80 million (excluding GST) from M/s Emco Industries. CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the

Company. He informed the Committee that there is pendency of new connections and deposit works for which 11 kv Disc Insulators is required. Further, he stated that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement. Based on management's assertions as stated above, the Committee agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also considered the stock balance position as 18500 units are presently available in stock whereas monthly consumption is 7541 units.

The Board was informed that Procurement Committee has recommended the case for Board's approval. The Board considered the case in detail and after due deliberation directed / resolved as follows:-

**Resolution**

**151-BOD-R5 RESOLVED** that considering the request of General Manager (Technical), recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 100000 No. 11 kv Disc Insulators from M/s Emco Industries @ Rs.1488/- per unit is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 148.8 million (excluding GST) against Tender No. 14/20 opened on 30.08.2019.

The resolution is based on the following confirmations by the management of MEPCO.


- a) The working paper represents true facts of subjected case.
- b) Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- d) All legal and coddle formalities have been complied with.
- e) Budget certification has been obtained from Finance Director MEPCO.
- f) That there is no conflict of interest of any member/Officer of the MEPCO, and
- g) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**v. Approval for procurement of 750 No. 100 KVA Distribution Transformers (T/No. 05/20 dt: 28.08.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 20<sup>th</sup> Procurement Committee meeting held on 22.10.2019. He apprised that tender was floated to purchase the quantity of 750 No. 100 kVA Distribution Transformers with the approval of competent authority and opened on 28.08.2019. Nine (09) firms purchased the tender documents whereas Two (02) firms participated in the tender opening process and quoted their rates on FCS basis without GST.

As per report of Bid Evaluation Committee convened by Chief Engineer (O&M) distribution, it is confirmed that Technical and Commercial evaluation of the bid submitted for the said procurement has been carried out correctly and on the basis of true facts of bid submitted by the bidder.

The Bid Evaluation Committee recommended that "Based on the detailed evaluation in the report, it is recommended that consideration may be given to place contract award/ purchase order upon the lowest responsive evaluated bidder i.e. M/s Skypower Pvt Ltd. at price PKR 258200/- per unit without GST."

General Manager (Technical) confirmed that all codal formalities, pertaining to the aforesaid procurement as envisaged in the PPRA Rules and other applicable SOPs/Rules were duly complied with and all information disclosed in the working paper being presented before the Procurement Committee is fairly stated. He further stated that no discrepancy has been pointed out by the Bid Evaluation Committee and no grievances have been received from any bidder. 

Continuing with his briefing, he stated that the total cost for the procurement of 750 No. 100 kVA Transformers would be amounting to Rs. 193.65 million (excluding GST) from M/s Sky Power. CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the Company. Further, he stated that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement.

Based on management's assertions as stated above, the Committee agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also considered the stock balance position as only 280 Nos are presently available in stock whereas monthly consumption is 168 No.

The Board was informed that Procurement Committee has recommended the case for Board's approval. The Board considered the case in detail and after due deliberation resolved as follows.

### **Resolution**

**151-BOD-R6 RESOLVED** that considering the request of General Manager (Technical), recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 750 No. 100 KVA Transformers from M/s Sky Power @ Rs. 258200/- per unit is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 193.65 million (excluding GST) against Tender No. 05/20 opened on 28.08.2019.

The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- d) All legal and coddle formalities have been complied with.
- e) Budget certification has been obtained from Finance Director MEPCO.
- f) That there is no conflict of interest of any member/Officer of the MEPCO, and
- g) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**vi. Approval for procurement of 100000 No. L.T Spool Insulators (T/No. 12/20 dt: 30.08.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 20<sup>th</sup> Procurement Committee meeting held on 22.10.2019. He apprised that tender was floated to purchase the quantity of 100000 No. L.T Spool Insulators as per approval of competent authority and opened on 30.08.2019. One (01) firm purchased the tender documents & participated in the tender opening process and quoted their rates on FCS basis without GST.

As per report of Bid Evaluation Committee convened by Chief Engineer (P&E), it is confirmed that Technical and Commercial evaluation of the bid submitted for the said procurement has been carried out correctly and on the basis of true facts of bid submitted by the bidder.

The Bid Evaluation Committee recommended that "Based on the detailed evaluation in the report, it is recommended that consideration may be given to place contract award/ purchase order upon the lowest responsive evaluated bidder i.e. M/s Emco Industries Ltd. at price PKR 152/- per unit without GST."

General Manager (Technical) confirmed that all codal formalities, pertaining to the aforesaid procurement as envisaged in the PPRA Rules and other applicable SOPs/Rules were duly complied with and all information disclosed in the working paper being presented before the Procurement Committee is



fairly stated. He further stated that no discrepancy has been pointed out by the Bid Evaluation Committee and no grievances have been received from any bidder.

Continuing with his briefing, he stated that the total cost for the procurement of 100000 No. L.T Spool Insulators would be amounting to Rs. 15.2 million (excluding GST) from M/s Emco Industries. CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the GM (Technical) emphasized that the subjected procurement is very beneficial, critical to the operations of the Company and any delay will cause significant loss to the Company. He informed the Committee that there is pendency of new connections and deposit works for which subjected procurement is required. Further, he stated that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement. Based on management's assertions as stated above, the Committee agreed for proposed procurement. The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also considered the stock balance position as only 58900 units are presently available in stock whereas monthly consumption is 17417 units.

The Board was informed that Procurement Committee has recommended the case for Board's approval. The Board considered the case in detail and after due deliberation resolved as follows.

#### **Resolution**

**151-BOD-R7 RESOLVED** that considering the request of General Manager (Technical), recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 100000 No. L.T Spool Insulators from M/s Emco Industries @ Rs.152/- per unit is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 15.2 million (excluding GST) against Tender No. 12/20 opened on 30.08.2019.

The resolution is based on the following confirmations by the management of MEPCO.


- a) The working paper represents true facts of subjected case.
- b) Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- d) All legal and coddle formalities have been complied with.
- e) Budget certification has been obtained from Finance Director MEPCO.
- f) That there is no conflict of interest of any member/Officer of the MEPCO, and
- g) Any misstatement of the facts and figures in the working paper would make MEPCO Management liable for the consequences.

vii. **Approval for procurement of 25000 No. 3/Phase AMR Energy Meters (T/No. 205 dt: 03.07.2019).**

#### **Resolution**

**151-BOD-R8 RESOLVED** that the case is deferred to next meeting.

viii. **Approval for procurement of 132/11.5 KV, 31.5/40MVA Power Transformers Financed under MEPCO's own Resources against Tender No. PMU-MEPCO-193-2019 opened on 12.04.2019.**

The agenda was presented by CE (Dev). He apprised the Board that Agenda item was presented to MEPCO BOD in its 147<sup>th</sup> BOD meeting held on 01.07.2019 and also in its 148<sup>th</sup> BOD meeting held on 18.07.2019. The matter was discussed in length and BOD directed the management to provide the following for final decision. 

1. Present a comprehensive report to the Board of all actions taken by management in accordance with the MEPCO mechanism to arrive at a conclusion whether a firm should or should not be black listed once MEPCO observes any of its supplier is blacklisted in Pakistan by a third party, any DISCO along with clear cut recommendations after considering the requirements for debarment / black listing of any firm.
2. Circulate MEPCO Vendors registration and blacklisting mechanism to all board members.
3. Present a certificate that there is no provision in MEPCO debarment / black listing procedure that if any firm is debarred by any international donor agency, then it's also obligation for MEPCO to debar the same firm.
4. Present the reply PPRA in response to MEPCO letter No. 8202-10 dated 16.05.2019

In compliance of BOD directions, following were the submissions from CE.

1. It is submitted that as per MECPO debarment procedure causes of black listing of any firm are as under: -
  - a. Submission of false and spurious documents, making false statements and allegations to gain undue advantage.
  - b. Commission of fraud.
  - c. Commission of embezzlement, criminal breach of trust, theft, cheating, forgery, bribery, falsification or destruction of records, receiving stolen property, false use of trademark, securing fraudulent registration, giving false evidence, furnishing of false information of serious nature.
2. This office in compliance of direction of Procurement Committee of MEPCO BOD sought legal opinion from Rajwana & Rajwana Advocates regarding award of contract to M/s PEL, Lahore in light of debarment of M/s PEL Lahore by World Bank and NTDC as well. The conclusion of legal opinion is as under: -
  - I. There is no role of World Bank in the procurement procedure against subjected tender. Moreover, the entire procurement procedure is reliant upon the MEPCO's own resources without seeking any financial assistance or borrowing from the world bank therefore MEPCO can not oust the bidder unless it is black listed by MEPCO itself in any of the previous project and as per MEPCO debarment procedure.
  - II. NTDC has black listed the firm as per Chapter-2 of NTDC SOP for black listing stating firms black listed by donor agencies against any project / contract of NTDC will be black listed after receipt of confirmation from the donor agencies without any further proceedings. The procurement of STG material against subjected tender is the independent project of MEPCO having no financial implication or contribution by the NTDC. Accordingly the said debarment of M/s PEL, Lahore by NTDC has no direct nexus on the subject procurement.

In the light of above stated facts, if an international donor agency debar a particular firm, MEPCO is not under obligation to debar that firm to participate in the tendering process under MEPCO's own resources funding projects and NTDC has debarred the firm as per SOP of NTDC debarment procedure. As there is no provision in MEPCO debarment procedure and at present no debarment of M/s PEL, Lahore is under process in MEPCO it is recommended that there is no any barrier to award the contract to M/s PEL, Lahore against subjected tender under MEPCO's own resources funding even if the firm has been debarred by World Bank and NTDC.
3. Attested copy of MEPCO debarment procedure was provided to the Board.
4. The CE (Dev) certified that no any provision in MEPCO debarment procedure, if any international donor agency debar any firm than MEPCO is also under obligation to debar the same firm without any further proceeding. W

5. The reply of PPRA against MEPCO letter No. 8208-10 dated 16.05.2019 is reproduced as under:-

*It is apprised that based on the documents provided, the subject matter is under evaluation at this authority. The Authority after evaluation may furnish its regulatory position or any other general instructions on the basis of experience feedback as well as national / international best practices. Keeping in view the above, earlier letter No. 11(83)/M&E/PPRA/ 2019/22 issued by this Authority should not have any adverse effect on the Pak Elektron Ltd., for participating in any tendering process. Moreover, till regulatory position furnished or general instructions are issued by this authority, MEPCO may not cancel the subject tender due to the subject matter.*

Matter was again discussed in Next BOD meeting and Board instructed that case will be decided after recommendation of legal opinion sought by GEPCO. Copy of legal opinion by ORR Dignam & Co., Advocates is enclosed. The recommendations are as under:-

*Notwithstanding the above, under Section -5 of the PPRA Ordinance "the authority may take such measures and exercise such powers as may be necessary for improving governance, management, transparency, accountability and quality of public procurement of goods, services and works in the public sector." In the present case, PPRA has invoked this power to issue the General Instructions which, in our opinion, are binding on GEPCO. Nevertheless, by the express terms of PPRA's letter dated 09 August 2019, the General Instructions, under which all those firms, suppliers and contractors blacklisted / debarred by the international organizations shall be treated as blacklisted / debarred an ineligible to participate in any public procurement process unless allowed to do so by PPRA, "shall have taken effect on or after 14 August 2019". It follows, therefore, that in the present case, the General Instruction do not affect the Tender and resulting Purchase Order, which must continue to be implemented in accordance with its terms and that of any related contract between GEPCO and PEL. However, PEL is not eligible to participate in GEPCO tenders on an after 14 August 2019, unless specifically authorized to do so by PPRA.*

MEPCO BOD further instructed to clarify from PPRA of Point # 3 General Instruction issued by PPRA vide letter dated 09.08.2019 . Director Procurement Distribution MEPCO sought clarification from PPRA vide letter No. 1712-13 dated 26.09.2019. PPRA clarified the matter vide letter No. 1121 /M&E/PPRA/2018/05 dated 01.10.2019, reply of PPRA is reproduced as under:-

*With reference to your letter No. 1712-13 dated 26.09.2019 on the subject noted above, it is explained that your interpretation pertaining to subject matter stands correct with specifies that any firm supplier or contractor blacklisted / debarred by the international organization on or after 14<sup>th</sup> August 2019 shall be treated as ineligible to participate in any public procurement process Rule -19 of Public Procurement Rules 2004 allows procuring agency to specify a mechanism and manner to permanently or temporarily bar suppliers and contractors from participating in their respective procurement proceedings, however, said rule does not cover blacklisting / debarment by international organizations. In exercise of the powers conferred under Section -5 of PPRA Ordinance 2002, the Authority issued instructions on 9<sup>th</sup> August 2019, pertaining to suppliers and contractors blacklisted / debarred by international organizations attached and displayed on Authority's website). According to Section -2 (h) of the PPRA Ordinance 2002 any violation of the rules, regulations, orders or instructions shall be treated as mis-procurement. Moreover, the subject instruction referred above shall have prospective effect on all the firms, suppliers and contractors blacklisted / debarred by the international organization on or after 14<sup>th</sup> August 2019.*

Continuing with his briefing, the CE (Dev) stated that SEPCO has recently issued LOI on 18.07.2019 for supply of 10-No. 31.5/40MVA Power Transformers in favor of M/s PEL amounting to Rs. 63.5 Million per unit. Moreover, GEPCO and LESCO has recently issued LOI for 11KV Distribution

Transformer and 11KV Outgoing Panels to M/s PEL, Lahore. Furthermore, MEPCO BOD approved to purchase 25-No. 132/11.5KV, 31.5/40MVA Power Transformers in procurement Plan for F.Y. 2017-18 and resultantly Tender No. PMU-MEPCO-65-2017 was floated for procurement of 25-No. 31.5/40MVA Power Transformers and opened on 21.11.2017. MEPCO Evaluation committee recommended to scrap the tender. The tender was scrapped after approval from MEPCO BOD and re-tendered. Then Tender No. PMU-MEPCO-143-2018 was opened on 13.09.2018 for 25-No. 31.5/40MVA Power Transformers. The recommended bidder M/s HEC, regretted to extend the bid validity and tender was scrapped after approval of competent authority.

The CE (Dev) further intimated that the competent authority has approved the procurement of 12-No. 132/11.5KV, 31.5/40MVA Power Transformers in 1<sup>st</sup> phase due to financial limitation as Finance Director MEPCO has allocated funds of only 12-No. 31.5/40MVA Power Transformers for F.Y. 2019-20 & allocated the funds of remaining 13-No. 31.5/40MVA Power Transformers for F.Y. 2020-21 against STG Works under MEPCO's own resources.

Upon query from the Members, the CE (Dev) apprised the Board that a representation was received from M/s Chint Electric Co., which has been studied and the firm has been replied vide letter # 2658-61 dated: 22.10.2019 as under:-

*"Please be informed that the domestic preference for local manufacturers is not an imaginary figure, rather it is an obligation/binding upon all public sector agencies to allow price preference to local manufacturers as per Statutory Regulatory Order S.R.O.827 (I)/2001. The clause of domestic preference is not only included in DISCO's own resources procurement but also is an integral part of ADM & World Bank standard bidding document for public procurement process.*

*The Bid evaluation was carried out by third part i.e. Chief Engineer (Design) NTDC WAPDA House Lahore as per relevant SOPs of Government of Pakistan, therefore, your claim regarding price preference being imaginary figure is baseless."*

The CE (Dev) has also intimated that M/s Chint has made no formal representation to MEPCO's Grievance Redressal Committee. However, the complaint received from M/s Chint has been appropriately addressed as per departmental rules and procedures.

The CE (Dev) requested the Board to accord its approval for issuance of LOI / P.O in favor of M/s Pak Elektron Ltd., Lahore amounting to Rs. 756,000,000/- (Excluding GST & SED) being lowest evaluated responsive bidder in International Competitive Bidding in view of above narrated facts as MEPCO is in dire need of 31.5/40MVA Power Transformers and tender has already been scrapped twice. If tender is scrapped then this will badly affect the MEPCO's ongoing projects and resultantly a huge loss will be sustained by MEPCO due to non-availability of Power Transformers. Moreover, MEPCO will also suffer a huge financial loss due to increase in US Dollar exchange rate.

During the course of discussion, Finance Director apprised the Board that all investment of the Company is basically part of PSDP because all these funds are public funds and they need to have a valid approved PC-1. The situation right now is that 6<sup>th</sup> STG was approved in 2005 and was supposed to close in 2010 but that is still going on. PC-1 of 6<sup>th</sup> STG was of the cost of approximately Rs. 10 B and as for now, we have crossed Rs. 16 B. The Board took note of the situation as desired that no future cost will be booked in future in PC-1 of 6<sup>th</sup> STG without prior approval of Competent Authority.

The Board discussed the case at length and after due deliberation resolved as follows.

#### **Resolution**

**151-BOD-R9 RESOLVED** that considering the request of CE (Dev), recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for

issuance of LOI / P.O in favor of M/s Pak Elektron Ltd., Lahore amounting to Rs. 756,000,000/- (Excluding GST & SED) being lowest evaluated responsive bidder in International Competitive Bidding for procurement of 132/11.5 KV, 31.5/40MVA Power Transformers Financed under MEPCO's own Resources against Tender No. PMU-MEPCO-193-2019 opened on 12.04.2019 is hereby accorded.

The resolution is based on the following confirmations by the management of MEPCO.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with including clarifications from PPRA and legal opinions on the issue of blacklisting since PEL was debarred by the world bank.
- c) There is no conflict of interest of any officer of the MEPCO.
- d) MEPCO has complied with the PPRA Rules and procedures related to such procurement.
- e) Technical & Financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidder.
- f) There is no violation of SOP's of MEPCO for environment & social safeguard.
- g) The procurement will be in accordance with the approved financial budget and procurement plan.
- h) The case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- i) The Recommendations of Bid Evaluation Committee are unconditional.
- j) Concerned official / officer of MEPCO's management would be liable for any omission / misstatement of the facts and figures in the working papers.

#### **Direction**

**151-BOD-D2** Directed the Finance Director no future cost shall be booked in future in PC-1 of 6<sup>th</sup> STG without prior approval of the Competent Authority. Board further directed the management to take necessary actions including approvals of the competent authority for the closure of 6<sup>th</sup> STG project as soon as possible.


#### **ix. Approval for operational constraints in MEPCO Region.**

#### **Resolution**

**151-BOD-R10** RESOLVED that deliberation upon above Agenda Item is deferred to next meeting.

#### **4. Approval for matters relating to Risk Management Committee.**

#### **i. Approval for revision of SOP for external electrification of housing schemes/colonies/societies & commercial buildings as suggested by PEPCO.**

The Board was apprised that the agenda was presented by Chief Engineer (P&E) in 5<sup>th</sup> Risk Management Committee meeting held on 22.10.2019. He apprised that General Manager (Technical Services) PEPCO WAPDA House Lahore has taken initiative to overhaul the existing policies with the plea that SOPs for external electrification of housing schemes were standardized by WAPDA, 25-year back while dynamics of the Sector have changed tremendously since then and consequently, revision of existing policy is badly felt. It was decided to review/revise the policies and make a uniform policy at PEPCO level and in this regard sequence of meetings has been conducted jointly by all DISCOs under the chairmanship of General Manager (Technical Services) and issued vide letter # 10-20/GM(TS) dated 04-01-2019 a draft SOP as guidance for preparation of company specific SOP. 

Continuing with his briefing, he apprised the House about the detail of suggestions/recommendations finalized by PEPCO as compared with MEPCO's in practice SOP/Policy. He stated that Risk Management Committee of the Board had recommended for adopting of the criteria which is more stringent either as per MEPCO's prevailing Policy of PEPCO's proposed Policy.

Moreover, the Committee has directed to carry out a sample survey of different sizes in one established housing colony to ascertain the load requirement of each size of plot. In Compliance of the direction of the Committee, a comparison of sanctioned and connected load at WAPDA Town Housing Scheme Multan was presented to the Committee. After going through the sample survey, the Committee concluded that criteria for assessment of load as proposed/suggested by PEPCO is reasonable and recommended that management should follow the same for preparation of estimates for housing schemes.


The sharing cost of grid station in the cases of housing schemes/residential area will be assessed and recovered in accordance with amendment of Policy by MEPCO Board in its 99<sup>th</sup> Meeting held on 28.11.2014.

As far as the MEPCO's existing/ implemented criteria for 11 kv independent feeder as compared to PEPCO's proposed criteria is concerned, the Committee had directed to carry out a sample study of a housing colony for calculation of increase in ultimate load if the load assessment is mad as per MEPCO's Policy in vogue and PEPCO's proposed draft in order to ascertain the impact of change of load assessment criteria.

The Board was intimated that a study was carried out and it has been calculated that ultimate load demand calculated as per MEPCO's existing load assessment criteria in vogue is 994.2 kw whereas as per PEPCO's proposed policy it is 1630.538 kw. At present, supply of power for a new housing scheme as per MEPCO's policy is being proposed through independent feeder at ultimate load of 1000 kw & above whereas; in proposed draft of PEPCO, it has been suggested to propose independent feeder at ultimate load of 2500 kw & above.

The Members had a detailed discussion regarding fixation the threshold of ultimate load for which an independent feeder. The Board was apprised that the ultimate load limit of 1000 kw was fixed keeping in view the poor technical infrastructure of the Company as existing 11 kv distribution system is overloaded with high power loss and voltage drops. The Members were of the considered opinion that any amendment in existing criteria should never affect the stability and reliability of existing distribution system and quality of service to the customers.

During the course of discussion, in order to address the issue of many feeders running on same pole and overloading of 11 kv feeders, the CE (Dev) proposed that 33kv distribution system is being used instead of 11 kv distribution system in Middle East which is more viable technical and financially as less conductor is used and the same can be developed by using same infrastructure. The Member desired that a sample study should be carried out and presented to the Board for its deliberation.

The House had thorough deliberation relating to the existing technical infrastructure limitations, impact of enhancing ultimate load demand on technical infrastructure of Company, quality of service to existing customers, future growth and expansion of Company's 11 kv distribution system. After detailed discussion, the Board unanimously resolved that supply of power to a new housing scheme etc should be proposed through independent feeder at ultimate load of 1200 kw & above. 

## Resolution

**151-BOD-R11 RESOLVED** that considering the recommendations of Chief Engineer (P&E), and the recommendations of Risk Management Committee of the Board, the approval for revision in SOP for external electrification of housing schemes/colonies/societies & commercial buildings as follows:-

1. Criteria for assessment of load will as proposed by PEPCO.
2. Sharing cost of grid station will be assessed and recovered in accordance with MEPCO's Policy in vogue.
3. The supply of power should be proposed through independent feeder at ultimate load of 1200 kw & above.
4. Other terms and conditions will remain the same as per MEPCO's Policy in vogue/ in practice.

The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) Rules and procedure as laid down for such case has been duly complied with and adopted by the MEPCO.
- c) That there is no conflict of interest of any member/Officer of the MEPCO, and
- d) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

## Direction


**151-BOD-D3 Directed** the CE (dev) to carryout study and analysis to asses the feasibility of conversion of existing 11 kv distribution system to 33 kv distribution system based on actual sample cases in coordination with CE (P&E) and present to the risk management committee of the board.

- ii. **Administrative approval for connection for 1935.700kW from existing 11kV Independent feeder with ACSR "Osprey" conductor form 132kV Grid Station Bahawalpur under Tariff C-2 in the name of Thalesemia & Bone Marrow Transplant Centre at BVH Hospital Bahawalpur.**

The Board was apprised that the agenda was presented by Chief Engineer (P&E) in 5<sup>th</sup> Risk Management Committee meeting held on 22.10.2019. He apprised that the Principal QMC BV Hospital Bahawalpur has applied for new connection for 1935.700kW load under Tariff C-2. According to Commercial Procedure and SOP, the 1935.700kW load under Tariff C-2 will be energized through independent feeder. Project Director has submitted the estimate for construction of 7.264-kM with ACSR "Osprey" conductor on already existing independent feeder from Bahawalpur Grid Station, which has been prepared by Construction Formation MEPCO Division Bahawalpur and finally worked out amounting to Rs. 34.408 Million.

The Board was apprised that the Risk Management Committee has recommended the case for Board's approval. After due deliberation, the Board resolved as follows:-

## Resolution

**151-BOD-R12 RESOLVED** that considering the request of Chief Engineer (P&E), and the recommendations of Risk Management Committee of the Board, the administrative approval for the estimate amounting to Rs. 34.408 Million for construction of 7.264-KM new proposed 11KV line Feeder with Osprey Conductor from 132kV Grid Station Bahawalpur (on cost deposit basis) for new connection for load 1935.700kW load in the Name of "Thalasemia & Bone Marrow Transplant Center at BV Hospital Bahawalpur" under tariff C-2 is hereby accorded. 

The resolution is based on the following confirmations by the management of MEPCO.

- a. The working paper represents true facts of subjected case.
- b. Rules and procedure as laid down for such case has been duly complied with and adopted by the MEPCO.
- c. That there is no conflict of interest of any member/Officer of the MEPCO, and
- d. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**iii. Administrative approval for grant of new connection for 500kW load under Tariff C-2 through new proposed 11kV feeder required for rehabilitation and up-gradation of Punjnad Barrage applied by Executive Engineer Punjnad Head Works Division Punjnad.**


The Board was apprised that the agenda was presented by Chief Engineer (P&E) in 5<sup>th</sup> Risk Management Committee meeting held on 22.10.2019. He apprised that The Executive Engineer Punjnad Head Works Division Punjnad has applied for new connection for load from 500kW load under Tariff C-2. According to Commercial Procedure and SOP, the applied load under Tariff C-2 will be energized through new proposed Independent feeder. The Project Director has submitted the estimate for construction of new proposed 18.38-kM with ACSR "Osprey" Conductor from Uch Sharif Grid Station, which has been prepared by construction formation MEPCO Division, Bahawalpur and finally worked out amounting to Rs. 51.909 Million.

The Board was apprised that the Risk Management Committee has recommended the case for Board's approval. After due deliberation, the Board resolved as follows:-

**Resolution**

**151-BOD-R13 RESOLVED** that considering the request of Chief Engineer (P&E), and the recommendations of Risk Management Committee of the Board, the administrative approval for the estimate amounting to Rs. 51.909 Million for construction of new proposed 18.38-kM with ACSR "Osprey" Conductor from Uch Sharif Grid Station (on cost deposit basis) for new connection for load 500kW load in the name of "Executive Engineer Punjnad Head Works Division Punjnad" under Tariff C-2 is hereby accorded. The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) Rules and procedure as laid down for such case has been duly complied with and adopted by the MEPCO.
- c) That there is no conflict of interest of any member/Officer of the MEPCO, and
- d) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

- iv. **Administrative approval for the proposal for bifurcation / rehabilitation of 11KV Jamlera feeder emanating from 132KV Grid Station Sahuka under Account Head "Distribution Rehabilitation (ELR)". Priority No. 08, Circle Vehari.**
- v. **Administrative approval for the proposal for bifurcation / rehabilitation of 11KV Badli Sharif feeder emanating from 132KV Grid Station Jamal Din Wali under Account Head "Distribution Rehabilitation (ELR)". Priority No.03, Circle Rahim Yar Khan.**
- vi. **Administrative approval for the proposal for bifurcation / rehabilitation of 11KV Zia feeder emanating from 132KV Grid Station Marrot under Account Head "Distribution Rehabilitation (ELR)".**
- vii. **Administrative approval for the proposal for bifurcation / rehabilitation of 11KV Mahi feeder emanating from 132KV Grid Station Nawaz Abad under Account Head "Distribution Rehabilitation (ELR)". Priority No. 08, Circle Rahim Yar Khan.** 



- viii. Administrative approval for the proposal for bifurcation / rehabilitation of 11KV Manghair Sharif feeder emanating from 132KV Grid Station Chishtian under Account Head "Distribution Rehabilitation (ELR)". Priority No.08, Circle Bahawal Nagar.
- ix. Administrative approval for the proposal for bifurcation / rehabilitation of 11KV AL-Wardi feeder emanating from 132KV Grid Station Bonga Hayat under Account Head "Distribution Rehabilitation (ELR)". Priority No.02, Circle Sahiwal.
- x. Approval for the proposal for bifurcation / rehabilitation of 11KV Scarp-08 feeder emanating from 132KV Grid Station Rahim Yar Khan-II under Account Head "Distribution Rehabilitation (ELR)". Priority No. 11, Circle Rahim Yar Khan.
- xi. Approval for the proposal for bifurcation / rehabilitation of 11KV Quresh feeder emanating from 132KV Grid Station Fort Abbas under Account Head "Distribution Rehabilitation (ELR)".
- xii. Approval for the proposal for bifurcation / rehabilitation of 11KV City Feroza feeder emanating from 132KV Grid Station feroza under Account Head "Distribution Rehabilitation (ELR)".
- xiii. Approval for the proposal for bifurcation / rehabilitation of 11KV Rehman Pur feeder emanating from 132KV Grid Station Rahim Yar Khan-II under Account Head "Distribution Rehabilitation (ELR)".
- xiv. Approval for the proposal for bifurcation / rehabilitation of 11KV Rang Pur feeder emanating from 132KV Grid Station Jamal Din Wali under Account Head "Distribution Rehabilitation (ELR)". Priority No. 12, Circle Rahim Yar Khan.
- xv. Approval for the proposal for bifurcation / rehabilitation of 11KV Chowk Chadhar feeder emanating from 132KV Grid Station Nawazabad under Account Head "Distribution Rehabilitation (ELR)".

**Resolution**

**151-BOD-R14 RESOLVED** that deliberation upon above agenda items are deferred to next meeting with instruction to comply with the directions of Risk Management Committee.

**5. Approval for matters relating to HR Committee.**

- i. Approval for creation of additional 51 Nos posts of Supervisor (DEO) BPS-16 and 21 Nos posts of Supervisor (DC) BPS-16 at revenue offices under MEPCO as prescribed in revised yardstick-2018.

The Board was apprised that the agenda was presented by D.G (HR&Admin) in 13<sup>th</sup> HR Committee meeting held on 21.08.2019. He apprised that MEPCO BOD in its meeting held on 07.10.2018 accorded its approval for revision of organizational structure / Manpower Strength of MEPCO and devised following criteria for the creation of additional posts of Supervisor (DEO) & Supervisor (DC) at Revenue offices vide letter dated: 08-11-2018 :-

- a. On increase of every 25000 consumers (against base line of 125000 consumers per division), 01 x No. additional post of Supervisor (DEO) will be created with the approval of competent authority.
- b. On increase of every 50000 consumers (against base line of 125000 consumers per division), 01 x No. additional posts of Supervisor (DC) will be created with the approval of competent authority.

In the light of the above mentioned criteria, DG (IS) MEPCO has worked out the requirement of additional posts of Supervisor (DEO) & Supervisor (DC) at the Revenue Offices under MEPCO on the basis of increase in numbers of consumers from the base line prescribed in the Revised / New Yardstick-2018. The detail is as under:-

| Sr. No. | Name of Post     | Total No. of posts to be created | Total No. Revenue Offices where additional posts are to be created | Remarks  |
|---------|------------------|----------------------------------|--|--|
| a.      | Supervisor (DEO) | 51                               | 25   | Detail of excess no. of consumers from Base Line |
| b.      | Supervisor (DC)  | 21                               | 17   |  |

A committee under the convenorship of GM (Technical) MEPCO was constituted vide this office order dated: 14.02.2019 to examine the reservations on the approved revised / new yardstick-2018. GM (Technical) MEPCO being Convener of the committee has certified / verified vide his office letter dated: 17-07-2019 that no issue has been raised regarding creation of above mentioned additional posts at Revenue Offices and has also recommended for implementation of revised yardstick already approved by the MEPCO BOD. HR Committee is requested to recommend the case to MEPCO BOD for creation of additional 51 x Nos posts of Supervisor (DEO) and 21 x Nos posts of Supervisor (DC) at Revenue Offices on the basis of increase in numbers of consumers from the base line as prescribed in the Revised / New Yardstick-2018. The Board considered the case in detail and after due deliberation resolved / directed as follows:-

### **Resolution**

**151-BOD-R15 RESOLVED** that considering the request of D.G (HR&Admin) and the recommendations of HR Committee of the Board, the approval for the creation of additional 51 Nos posts of Supervisor (DEO) and 21 Nos posts of Supervisor (DC) at Revenue Offices on the basis of increase in the numbers of consumers from the base line as prescribed in Yardstick-2018 subject to the compliance to new yardstick approved by the board is hereby accorded.

The resolution is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of subjected case.
- b) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

### **ii. Approval for Enhancement of Marriage Grant.**

The Board was apprised that the agenda was presented by D.G (HR & Admin) in 14<sup>th</sup> HR Committee meeting held on 01.10.2019. He apprised that GM (HR) PEPCO conveyed the decision of BOD PEPCO regarding enhancement of marriage grant for employees to the tune of rupees One Lac (Rs. 100,000/-) on each event once for all serving employees (self/two children) and Rs. Two Lac (Rs. 200,000/-) each for two children of retired/invalided employees and widows of the employees vide office memorandum No.1579-1604 dated 28.08.2018. HR Committee, vide Agenda Item No.12 of its 9th meeting, recommended the case to the BOD for its approval subject to approval of NEPRA. MEPCO BOD, vide Agenda Item No. 6(b) of 145th Meeting, referred back the case to HR Committee for reconsideration along with directions to DG (HR & Admn) to present a proper justification as well as ensure that benefits given may not be duplicated while presenting the case to HR Committee. It was also mentioned that at present marriage grant at a uniform rate of Rs. 80,000/- is allowed to serving employees (BPS 1-15) for one daughter. For widows / invalided (BPS 1-15) it is admissible for marriage of two daughters. It is also admissible on first self marriage of employees in BPS 1-15. Rs. 20,000/- per case is being reimbursed from Director Funds WAPDA out of W.W.Fund. The over and above amount i.e. Rs. 60,000/- per case is being borne by MEPCO from its own budget. As per Ministry of Energy (Power Division) Islamabad letter No. 6(6)/2012/BOD-Discos(D-I) dated 23.08.2017, there must be uniform policy for all Power Sector entities and also due to increasing inflation and dearness, the above said new policy of marriage grant approved by PEPCO is justifiable. It is also ensured that the new marriage grant

policy will replace the existing marriage grant policy; as such benefits granted under new policy will not be duplicated. Moreover, GM (HR) PEPCO has restricted the admissibility of marriage grant to employees in BPS-01 to BPS-16 only instead of all serving employees vide office order No.5181-94 dated 22.05.2019.

The HR Committee was requested to recommend the case to the Board for its approval for adoption of GM (HR) PEPCO office memorandum No.1579-1604 dated 28.08.2018 and office order No.5181-94 dated 22.05.2019 regarding enhancement of marriage grant.

During the course of discussion, the members observed that PEPCO's instructions regarding creation of Welfare Fund by MEPCO has not been implemented in true letter and spirit. It was proposed that PEPCO's letter should be implemented in totality. Moreover, the Finance Director apprised the Committee that claims being sent to WAPDA are not being entertained and an increasing receivables amount has been developed in this regards. The Members opined that Welfare Fund should be created by MEPCO in consultation with legal directorate and Commercial Auditors of the Company.

The Board considered the case in detail and after due deliberation resolved / directed as follows:-

### **Resolution**

**151-BOD-R16 RESOLVED** that considering the request of D.G (HR & Admin) and the recommendations of HR Committee of the Board, the approval for adoption of GM (HR) PEPCO office memorandum No.1579-1604 dated 28.08.2018 and office order No.5181-94 dated 22.05.2019 regarding enhancement of marriage grant is hereby accorded subject to creation of MEPCO Welfare Fund in consultation with legal directorate and External Auditors of MEPCO.

The resolution is based on the following confirmations by the management of MEPCO.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with,
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official / officer of MEPCO's management would be liable for any omission / misstatement of the facts and figures in the working papers.

### **iii. Approval for revision of room rent rates of MEPCO officer's hostel.**

The Board was apprised that the agenda was presented by D.G (HR & Admin) in 14<sup>th</sup> HR Committee meeting held on 01.10.2019. He apprised that the room rent rates for MEPCO Officers Hostel and Family Suite was revised w.e.f. 01.12.2010 vide office order No.53630-80 dated 07.12.2010 about 07-years & 08-months ago, as such the rates are required to be revised, therefore a committee under convenership of Finance Director MEPCO was constituted to evaluate the existing room rent rates of Hostel & Family Suite vide office order No. 63310-11 dated 13.12.2017. Accordingly, FD MEPCO submitted the evaluation report on room rent rates, which was presented before HR Committee of MEPCO BOD in its 8<sup>th</sup> meeting held on 28.08.2018. HR Committee has directed the Evaluation Committee to devise a comprehensive Policy / SOP. FD MEPCO has again submitted the evaluation report on room rent rates duly signed by the committee vide office letter No. 415-17 dated 02.08.2019 and proposed / recommended the revised Room Rent rates for all MEPCO Officers Hostels and Family Suite in the Region

The HR Committee was requested to recommend the case to the Board for its approval for revision of room rent rates for MEPCO Officers Hostel & Family Suite as recommended by the Evaluation Committee vide office letter No.415-17 dated 02.08.2019. The Board was apprised that HR Committee

has recommended the case to the Board for its approval subject to vetting of Finance Director that the proposal is 100% cost neutral. The Board was requested to accord its solicited approval. After due deliberation, the Board resolved as follows:-

### **Resolution**

**151-BOD-R17 RESOLVED** that considering the request of D.G (HR & Admin) and the recommendations of HR Committee of the Board, the approval for revision of room rent rates for MEPCO Officers Hostel & Family Suite as recommended by the Evaluation Committee vide office letter No.415-17 dated 02.08.2018 is hereby accorded.

The resolution is based on the following confirmations by the management of MEPCO.

- a) No material information has been withheld and the working papers represent all facts of the case.
- b) All legal and codal formalities have been complied with,
- c) There is no conflict of interest of any officer of the MEPCO.
- d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- e) Concerned official / officer of MEPCO's management would be liable for any omission / misstatement of the facts and figures in the working papers.

### **AGENDA ITEM NO.6**

**Any other point with the permission of the chair.**

- a. **Approval for proposed resolution confirming authorization to Chief Executive /Director/Company Secretary /Officer for authentication of documents.**

The agenda was presented by Company Secretary. The Board was apprised that Securities & Exchange Commission of Pakistan has desired to submit Board of Directors resolution in Company Registrar office regarding authority to sign off various forms/documents and to do all needful acts in order to complete all procedural and legal formalities.


In this regard Board Resolution is given hereunder:-

1. Engr. Tahir Mahmood, Chief Executive Officer/Director MEPCO having CNIC No. 35202-1115895-7 and Mr. Sajid Yaqoob Company Secretary having CNIC No. 36303-4065345-7 are authorized to represent the Company at Securities & Exchange Commission of Pakistan and its Company Registration Office, to sign off various forms/documents and to do all needful acts in order to complete all procedural and legal formalities incidental and ancillary thereto:
2. Any and all actions of the authorized representative/nominated officers in pursuant to, or in furtherance of the intent and purposes of the foregoing resolution, are hereby in all respects adopted, approved confirmed and ratifies as the valid and subsisting acts of this Company.

The Board is requested to consider the matter and accord its approval for the financial year 2019-2020 please.

### **Resolution**

**151-BOD-R18 RESOLVED** that approval be and is hereby accorded:

1. Engr. Tahir Mahmood, Chief Executive Officer/Director MEPCO having CNIC No. 35202-1115895-7 and Mr. Sajid Yaqoob Company Secretary having CNIC No. 36303-4065345-7 are authorized to represent the Company at Securities & Exchange Commission of Pakistan and its Company Registration Office, to sign off various forms/documents and to do all needful acts in order to complete all procedural and legal formalities incidental and ancillary thereto: 

2. Any and all actions of the authorized representative/nominated officers in pursuant to, or in furtherance of the intent and purposes of the foregoing resolution, are hereby in all respects adopted, approved confirmed and ratifies as the valid and subsisting acts of this Company.

**The Meeting ended with thanks to and from the Chair.**

  
**(Engr. Sajid Yaqoob)**  
**Company Secretary MEPCO**