

MULTAN ELECTRIC POWER COMPANY

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Office of
The Company Secretary

No. 27931-55/Company Secy

Dated: 09-05-18

1. Mr. Akhlaq Ahmad Syed
House No.162, Street No. 73,
G-9/3, Islamabad.
2. Engr: Muhammad Akram Chaudhry
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, Asis Pak Investments,
Daewoo Pakistan Building, Kalma Chowk
231-Feroze Pur Road Lahore.
6. Mr. Asrar Ahmad Malik
President, Multan Chamber of Commerce & Industry
Shahrah-e-Aiwan-e-Tijarat-o-Sanat,
Near Kalma Chowk, Multan
7. Mr. Bilal Ahmad Butt
Commissioner, Multan Division
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 135th BOD MEETING.**

Enclosed please find herewith Minutes of 135th BOD Meeting held on **26-04-2018 (Thursday)** at 11:00 am in **MEPCO Conference Room Khanewal Road Multan** for information and necessary action please.

DA/as above


COMPANY SECRETARY

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. ~~Chief Engineer (Transmission) MEPCO Ltd Multan.~~

For information & necessary action.

MULTAN ELECTRIC POWER COMPANY
MINUTES OF 135TH MEPCO B.O.D. MEETING, HELD ON 26.04.2018 (THURSDAY) AT
11:00 AM IN MEPCO CONFERENCE ROOM, KHANEWAL ROAD MULTAN.

1. Mr. Akhlaq Ahmad Syed	Chairman
2. Muhammad Akram Ch	Director/CEO
3. Mr. Saadullah Khan	Director (Through Video Link)
4. Mr. Khalid Masood Khan	Director
5. Mr. Bilal Ahmad Butt	Director
6. Mr. Asrar Ahmad Malik	Director
7. Engr. Sajid Yaqoob	Company Secretary

Following MEPCO officers attended the Meeting on call.

1. Engr. Sarfraz Ahmed Hiraj	General Manager (OP).
2. Engr. Mehmood Khan	General Manager (Technical).
3. Engr: Shahid Hameed Chohan	Chief Engineer (Dev).
4. Engr. Abdul Aziz Khan Niazi	Chief Engineer (O&M) Dist.
5. Engr. Shahid Iqbal Ch:	Chief Engineer (P&E).
6. Engr. Ghulam Yaseen	Chief Engineer/CSD.
7. Mian Ansar Mahmood	Finance Director
8. Muhammad Naeem Ullah	HR & Admin Director.
9. Engr. Abdul Sattar	Manager (Procurement) Dist.

The Meeting started with recitation from the **Holy Quran** by Mr. Akhlaq Ahmad Syed. The Company Secretary intimated the Board of the "Leave of Absence" request received from Muhammad Anwar Shaikh, Mr. Shaheryar Arshad Chishty & Mr. Zafar Abbas Honorable Members of MEPCO Board. The Board, after due consideration, granted the leave of absence to the Honorable Members. The Chairman Board noted the quorum of the meeting and declared the meeting to be in order. The Board Members and key management personnel declared that they do not have any conflict of interest in respect of any Agenda Item being discussed in this meeting.

Following agenda items were presented to the Board. The resultant discussions, approvals and directions of the Board are narrated as under.

AGENDA ITEM NO.1

To consider and confirm the Minutes of 134th BOD Meeting held on 20.03.2018.

The Company Secretary apprised that the Minutes of 134th BOD Meeting held on 20.03.2018, dully endorsed by the Chairman Board were circulated among all the Board Members. The Chairman invited the attention of all Board Members for offering any reservation(s)/comments(s) regarding approval of the minutes.

Decision

135-BOD-R1 There being no objection from the house **RESOLVED** that the Minutes of 134th BOD Meeting held on 20.03.2018 be and is hereby confirmed as true record of the proceedings of this meeting.

AGENDA ITEM NO.2

Presentation regarding ERP implementation.

The Finance Director being the Project Director of ERP gave a detailed presentation to Board regarding implementation status of ERP in MEPCO. He apprised the Board that state of the art Enterprise Resource Planning (ERP) system is being established, initially funded by USAID'S Power Distribution Program through IRG, with the purpose of ensuring the availability of SAP generated timely information required for senior management. The objective of ERP is to make effective decisions and properly monitor and control utility operations and inter-connection of Cost/Revenue centers which are dispersed geographically, which will cut down on the delay in reporting. He intimate the Board about the Project Implementation cost and Project Support and

running cost. He apprised the Board about the progress achieved on all of three modules i.e. HCM, MM and FICO. After detailed presentations and discussion, the Board showed its satisfaction about the progress and further directed as follows;

Direction

- ✓ **135-BOD-D1** The Board directed the Finance Director to ensure the full utilization of SAP users licenses.
- ✓ **135-BOD-D2** The Board directed the Finance Director to ensure the Go-Live of all of three modules in all circles by Ist July, 2018.
- ✓ **135-BOD-D3** The Board directed the HR & Admin Director to provide the required manpower on short term basis to the Finance Director to clear the backlog.

AGENDA ITEM NO.3

To consider and accord approval for the following matter relating to Procurement Committee.

i. Deliberation upon the legal opinion obtained from M/S Rajwana & Rajwana Advocates involving following agenda items.

- a. Approval for recycling of damaged HT / LT Copper Winding Scrap into Enamel Copper Wire / Paper Covered Copper Strips against Tender No. 117 dt. 02.01.2018.**
- b. Approval for procurement of 151640 Kg. different sizes Paper Covered Copper Strips for MEPCO TRW Multan, B-Pur & Vehari against Tender No 118 dated 04.01.2018.**

The Board was apprised that the legal opinion obtained from M/S Rajwana & Rajwana Advocates involving above mentioned agenda items was presented to the Procurement Committee in its meeting held on 11.04.2018. After due diligence, the Committee unanimously agreed to recommend the case to the Board to accord its approval for award of contract wherein the participant firms have quoted same rates with different offered quantities as follows;-

"If only one firm offers the 100% quantity then 100% tendered quantity will be awarded to the one bidder by ignoring the lower offered quantity of other bidders. In case of 2 firms offering 100% quantity with same rate, the quantity will be equally divided between two firms and in case of more than 2 firms offering 100% quantity with same rate, the tender will be scrapped off."

The Chair invited the comments of the members as different members had different perspectives/interpretation upon the legal opinion. He commented that Legal opinion was obtained with the unanimous consensus of the Board. The chair appreciated and encouraged the independent views of the members about the issue. Mr. Khalid Masood Khan endorsed the recommendations of the Board Procurement Committee. He commented that as per his understanding and interpretation of the legal opinion, the tender should be awarded to the firm who has offered 100% quantity and the proportionate share should only be allowed wherein, the 2 firms have quoted 100% quantity by giving them equal share. He was of the opinion that the Company should follow its prevailing practice. Furthermore, the firms who have offered 100% quantity are more responsive as compared to the firms who have quoted 50% quantity as the firm with 100% offered quantity has more weight. The Chief Executive Officer showed his concern that the stock balance of material involved in this legal opinion has already been exhausted and the transformer reclamation workshops are in dire need of the material. In case of retendering the tender, a high rate of the material is expected to be quoted by the firms due to escalation of LME and US Dollar Exchange Rate. Besides this, considerable time will be required to complete the process of rebidding, which will worsen the scenario being faced by the transformer reclamation workshops due to shortage of material. So, he requested the Board to decide the case as per recommendations of the Procurement Committee. Mr. Saad Ullah Khan disagreed with this verdict with the plea that the Legal opinion was obtained with the unanimous consensus of the Board, meaning thereby that the Board had that not such expertise to decide the case and the Company may have legal consequences in case the 50% offering quantity firms opt for any legal remedy. He gave his remarks that as per his understanding and interpretation of the legal opinion, the tender should be awarded to firms by allowing proportionate share to each competing firm having offered same rates, so, the firms offering 50% quantity should never be ignored as the firm quoting 50% quantity has also fulfilled the requisite criteria mentioned in bidding documents. As

far as the past practice of awarding tender to the firm offering 100% quantity is concerned, this cannot be made basis to decide the recent tenders in question. Considering the different views and interpretation of the legal opinion, the Chair decided to have a voting to resolve the issue. Considering the present stock position of the material, expected increased quoted rates in case of rebidding, Mr. Asrar Ahmed Malik, Mr. Bilal Ahmed Butt and Muhammad Akram Ch. seconded the verdict of Mr. Khalid Masood Khan, whereas; Mr. Saad Ullah Khan recorded his dissent note as narrated above. With majority of 4-1, the Chair resolved to endorse the recommendations of the Procurement Committee.

Decision

135-BOD-R2 With majority of 4-1, **RESOLVED** that the recommendations of the Board Procurement Committee are hereby endorsed for award of contract wherein the participant firms have quoted same rates with different offered quantities as follows:-

“If only one firm offers the 100% quantity then 100% tendered quantity will be awarded to the same bidder and ignore the bidders who offered 50% quantity . In case where two firms offer 100% quantity and same rate, the quantity will be equally divided between two firms and in case of more than 2 firms offering 100% quantity with same rate, the tender will be scrapped off.”


135-BOD-R3 **RESOLVED** that considering the recommendations of the Board Procurement Committee, the approval for recycling of 400,000 Kg HT/LT damaged Copper Winding Scrap @ Rs. 170/- for Enamel Copper Wire & Rs. 150/-, for Paper Covered Copper Strips from below mentioned firms against Tender No.117 dated 02.01.2018 is hereby accorded.

Sr. No.	Name of Tender Lowest Firm	Revised Per Kg Re-Cycling Rate for 400000 Kg HT/LT Copper Winding Scrap into				% Wastage
		Enameled Copper Wire @ 170/- Per kg.		Paper Covered Copper Strips @ 150 Per Kg.		
		Qty. Off by firms	Share on Proportionate basis	Qty. Off by firms	Share on Proportionate basis	
1	M/S Universal Metal	Full	50%	50%	-	12%
2	M/S Crown Winding	Full	50%	-	-	
4	M/S Atta Cable	-	-	Full	100%	
TOTAL						400000 Kg.

Total Cost for recycling of above items would be amounting to Rs. 68.00 Million (rupees:- Sixty eight million only) Excluding GST).

135-BOD-R4 **RESOLVED** that considering the recommendations of the Board Procurement Committee, the approval for procurement of 151640 Kg. Paper Covered Copper Strips of different sizes from below mentioned lowest firms against Tender No. 118 dated 04.01.2018 is hereby accorded as follows:

Sr No	Paper Covered Copper Strips of different sizes As per WAPDA Specification No. BS 4653: Part 2 amended to date.	Tender Qty. in Kg.	Qty. Offered by firms	Share on Proportionate basis %	Name of Firm
1	0.8 x 5 mm (10kva)	860	100%	100%	M/S Swat Industry
2	1.4 x 4.5 mm (15kva)	2300	100%	100%	-Do-
3	3 x 4 mm (25 kva)	12800	100%	100%	-Do-
4	4 x 5 mm (50 & 200 kva)	40160	100%	100%	M/S Copper House
			50%	-	M/S Allied Industry.
5	5 x 8 mm (100-200 kva)	95520	100%	100%	M/S Universal Metal
			50%	-	M/S Atta Cable
TOTAL		151640			

The above approvals are based on the following confirmation by the management. 

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

Direction

135-BOD-D4 The Board directed the management to make the Board's resolution 135-BOD-R2 as part of the tender terms and conditions.

ii. Approval for the proposal for Bifurcation / Rehabilitation of 11KV Shikar Pur feeder emanating from 132 KV Grid Station Rajan Pur under Account Head "Distribution Rehabilitation (ELR)".

The agenda was presented by Chief Engineer (P&E). The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was intimated that the S.E (Op) MEPCO Circle D.G. Khan submitted the said proposal for according its approval vide memo No. 15914-15 dated 09.12.2017. A new Proposed feeder will come into existence due to bifurcation of existing feeder which is to be emanated from 132 KV Grid Station Rajan Pur. PD (Const) MEPCO Multan conducted detailed site survey and submitted scope of work & cost estimate amounting to Rs. 32.432 Million (rupees: thirty-two million four hundred and thirty-two thousand only.) vide his Memo No. 31409-10 dated 15.03.2018. The overall B.C Ratio works out to be 2.75. The proposal is viable under A/C Head "Distribution Rehabilitation (ELR)". The brief description of Scope of Work is as under:-

- i. 01-No. Outgoing 11 KV Panel.
- ii. 0.225 KM HT Power Cable 500 MCM
- iii. 9.080 KM New 11KV line "Osprey"
- iv. 1.150 KM New 11KV line "Rab"
- v. 4.500 KM New 11KV line "Dog"
- vi. 3.000 KM Reconductoring "Rab" to "Osp"
- vii. 0.280 KM Reconductoring "Rab" to "Dog"

Study Results are as under:-

11KV Feeder Shikar Pur	Peak Load (Amps)	C. KVA	Length (KM)	Power Loss		A.E Loss		Max
				KW	%age	KWH	%age	%age V.D
Existing	340	16185	176.2	837	14.20	1701051.8	8.23	26
Remaining	164	8630	64.6	95	3.35	193070.4	1.94	4
Proposed	143	7555	120.5	201	8.11	408496.3	4.70	12
Total Saving				541	KW	1099485.1	KWH	

The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to consider the case & accord its necessary approval.

Decision

135-BOD-R5 RESOLVED that considering the recommendations of Board Procurement Committee, administrative approval of the proposed proposal for Bifurcation / Rehabilitation of 11 KV Shikar Pur feeder emanating from 132KV Grid Station Rajan Pur under Account head "ELR" involving Rs. 32.432 Million (Rs: thirty-four million four hundred and thirty-two thousand only) is hereby accorded.

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

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

- b) Rules and procedures as laid down such cases have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the proposal has been carried out correctly on the basis of true facts.
- d) All legal and codal formalities have been complied with.
- e) That there is no conflict of interest of any member/ officer of the MEPCO.
- f) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

iii. Approval for the proposal for Bifurcation / Rehabilitation of 11KV Abbasia feeder emanating from 132 KV Grid Station Feroza under Account Head "Distribution Rehabilitation (ELR)".

The agenda was presented by Chief Engineer (P&E). The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was intimated that the S.E (Op) MEPCO Circle R.Y.Khan submitted the said proposal for according its approval vide memo No. 4056-59 dated 07.03.2017. A new Proposed feeder will come into existence due to bifurcation of existing feeder which is to be emanated from 132 KV Grid Station Khan Pur. PD (Const) MEPCO Multan conducted detailed site survey and submitted scope of work & cost estimate amounting to Rs. 30.836 Million vide his memo No. 25457-58 dated 01.02.2018. The overall B.C Ratio works out to be 4.63. The proposal is viable under A/C Head "Distribution Rehabilitation (ELR)". The brief description of Scope of Work is as under:-

- i. 01-No. Outgoing 11 KV Panel.
- ii. 0.405 KM HT Power Cable 500 MCM
- iii. 0.685 KM New 11KV line "Osprey"
- iv. 5.413 KM Reconductoring "Dog" to "Osp"
- v. 1.962 KM Reconductoring "Rab" to "Osp"
- vi. 5.061 KM Reconductoring "Gfr" to "Osp"
- vii. 10.600 KM Reconductoring "Rab" to "Dog"
- viii. 02 No. 450KVAR HT Fixed Capacitor Bank Sets.

Study Results are as under:-

11KV Feeder Abbaisa	Peak Load (Amps)	C. KVA	Length (KM)	Power Loss		A.E Loss		Max
				KW	%age	KWH	%age	%age V.D
Existing	380	13765	255.5	1265	21.81	2570884.8	12.66	32
Remaining	182	7155	117.9	210	7.43	426787.2	4.33	11
Proposed	163	6610	138.4	188	7.46	382076.2	4.32	13
Total Saving				867	KW	1762021.4	KWH	

The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to consider the case & accord its necessary approval.

Decision

135-BOD-R6 RESOLVED that considering the recommendations of the Board Procurement Committee, the administrative approval of proposed proposal for Bifurcation /Rehabilitation of 11 KV Abbasi feeders emanating from 135KV Grid Station Feroza under Account head "ELR" involving Rs. 30.836 Million (Rs: thirty million eight hundred and thirty-six thousand only) is hereby accorded.

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

- a) The working paper represents true facts of the subjected case.
- b) Rules and procedures as laid down such cases have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the proposal has been carried out correctly on the basis of true facts.
- d) All legal and codal formalities have been complied with.
- e) That there is no conflict of interest of any member/ officer of the MEPCO.

- f) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

Direction

135-BOD-D5 The Board directed the Chief Engineer (P&E) to get the financial vetting by Finance Director of each case being presented to the Board.

iv. Approval for tentative Yearly Procurement Plan for the Fiscal Year 2018-19 to the extent of Rs. 20519.04 Million.

The agenda was presented by Chief Engineer (O&M) Dist. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was informed that basic objective of the procurement plan is to arrange purchases in a controlled & efficient manner. The tentative requirement of the F/Y 2018-19 submitted by the P.D (Cont) MEPCO Multan for 4000 No. village Electrification & other deposit works & HT/LT feeders and Managers (Op) MEPCO Circles for new connections & maintenance. Similarly tentative annual procurement plan of Safety Directorate Multan for F/Y 2018-19 is also submitted accordingly. Keeping in view of above, total cost of tentative procurement plan for the F/Y 2018-19 has been worked out for Distribution Material & T&P items, detail as below:-

Annexure	Description	Tentative Amount (Rs. in Million)
A	Distribution Material	20318.85
B	Line T&P Items	200.19
Grand Total: -		20519.04

The comparison of current year plan with the last year plan i.e 2017-18 is as under:

Annexure	Description	Tentative Amount for F/Y 2018-19(M)	Last F/Y 2017-18 Approved Plan (M)
A	Distribution Material	20318.85	18187.30
B	Line T&P Items	200.19	206.84
Grand Total: -		20519.04	18394.14

The comparison & segregation of tentative procurement plan of distribution material into actually procurement made during the last year is as under:

Sr. No.	Description	F/Y 2017-18 (Amount in Million)				F/Y 2018-19	
		Plan		Procured	In Process	Plan	
		PD (C)	Mgr. (Op)			PD (C)	Mgr. (Op)
1	Distribution Material	12652.36	5534.94	10112.54	5400.8348	13510.69	6808.15
		18187.30		15513.38		20318.85	

The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case to the Board for its approval for the tentative yearly procurement plan for the F/Y 2018-19 envisaging the procurement of Distribution material, T&P / PPE Items entails tentative expenditure to the tune of Rs. 20519.04 million as proposed. The Board discussed the plan in detail and after due consideration directed the management as follows.

Direction

135-BOD-D6 The Board directed the management to prepare a consolidated rationalized Procurement Plan after consultation with the lower formations by giving consideration to Company's future expansion and rehabilitation plans. The Plan should clearly indicate that expected improvement in performance of the Company after implementation of the proposed Procurement Plan. Furthermore, the management should prepare minimum level inventory of each item that should always be available in stores.

v. Approval for procurement of 36000 No. H.T Spun Hollow Poles 36' long (T/No. 192 dt: 20.03.2018).

The agenda was presented by Chief Engineer (O&M) Dist. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee apprised that tender was floated to purchase the quantity of 40000 No. H.T Spun Hollow Poles 36' long with

the approval of CEO MEPCO and opened on 20.03.2018. Seventeen (17) firms purchased the tenders whereas Eleven (11) firms participated in the tender opening process and quoted their rates on Ex-Works basis without GST, along with offered quantity, detail as below.

Sr. No.	Name of Firm	HT Spun Hollow Poles 36' long Qty: 4000 No.	
		T/Rate (Rs.)	Off: Qty (No.)
1	M/s Potential Engg:	16500.00	4000
2	M/s Namco Associates`	16515.00	4000
3	M/s Nimbus Engg:	16505.00	4000
4	M/s Polecrete Spun	16552.00	4000
5	M/s ZHN Contracting	15869.00	4000
6	M/s R.K Constructors	16419.00	4000
7	M/s Junaid Pvt. Ltd.	16500.00	4000
8	M/s Mian Brothers	16538.00	4000
9	M/s Rajput Builders	16499.00	4000
10	M/s Gunj Bukhsh	16545.00	4000
11	M/s ANN Global	16550.00	4000

Out of above participant firms, M/s ZHN Contracting quoted the lowest rate of Rs. 15869/- each for the quantity of 4000 No. Lateron, following firms offered the revised tender rates voluntarily for the supply of HT Spun Hollow Poles 36' long, detail as below:

Sr. #	Name of the Firm	T/Rate (Rs.)	Off: Qty (No.)	Revised Rate
1	M/s Namco Associates`	16515.00	4000	15869.00
2	M/s Nimbus Engg:	16505.00	4000	15869.00
3	M/s Polecrete Spun	16552.00	4000	15869.00
4	M/s R.K Constructors	16419.00	4000	15869.00
5	M/s Junaid Pvt. Ltd.	16500.00	4000	15869.00
6	M/s Mian Brothers	16538.00	4000	15869.00
7	M/s Rajput Builders	16499.00	4000	15869.00
8	M/s Gunj Bukhsh	16545.00	4000	15869.00

The offered revised tender rate is at par with the tender lowest rate of Rs.15869/- each offered by M/s ZHN Contracting in the initial tendering. Comparisons of revised tender rates of MEPCO with the latest tender / purchase rate of other DISCOs are as under:


Name of DISCOs	Lowest T/Rate (Rs.)	MEPCO 16.11.17	HESCO T/R 12.12.17	FESCO 22.02.17	IESCO T/R 25.04.17	LESCO 24.11.17
HT Spun Hollow Poles 36'	15869	15870	15155	15190	15000	15900
%age Increase / Decrease	-	-0.01	+4.71	+4.47	+5.79	-0.19

The above lowest tender rate is 0.01% & 0.19% lower as compared with the purchase rates of MEPCO & LESCO. The said material is required by P.D (Const) for completion of ongoing works / projects under P.M SDGs Program. The stock position is as follows:

Description	Requirement	Already Procured	Stock Balance	Pipeline	This Tender
HT Spun Hollow Poles 36'	86655 No.	47675	-	26175	36000

Total cost is worked out as under:

Description	Qty (No.)	Rate/Unit (Rs.)	Total	Name of firm
HT Spun Hollow Poles 36'	36000	15869.00	571284000	M/s Namco Associates, M/s Rajput Builders, M/s R.K Constructors, M/s Polecrete Spun, M/s Junaid, M/s Mian Brothers, M/s Gunj Bukhsh, M/s Nimbus Engg: & M/s ZHN Contracting.

The total cost for the procurement of 36000 No. H.T Spun Hollow Poles 36' long @ Rs. 15869/- each would be amounting to Rs.571.284 million (excluding 17% GST) from aforementioned firms. CEO also accorded approval for putting up agenda item in BOD. The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to accord its approval for the procurement of 36000 No. H.T Spun Hollow Poles 36' long from tender lowest firms M/s Namco Associates, M/s Rajput Builders, M/s R.K Constructors, M/s Polecrete Spun, M/s Junaid, M/s Mian Brothers, M/s Gunj Bukhsh, M/s Nimbus Engg: & M/s ZHN Contracting @ Rs. 15869/- each against Tender No. 192. 

Decision

135-BOD-R7 RESOLVED that the recommendations of the Board Procurement Committee for approval of procurement of 36000 No. H.T Spun Hollow Poles 36' long from tender lowest firms M/s Namco Associates, M/s Rajput Builders, M/s R.K Constructors, M/s Polecrete Spun, M/s Junaid, M/s Mian Brothers, M/s Gunj Bukhsh, M/s Nimbus Engg: & M/s ZHN Contracting @ Rs. 15869/- each is hereby accorded. The total cost for procurement of proposed item would be amounting to Rs. 571.284 million (rupees: five hundred and seventy-one million two hundred and eighty-four thousand only) excluding GST against Tender No. 192 dated 20.03.2018.

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

- a) The working paper represents true facts of the subjected case.
- b) The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.
- c) Technical and financial evaluation of the bid submitted for the said procurement has been carried out correctly on the basis of true facts of each bid submitted by the Bidders.
- d) All legal and codal formalities have been complied with.
- f) That there is no conflict of interest of any Member/ Officer of the MEPCO.
- e) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.


vi. Approval for procurement of 30450 No. L.T Spun Hollow Poles 31' long (T/No. 193 dt: 20.03.2018).

The agenda was presented by Chief Engineer (O&M) Dist. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee informed that tender was floated to purchase the quantity of 40000 No. L.T Spun Hollow Poles 31' long with the approval of CEO MEPCO and opened on 20.03.2018. Seventeen (17) firms purchased the tenders whereas Nine (09) firms participated in the tender opening process and quoted their rates on Ex-Works basis without GST, along with offered quantity, detail as below.

Sr. No.	Name of Firm	LT Spun Hollow Poles 31' long Qty: 40000 No.	
		T/Rate (Rs.)	Off: Qty (No.)
1	M/s Potential Engg:	12450.00	4000
2	M/s Creative Engg:	12498.00	4000
3	M/s Polecrete Spun	12490.00	7000
4	M/s ZHN Contracting	11785.00	6600
5	M/s R.K Constructors	12465.00	4000
6	M/s Precast Building System	12480.00	4000
7	M/s Rajput Builders	12350.00	4850
8	M/s Amin Brothers	12458.00	4000
9	M/s ANN Global	12469.00	4000

Out of above participant firms, M/s ZHN Contracting quoted the lowest rate of Rs. 11785/- each for the quantity of 6600 No. against the tender quantity of 40000 No. Lateron, following firms offered the revised tender rates voluntarily for the supply of HT Spun Hollow Poles 36' long, detail as below:

Sr.#	Name of Firm	T/Rate (Rs.)	Off: Qty (No.)	Revised Rate
1	M/s Polecrete Spun	12490.00	7000	11785.00
2	M/s R.K Constructors	12465.00	4000	11785.00
3	M/s Precast Building System	12480.00	4000	11785.00
4	M/s Rajput Builders	12350.00	4850	11785.00
5	M/s Amin Brothers	12458.00	4000	11785.00

The offered revised tender rate is at par with the tender lowest rate of Rs.11785/- each offered by M/s ZHN Contracting in the initial tendering. Comparisons of revised tender rates of MEPCO with the latest tender / purchase rate of other DISCOs are as under: 

Name of DISCOs	Lowest T/Rate (Rs.)	MEPCO 16.11.17	HESCO 30.01.18	IESCO 25.04.17	FESCO 22.03.17	LESCO 24.11.17 T/R
LT Spun Hollow Poles 31'	11785	11790	12750	11100	11150	11900
%age Increase / Decrease	-	-0.04	-7.57	+6.17	+5.70	-0.97

The above lowest tender rate is 0.04% & 7.57% lower as compared with the purchase rates of MEPCO & HESCO. The said material is required by P.D (Const) for completion of ongoing works / projects under P.M SDGs Programme. The stock position is as follows:

Description	Requirement	Already Procured	Stock Balance	Pipeline	This Tender
LT Spun Hollow Poles 31'	99352 No.	70700	-	39700	30450

Total cost is worked out as under:

Description	Qty (No.)	Rate/Unit (Rs.)	Total	Name of firm
LT Spun Hollow Poles 31'	30450	11785.00	358853250	M/s Polecrete, M/s ZHN Contracting, M/s R.K Constructors, M/s Precast, M/s Rajput & M/s Amin Brothers.

The total cost for the procurement of 30450 No. L.T Spun Hollow Poles 31' long @ Rs. 11785/- each would be amounting to Rs.358.85 million (excluding 17% GST) from aforementioned firms. CEO also accorded approval for putting up agenda item in BOD. The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to accord its approval for proposed procurement from M/s Polecrete, M/s ZHN Contracting, M/s R.K Constructors, M/s Precast, M/s Rajput & M/s Amin Brothers.

Decision

135-BOD-R8 RESOLVED that the recommendation of the Board Procurement Committee for approval of procurement of 30450 No. L.T Spun Hollow Poles 31' long from tender lowest firms M/s Polecrete, M/s ZHN Contracting, M/s R.K Constructors, M/s Precast, M/s Rajput & M/s Amin Brothers @ Rs.11785/- each is hereby accorded. The total cost for procurement of proposed item would be amounting to Rs. 358.85 million (rupees: three hundred and fifty-eight million eight hundred fifty thousand only) excluding GST against Tender No. 193 dated 20.03.2018. The approval is based on the following confirmations by the management of MEPCO.

- The working paper represents true facts of the subjected case.
- The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.
- Technical and financial evaluation of the bid submitted for the said procurement has been carried out correctly on the basis of true facts of each bid submitted by the Bidders.
- All legal and codal formalities have been complied with.
- That there is no conflict of interest of any Member/ Officer of the MEPCO.
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

vii. Approval for procurement of 4200 No. H.T Spun Hollow Poles 45' long (T/No. 194 dt: 20.03.2018).

The agenda was presented by Chief Engineer (O&M) Dist. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was apprised that tender was floated to purchase the quantity of 6000 No. H.T Spun Hollow Poles 45' long with the approval of CEO MEPCO and opened on 20.03.2018. Seventeen (17) firms purchased the tenders whereas Eleven (11) firms participated in the tender opening process and quoted their rates on Ex-Works basis without GST, along with offered quantity, detail as below.

Sr. No.	Name of Firm	HT Spun Hollow Poles 45' (6000 No.)	
		T/Rate (Rs.)	Off: Qty (No.)
1	M/s Potential Engg:	32000.00	600

2	M/s Creative Engg:	31995.00	600
3	M/s Namco Associates	31950.00	600
4	M/s Nimbus Engg:	31992.00	600
5	M/s Polecrete Spun	31960.00	600
6	M/s EAP Unit No. 1	31982.00	600
7	M/s ZHN Contracting	31745.00	1000
8	M/s Junaid Pvt. Ltd.	31990.00	600
9	M/s Mian Brothers	31968.00	600
10	M/s Gunj Bukhsh	31977.00	600
11	M/s Amin Brothers	31200.00	600

Out of the above participant firms, M/s Amin Brothers emerged as lowest bidder by offering the rate of Rs.31200/- per pole for the quantity of 600 No. against tender quantity of 6000 No. Lateron, following firms offered the revised tender rates voluntarily for the supply of HT Spun Hollow Poles 45' long, detail as below:

Sr.#	Name of the Firm	T/Rate (Rs.)	Off: Qty (No.)	Revised Rate
1	M/s Namco Associates	31950.00	600	31200.00
2	M/s Nimbus Engg:	31992.00	600	31200.00
3	M/s Polecrete Spun	31960.00	600	31200.00
4	M/s Junaid Pvt. Ltd.	31990.00	600	31200.00
5	M/s Mian Brothers	31968.00	600	31200.00
6	M/s Gunj Bukhsh	31977.00	600	31200.00

The revised tender rate as Rs. 31200/- each for the supply of H.T Spun Hollow Poles 45' long is at par with the tender lowest rate of Rs.31200/- each offered by M/s Amin Brothers in the initial tendering.

Comparison of revised tender rates with the previous purchase rates of MEPCO is as under:

Name of Disco Description	Lowest T/Rate (Rs)	MEPCO 28.08.17	IESCO T/R 25.04.17	FESCO 09.11.16	GEPCO 11.11.16
HT Spun Hollow Poles 45'	31200.00	27500.00	29950.00	27190.00	27200.00
%age Increase / Decrease	-	+13.45	+4.17	+14.75	+14.71

The above lowest tender rate is 13.45% on higher side as compared to previous purchase rates of MEPCO & also on higher side as compared with the purchase rates of other DISCOs. The Essential items for manufacturing of PC Poles are PC Wire (High Carbon Steel Wire) & M.S Wire (5mm Dia) both are imported items & their prices are abnormally increased in International Market as well as increase in the exchange rate of US Dollar also badly affected the raw material prices. The said material is required by P.D (Const) for completion of ongoing works / projects under P.M SDGs Program. The stock position is as follows:

Description	Requirement	Already Procured	Stock Balance	Pipeline	This Tender
H.T Spun Hollow Poles 45'	9146 No.	2000	30	1270	4200

Total cost is worked out as under:

Description	Qty (No.)	Rate/Unit (Rs.)	Total	Name of firm
HT Spun Hollow Poles 45'	4200	31200.00	131040000	M/s Amin Brothers, M/s Namco Associates, M/s Polecrete Spun, M/s Junaid, M/s Mian Brothers, M/s Gunj Bukhsh & M/s Nimbus Engg:

The total cost for the procurement of 4200 No. H.T Spun Hollow Poles 45' long @ Rs. 31200/- each would be amounting to Rs.131.04 million (excluding 17% GST) from aforementioned firms. CEO also accorded approval for putting up agenda item in BOD. The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to accord its approval for proposed procurement from M/s Amin Brothers, M/s Namco Associates, M/s Polecrete Spun, M/s Junaid, M/s Mian Brothers, M/s Gunj Bukhsh & M/s Nimbus Engg:

Decision

135-BOD-R9 RESOLVED that the recommendation of the Board Procurement Committee for approval of procurement of 4200 No. H.T Spun Hollow Poles 45' long from tender lowest firms M/s Amin Brothers, M/s Namco Associates, M/s Polecrete Spun, M/s Junaid, M/s Mian Brothers, M/s Gunj Bukhsh & M/s Nimbus Engg:

@ Rs. 31200/- each is hereby accorded. The total cost for procurement of proposed item would be amounting to Rs. 131.04 million (rupees: one hundred and thirty-one million forty thousand only) excluding GST against Tender No. 194 dated 20.03.2018.

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

- The working paper represents true facts of the subjected case.
- The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.
- Technical and financial evaluation of the bid submitted for the said procurement has been carried out correctly on the basis of true facts of each bid submitted by the Bidders.
- All legal and codal formalities have been complied with.
- That there is no conflict of interest of any Member/ Officer of the MEPCO.
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

viii. Approval for procurement of 500 No. 100 KVA Distribution Transformers (T/No. 183 dt: 13.03.2018).

The agenda was presented by Chief Engineer (O&M) Dist. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee apprised that tender was opened for the procurement of 2000 No. (500x4) 100 KVA Distribution Transformers on 13.03.2018 wherein following firms participated as detail below:


Sr. No.	Name of Firm	Lot-I (500 No.)		Lot-II (500 No.)		Lot-III (500 No.)		Lot-IV (500 No.)	
		T/Rate (Rs.)	Off: Qty	T/Rate	Off: Qty	T/Rate	Off: Qty	T/Rate	Off: Qty
1	M/s Hammad Engg: Iron/Copper Losses	-		-		291233 230/1320	500	-	
2	M/s Validus Engg:	-		-		-		298600 225/1570	500

Out of the above participant firms, M/s Hammad Engg: emerged as lowest bidders on TOC basis for the full tendered quantities of Lot-III. BOD accorded its approval for the procurement of 500 No. 100 KVA Distribution Transformers from M/s Hammad Engg: for Lot-III in its 134th meeting held on 20.03.2018 vide agenda item No. 6-x. Now M/s Validus Engg: has revised their tender rate voluntarily vide their letter dated 28.03.2018 as Rs. 256408/- each instead of Rs. 298600/- each & TOC calculated as Rs. 552015.73 each for Lot-IV which is at par with the TOC of lowest tender rate in initial tendering of M/s Hammad Engg (Lot-III). The calculation of TOC is as under:

Sr. No.	TOC	Hammad Engg: Lot-III	Validus Engg: Lot-IV	Validus Engg: Revised
1	K1 x Iron losses	299.948 x 230	299.948 x 225	299.948 x 225
	=	68988.04	67488.3	67488.3
2	K2 x Copper losses	145.299x1320	145.299x1570	145.299x1570
	=	191794.68	228119.43	228119.43
3	Quoted Price	291233.00	298600.00	256408.00
	TOC (1 + 2 +3) =	552015.72	594207.73	552015.73

The requirement and stock position is as under:

Description	Requirement	Already Procured	Stock Balance	Pipeline	Proposed Qty
100 KVA Transformer	3680	1100	-	1100	500

The said material is required to meet the requirement of field formations under SDGs Program & other works / projects. Furthermore, M/s Validus has a valid prototype approval for the quoted losses and they are in position to supply the material well in time. The cost of remaining quantity is worked out as under: 

Sr.#	Description	Qty (No.)	Rate/Unit (Rs.)	Total	Name of the firm
1	100 KVA Transformers	500	256408.00	128204000	M/s Validus Engg: (Lot-IV)

The total cost for the procurement of 500 No. 100 KVA Transformers @ Rs. 256408/- each amounting to Rs. 128.204 million (excluding GST) from M/s Validus Engg. CEO also accorded approval for putting up agenda item in BOD. The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to accord its approval for proposed procurement of 500 No. 100 KVA Transformers @ Rs. 256408/- each.

Decision

135-BOD-R10 RESOLVED that the recommendation of the Board Procurement Committee for approval of the procurement of 500 No. 100 KVA Distribution Transformers from tender lowest firm M/s Validus Engg: @ Rs. 256408/- each is hereby accorded. The total cost for procurement of above item would be amounting to Rs.128.204 million (rupees:- one hundred and twenty-eight million two hundred four thousand only) excluding GST against Lot-IV of Tender No.183 dated 13.03.2018.


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

- The working paper represents true facts of the subjected case.
- The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.
- Technical and financial evaluation of the bid submitted for the said procurement has been carried out correctly on the basis of true facts of each bid submitted by the Bidders.
- All legal and codal formalities have been complied with.
- That there is no conflict of interest of any Member/ Officer of the MEPCO.
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences

ix. Approval for procurement of 110000 No. Earth Rods (T/No. 173 dt: 01.03.2018).

The Agenda was presented by the Chief Engineer (O&M) Dist. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was apprised that tender was floated to purchase the quantity of 110000 No. Earth Rods with the approval of CEO MEPCO and opened on 01.03.2018. Ten (10) firms purchased the tenders whereas Four (04) firms participated in the tender opening process and quoted their rates on Ex-Works basis without GST, along with offered quantity, detail as below.

Sr. No.	Name of Firm	Earth Rod 10mm (110000 No.)	
		T/Rate (Rs.)	Qty Off:
1	M/s Umair Industries	538.00	55000
2	M/s K.S Traders	666.00	55000
3	M/s Ajmer Engg:	545.00	55000
4	M/s Gujranwala Cables	548.00	55000

All the above participant firms are registered / prequalified with LESCO & GEPCO and they are manufacturing & supplying the said items to all the DISCOs as per WAPDA specification. The supply record, prototype approval, technical schedule & manufacturing capability of the offered goods of the firms are intact and in order. Lateron, M/s Ajmer Engg: (2nd lowest bidder in the tender) has offered the revised their tender rate voluntarily as Rs. 538/- each instead of Rs. 545/- each which is at par with the lowest tender rate in the initial tendering vide their letter No. AR/2018/68 dated 05.04.2018. Out of above participant firms, following firms emerged as lowest bidders, detail as under: 

Description	Tendered Quantity	Lowest Rate (Rs.)	Offered Quantity	Name of firm
Earth Rod 10mm	110000	538.00	55000 55000	M/s Umair Industries M/s Ajmer Engg:

Comparison of lowest tender rates with the previous purchase rates of MEPCO is as under:

Name of Disco Description	Lowest T/Rate (Rs)	MEPCO 11.10.17	HESCO 07.06.17	LESCO 09.10.17	GEPSCO 21.06.17	FESCO 08.06.17
Earth Rod 10mm	538.00	529.00	690.00	650.00	690.00	570.00
%age Increase / Decrease	-	+1.70	-22.03	-17.23	-22.03	-5.61

The lowest tender rates are 1.7% higher as compared to previous purchase rate of MEPCO whereas on lower side as compared with previous purchase rates of other DISCOs. However, keeping in view the recent upsurge in the price of raw material especially in the LME & exchange rate of US \$, the above revised rates appear reasonable. The requirement and stock position is as under:

Description	Requirement	Already Procured	Stock Balance	Pipeline	Tender Qty
Earth Rod 10mm	214658	10000	69704	10000	110000

The said material is required to meet the requirement of field formations under SDGs Programme & other works / projects. The cost of remaining quantity is worked out as under:

Sr.#	Description	Qty (No.)	Rate/Unit (Rs.)	Total	Name of the firm
1	Earth Rod 10mm	110000	538.00	59180000	M/s Umair Industries M/s Ajmer Engg:

The total cost for the procurement of 110000 No. Earth Rod 10mm @ Rs. 538/- each amounting to Rs. 59.18 million (excluding GST) from M/s Umair & M/s Ajmer Engg: CEO also accorded approval for putting up agenda item in BOD. The Committee was requested to recommend the case for Board's approval. The Board was informed that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to accord its approval for proposed procurement from M/S Umair & M/s Ajmer Engg:

Decision

135-BOD-R11 RESOLVED that the recommendation of the Board Procurement Committee for approval of procurement of 110000 No. Earth Rod 10mm from tender lowest firm M/s Umair & M/s Ajmer Engg: @ Rs. 538/- each is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 59.18 million (rupees:- fifty-nine million one hundred eighty thousand only)excluding GST against Tender No.173 dated 01.03.2018.

The approval is based on the following confirmations by the management of MEPCO

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

- The working paper represents true facts of the subjected case.
- The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.
- Technical and financial evaluation of the bid submitted for the said procurement has been carried out correctly on the basis of true facts of each bid submitted by the Bidders.
- All legal and codal formalities have been complied with.
- That there is no conflict of interest of any Member/ Officer of the MEPCO.
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

x. Approval for one year extension in Engineering / Consultancy contract agreement with M/s Babqaab Consulting Services (Pvt.) Limited for SAP / deposit work & rural electrification project.

The agenda was presented by the General Manager (OP). The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was apprised that the MEPCO BOD in its 121st meeting approved vide agenda No. xvii the contract agreement between MEPCO and M/S Barqaab Consulting Services initially for one year w.e. from 27-04-2017 to 26-04-2018. The said agreement is going to be expired on 26-04-2018. The current rate of 0.4135 % of the project cost being most economical as compared to the previous rate i.e. 1.6 % of the project cost. The Board was informed that Procurement Committee of the Board has recommended this case for Board's consideration and approval with the instructions to present the case to the Board along with the clarification regarding the duration of the period of extension of the contract in the light of PPRA and Departmental Rules. PPRA rules 2004 as well as guidelines for procurement of consultancy services 2011 were studied and found silent regarding period of extension of any already enforced agreement. Clause 16.1 of special conditions of the existing contract agreement speaks "The contract period for the services shall be initially for one year subject to extension if so required by the client. In order to maintain standard / quality of work and to complete the whole process of capitalization of works of huge amount to the tune of Rs.8722 Million pertaining to 10919 works. The Board was requested to consider the matter.

Decision

135-BOD-R12 RESOLVED that the recommendation of the Board Procurement Committee for the extension of existing consultancy agreement between MEPCO & M/s Barqaab Consulting Services (Pvt.) Limited for another period of one year i.e. 27.04.2018 to 26.04.2019 on the same terms & conditions in the best interest of MEPCO is hereby accorded.

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

- a) The working paper represents true facts of the subjected case.
- b) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.
- c) The performance of the contractor was satisfactory in all areas during the last tenure.
- d) The duration of extension of the period is in line with the terms and conditions of the Contract Agreement.

Direction

135-BOD-D7 The Board directed the management to prepare a list of all consultants which are being engaged against different projects and present the same to the Board for its consideration.

135-BOD-D8 The Board directed the management to present the case of extension of any ongoing contract at least one month before its expiry.

xi. Approval to maintain separate priority list of new connections on self-purchased transformer.

The Agenda was presented by the Chief Engineer/ CS Director. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was apprised that XEN M&T MEPCO Muzaffargarh submitted following points for consideration vide his No.11178-80 dated 06.02.2018. The efficiency of all field offices is not mutually synchronized in accordance to the priority list of Circle office regarding installation of new connections. MEPCO is providing transformer upto capacity of 200-KVA transformer through departmental purchase which is very slow while transformer of 400-KVA and 630-KVA are allowed for self-purchase, resulting earlier availability of material. Hence the consumer of self-purchase stress to energize the connection

being formality completed, prior to their turn as per mixed priority list. SE (Op) MEPCO Circle Muzaffargarh has requested vide his letter No.18417-20 dated 15.02.2018 to prepare/maintain separate priority list of new connection where transformer is self purchased 400-KVA & 630-KVA) for all categories of tariff. The Committee was requested to recommend the case for Board's approval. The Board was informed that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Board was requested to accord its approval for allowing preparing & maintaining separate priority lists of all type of new connections where transformer is self-purchased & installation of connection accordingly.

Decision

135-BOD-R13 RESOLVED that the recommendations of the Board Procurement Committee for allowing preparing & maintaining separate priority lists of all type of new connections where transformer is self-purchased & installation of connection accordingly is hereby accorded.

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

- a) The working paper represents true facts of the subjected case.
- b) All legal and codal formalities have been complied with.
- c) That there is no conflict of interest of any Member/ Officer of the MEPCO.
- d) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

Direction

✓ **135-BOD-D9** The Board directed the management to place the list on Company's website in order to ensure transparency.

✓ **135-BOD-D10** The Board instructed the management to make a correspondence to customers of all pending industrial connections informing them about the new approved policy, so that they can also benefit from the policy.

✓ **135-BOD-D11** The Board directed the management to place the new initiatives being taken by the Company on Company's website in order to ensure transparency.

xii. Approval for payment against Agreement signed between MEPCO & PITC regarding services to be provided for establishment & operation of Customer Complaint Management System.

The Agenda was presented by the Chief Engineer /CS Director. The Board was apprised that the case was presented to the Procurement Committee in its meeting held on 11.04.2018. The Committee was informed that as per instructions of Ministry as well as M.D PEPCO, PITC is establishing a centralized Customer Complaint Management System (CCMS) for all DISCOs. The Service Level Agreement (SLA) for above services signed by all DISCOs (including MEPCO) with PITC. A copy of agreement duly signed by CEOs, PITC, Lahore and MEPCO is placed below. As per agreement clause 11.1 "Advance Payment" an amount of Rs.10 Million (out of Capex) is to be paid in advance and Opex will be Rs.1.19 per consumer per month under clause 11.2 a (iii) up to 0.5 million SMS / month. Complaint handling above 0.5 Million SMS per month & bulk SMS will be charged @ Rs.0.15 + Tax per SMS (clause 3.5.4. & 3.5.5 of agreement refers)." The Committee was requested to recommend the case for Board's approval. The Board was apprised that Procurement Committee of the Board had desired a presentation to the Board from the representative of PITC for establishment & operation of proposed Customer Complaint Management System before proceeding in this matter. The representative of PITC gave a detailed presentation about working implementation status of the system. After due deliberation the Board resolved/directed as follows.

Decision

135-BOD-R14 RESOLVED that the recommendations of the Board Procurement Committee for approval for payment of Rs.10 Million Capex in advance and Opex Rs.1.19 per consumer per month (upto 0.5 million SMS / month) and Rs.0.15 + Tax per SMS for

complaint handling above 0.5 Million SMS per month and bulk SMS to PITC for establishment and operation of centralized CCMS is hereby accorded. The approval is based on the following confirmations by the management of MEPCO.

- a) The working paper represents true facts of the subjected case
- b) The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.
- c) All legal and codal formalities have been complied with.
- d) That there is no conflict of interest of any Member/ Officer of the MEPCO.
- e) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

Direction

✓ **135-BOD-D12** The Board directed the Add DG (IS) to ensure that all of 174 sub divisions of MEPCO are hooked up with the Customer Complaint Management System of PITC. The authenticity of the working of the system should be ensured by generating complaints from reference number of all of the 174 subdivisions on trail basis for every day of week and a report should be prepared and submitted to the Board for its consideration.

✓ **135-BOD-D13** The Board directed the Finance Director to suggest a mechanism/solution for recovery of the Capex being paid to PITC in advance.

xiii. Approval of tentative procurement plan for F.Y. 2018-19 for procurement of Grid Station & Transmission Line Material required by GSC and GSO formations under MEPCO's own Resources.

The agenda was presented by Chief Engineer (Dev) PMU. The Board was intimated that the case was presented to the Procurement Committee in its meeting held on 11.04.2018 .The Committee was apprised that GSC & GSO formations have forwarded the requirement of material for F.Y. 2018-19 for completion of various ongoing, new projects and maintenance in MEPCO's jurisdiction under MEPCO's own resources. The present stock of own resources material as well as under procurement is not sufficient to cater the demand of GSC for ongoing works as well as new projects and GSOs demand for the maintenance of the Grid System Operation. This required material is needed to be procured / purchased by floating NCB tenders. The detail of material required to be purchased /procured for completion of these works. The cost of required procurement is estimated to be Rs. 2,540 Million (Approx.) having detail as under:-

- i. Estimated cost of Grid Station Material to be procured = Rs. 1,616 M
 - ii. Estimated Cost of T/Line material to be procured = Rs. 924 M
- Total Estimated Cost = Rs. 2,540 M

The detail of major equipments to be procured is as under:-

Sr. No.	Description	Qty. (No.)	Est. Cost PKR (in Mln)	Last year Procurement (Qty.)	Difference (Qty.)
1	31.5/40MVA Power Transformer	10	465	25	-15
2	132KV Bus Isolator	45	33	28	17
3	132KV Line Isolator	18	15	4	14
4	132KV Lightening Arrestors	97	21	54	43
5	Control Panel CP-30	43	18	23	20
6	Control Panel CP-50	37	13	25	12
7	Relay Panel RP-3	43	37	26	11
8	Relay Panel RP-4	37	33	32	5
9	Capacitor Unit Structure	68	15	114	-46
10	Power Cable	38	39	35	3
11	132KV Tower ZM-I	309	171	715	-406
12	132KV Tower ZM-30	50	43	202	-152

13	132KV Tower ZM-60	35	39	110	-75
15	ACSR Lynx Conductor	541-Km	127	321-Km	220
16	Disc Insulators	121, 000	360	55,783	65,217
17	Steel Tubular Poles	15	3	40	-25

Procurement is being carried out on the demand of GSO formation for GSO maintenance and requirement of Project Director (GSC) MEPCO for ongoing works and following new projects of Grid Stations and Transmission Lines.

- ❖ **New Grid Stations** = 07-No.
- ❖ **Extension works** = 02-No.
- ❖ **Augmentation works** = 03-No.
- ❖ **Conversion works** = 02-No.
- ❖ **New Transmission Lines** = 96-Km.

The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Committee was requested to recommended the case to the Board for its approval for procurement plan for F.Y. 2018-19 for procurement of Grid Station and Transmission Line Material required by GSC & GSO formations under MEPCO's own resources amounting to Rs. 2,540 Million (Approx.) through NCB tenders and approval of budget of same amount for said procurement.

Direction

135-BOD-D14 The Board directed the management to prepare a consolidated rationalized Procurement Plan after consultation with the lower formations by giving consideration to Company's future expansion and rehabilitation plans. The Plan should clearly indicate that expected improvement in performance of the Company after implementation of the proposed Procurement Plan. Furthermore, the management should prepare minimum level inventory of each item that should always be available in stores.

xiv. Approval for procurement of 11KV Capacitor Units 200KVAR Finance Under MEPCO's own resources against Tender No. PMU-MEPCO-112-2018 opened on 08.02.2018 – issuance of LOI / P.O. in favour of M/s Khawaja Electronics, Lahore amounting to Rs. 126,717,500/-

The agenda was presented by Chief Engineer (Dev) PMU. The Board was intimated that the case was presented to the Procurement Committee in its meeting held on 11.04.2018 .The Committee was apprised that tender No. PMU-MEPCO-63-2017 (Lot-VII) was floated for procurement of 3250-No. 11KV Capacitor Units 200KVAR under MEPCO's own resources against requirement of GSO formation. Tender was opened on 11.07.2017. Bids were sent to MEPCO Evaluation Committee for evaluation. MEPCO Evaluation Committee recommended for re-tendering due to non-responsiveness of participated bidders. After approval of Chief Executive Officer MEPCO the lot of 11KV Capacitor Units 200KVAR was re-tendered and tender No. PMU-MEPCO-112-2018 was floated for procurement of following material from MEPCO's own resources against requirement of GSO formation. The tender was opened on 08.02.2018 by standing tender opening committee constituted vide office order No.4433-38 dated 25.06.2009.

Sr. No.	Description	Qty. (No.)
1	11KV Capacitor Fuse Link 100KVAR	47
2	11KV Capacitor Units 200KVAR	3250
3	11KV Capacitor Units 100KVAR	25

Three (3) firms participated in the bidding process detailed as under:-

Sr. No	Description of Material	Qty. (No.)	M/s Khawja Electronics		M/s Elmetec		M/s Siddique Sons	
			Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	11KV Capacitor Fuse Link 100KVAR	47	-Not Quoted-					
2	11KV Capacitor	3250	38,990	126,717,500	37,350	121,387,500	41,000	133,250,000

	Units 200KVAR					
	%age Ranking for 200KVAR		104%	100%		109.7%
3	11KV Capacitor Units 100KVAR	25	-Not Quoted-	71,000	1,775,000	-Not Quoted-

As per clause 21.3 Section –II of Bid document, domestic Price Preference is allowed to the local bidder. M/s Khawaja Electronics also demanded 25% price preference as per SRO 827(I)/200.

Detail of 11KV Capacitor Units 200 KVAR quoted rates with price preference:-

Sr. No.	Name of Bidder	Total Bid Price	25% Domestic Preference Loading	Evaluated Price	%age Ranking
1	M/s Khawaja Electronics	126,717,500	--	126,717,500	100.0
2	M/s Elmetec	121,387,500	30,346,875	151,734,375	119.7
3	M/s Siddique Sons	133,250,000	33,312,500	166,562,500	131.4

The bids were forwarded to MEPCO Evaluation Committee for evaluation vide letter No. 6073-78 dated 13.02.2018. Evaluation Report was received vide letter No. 7147-51 dated 19.03.2018. MEPCO Evaluation Committee declared M/s Khawaja Electronics, Lahore has been evaluated as lowest substantially responsive bidder for 200KVAR capacitor units and consideration may be given to the said bidder for award of contract for amounting to Rs. 126,717,500 subject to reasonability of price and M/s Elmetec, Lahore is the only participated bidder for 100KVAR capacitors and has been evaluated as non-responsive bidder. The only available way to access the reasonability of the price is to compare the quoted rates with Other DISCOs previous purchase rates. The rate offered by the lowest evaluated responsive bidder compared with other DISCO (F/C) is given as under:-

Item Description	Qty. (No.)	Quoted Per Unit Rate (PKR)	FESCO Per Unit Rate (PKR)	HESCO Per Unit Rate (PKR)	GEPCO Per Unit Rate (PKR)
11KV Capacitor Units 200KVAR	3250	38,990 dt 08.02.2018	40,000 dt. 22.01.15	42,500 dt 07.08.17	43,000 dt: 12.01.17

From the above rate comparison with MEPCO and other DISCOs previous purchase rates, it is obvious that the rates offered by the firm in current MEPCO tender are reasonable and acceptable. The approval for procurement amounting to Rs. 126,717,500/- (Pak Rupees; One Hundred Twenty Six Million, Seven Hundred Seventeen Thousand and Five Hundred only) falls under the competency of MEPCO BOD as per NTDC Book of Financial Power-2007 Section-IV Clause - 4.2, for placing LOI / P.O. in favor of M/s Khawaja Electronics (Pvt) Ltd., Lahore amounting to PKR 126,717,500/- being lowest evaluated responsive bidder in national competitive bidding. The Board was apprised that Procurement Committee of the Board has recommended this case for Board's consideration and approval. The Committee was requested to recommend the case to the Board for its approval for issuance of LOI/P.O in favor of M/s Khawaja Electronics, Lahore amounting to Rs. 126,717,500/- (Excluding GST & SED) for procurement of material / equipment mention above being lowest evaluated responsive bidder in National Competitive Bidding.

Decision

135-BOD-R15 RESOLVED that the recommendation of the Board Procurement Committee for approval of issuance of LOI/P.O in favor of M/s Khawaja Electronics, Lahore amounting to Rs. 126,717,500/- (rupees: one hundred and twenty-six million seven hundred seventeen thousand five hundred only) Excluding GST & SED for procurement of material/equipment is hereby accorded.


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

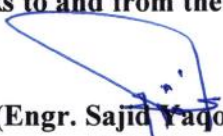
- The working paper represents true facts of the subjected case
- The Rules and procedures as laid down in PPRA Rules for such procurement have been duly complied with and adopted by the MEPCO.

- c) Technical and financial evaluation of the bid submitted for the case has been carried out correctly on the basis of true facts of each bid submitted by the bidders
- d) All legal and codal formalities have been complied with.
- e) That there is no conflict of interest of any Member/ Officer of the MEPCO.
- f) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

Being no other Agenda Item, the Meeting ended with vote of thanks to and from the Chair.

Approved


Chairman
MEPCO Board of Directors


(Engr. Sajid Yaqoob)
Company Secretary MEPCO